FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED DEFAULT FACILITY AGREEMENT

THIS AGREEMENT is made as of the [■]st day of July, 2017.

B E T W E E N:

THE TORONTO-DOMINION BANK, a Canadian chartered bank, as administrative agent
(the "**Agent**")

\- and -

THE FINANCIAL INSTITUTIONS PARTY HERETO, as lenders
(the "**Lenders**")

\- and -

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a not-for-profit corporation without share capital duly organized and continued under Part II of the *Electricity Act*, 1998 of Ontario, as borrower
(the "**Borrower**")

RECITALS:

A. The Agent, the Lenders and the Borrower have entered into an amended and restated default facility credit agreement dated as of April 30, 2009, as amended by the First Amendment dated April 13, 2010, the Second Amendment dated December 30, 2010, the Third Amendment dated March 31, 2011, the Fourth Amendment dated October 3, 2011, and the Fifth Amendment dated March 20, 2013 (the "**Original Credit Agreement**") pursuant to which the Lenders have provided certain credit facilities to the Borrower.

B. The Original Credit Agreement was amended and restated pursuant to the second amended and restated default facility agreement dated April 28, 2017 (the "**Credit Agreement**") between, among others, the Agent, the Lenders and the Borrower.

C. The Borrower wishes to make certain amendments to the Credit Agreement and the Lenders have agreed to make such amendments on the terms and conditions provided herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, all capitalized terms not defined herein have the meanings attributed to such terms in the Credit Agreement.

1.2 Headings, etc.

The inclusion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.3 Governing Law

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

ARTICLE 2
AMENDMENTS

2.1 Amendment to Credit Agreement

2.1.1 Section 1.1 of the Credit Agreement is hereby amended:

(a) by deleting section 1.1.71.4 of the definition of "**Permitted Debt**" and replacing it with the following:

1.1.71.4 the unsecured indebtedness in the amount of Cdn$475,000,000 owed by the Borrower, as successor to Ontario Power Authority, to Ontario Financing Authority pursuant to a credit agreement dated January 1, 2005, as amended pursuant to the amending agreements dated February 14. 2005 (titled, Amending Agreement), October, 11, 2005 (titled, Amending Agreement No.3), September 27, 2006 (titled, Amending Agreement No.4), July 13, 2007 (titled, Amending Agreement No.5), November 9, 2010 (titled, Amending Agreement No.6), December 20, 2013 (titled, Amending Agreement No.7), December 19, 2014 (titled, Amending Agreement No.8) and November 30, 2016 (titled, Amending Agreement No. 9), as such agreement may be further amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time provided that the amount of such refinancing does not exceed Cdn.$475,000,000;

(b) by adding the following new section 1.1.71.7 to the definition of "**Permitted Debt**":

1.1.71.7 the unsecured indebtedness in the amount of Cdn$2,000,000,000 owed by the Borrower to the Ontario Financing Authority pursuant to a credit agreement dated [■], 2017 as such agreement may be further amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time;

ARTICLE 3
CONDITIONS PRECEDENT

3.1 Conditions of Effectiveness

The effectiveness of this Agreement and the amendments provided herein are subject to satisfaction of the following conditions precedent (all of which are for the sole benefit of the Agent and the Lenders and may be waived in whole or in part by the Agent in its sole discretion):

3.1.1 receipt by the Agent of a copy of this Agreement duly executed and delivered by all parties hereto;

3.1.2 delivery to the Agent of an Officer's Certificate in respect of the Borrower certifying that:

3.1.2.1 the articles, by laws, constating documents or other organizational documents of the Borrower have not been amended or otherwise modified since April 28, 2017;

3.1.2.2 attached thereto are true and correct copies of the resolutions or other documentation evidencing that all necessary action (if any), corporate or otherwise, has been taken by the Borrower to authorize the execution, delivery and performance of this Agreement and any related agreements;

3.1.2.3 attached thereto is a true and correct copy of a certificate of incumbency including sample signatures of officers and directors in respect of the Borrower;

3.1.2.4 the representations and warranties contained in Section 6.1 of the Credit Agreement are true and correct as of the date hereof; and

3.1.2.5 no Default or Event of Default has occurred and is continuing.

ARTICLE 4
GENERAL

4.1 Credit Agreement in Full Force and Effect

Except as otherwise provided herein, the Credit Agreement shall remain in full force and effect.

4.2 References to Credit Agreement

Each reference to the Credit Agreement in the Credit Agreement or any other document shall be deemed to be a reference to the Credit Agreement.

4.3 Borrower's Representations and Warranties

The Borrower represents and warrants that the representation and warranties contained in Section 6.1 of the Credit Agreement continue to be true and correct as if made on and as of the date hereof except to the extent that such representations and warranties relate specifically to an earlier date, and except as modified by this Agreement.

4.4 No Default

No Default or Event of Default shall have occurred and be continuing nor shall it be reasonably anticipated that there will be any Default or Event of Default.

4.5 Counterparts

This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

(Remainder of this page intentionally left blank)

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date first written above.

THE TORONTO-DOMINION BANK, as the Agent

By:______________________________________

By:______________________________________

THE TORONTO-DOMINION BANK, as the Lender

By:______________________________________

By:______________________________________

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, as the Borrower

By:______________________________________

By:______________________________________