AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the (·) day of ~~(·)~~,July, 2017

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BETWEEN:

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

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**~~"), pursuant to which the OFA agreed to provide a revolving operating facility to the OPA in the principal amount of up to CDN $500,000,000, and the OPA issued a grid note dated January 11, 2005 to the OFA for a principal amount of up to CDN $500,000,000;~~");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator", and the obligations of the OPA became obligations of the amalgamated corporation;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, 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~~), the OPA and~~"), the OFA and OPA or IESO (as applicable) amended the Original Agreement (as so amended, the "**Credit Agreement",** the terms defined therein being used herein as therein defined);

~~**AND WHEREAS** pursuant to Amending Agreement No. 3, the OPA and the OFA agreed to increase the operating facility to a principal amount of up to $975,000,000 and the OPA issued a grid note dated October 11, 2005 to the OFA for a principal amount of up to CDN $975,000,000, which was later replaced by a grid note for up to the same principal amount dated November 30, 2016.;~~

~~**AND WHEREAS** effective January 1, 2015, the OPA and the Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the Electricity Act, 1998 (the "Amalgamation") with the name Independent Electricity System Operator;~~

~~**AND WHEREAS** under the Amalgamation the obligations of the OPA became obligations of the amalgamated corporation;~~

~~**AND WHEREAS** as of the date hereof the total principal amount of advances outstanding under the operating facility is $114,383,131.40~~

AND WHEREAS the IESO and the OFA have now agreed to: (i) decrease the total principal amount of the operating facility from $975,000,000 to a total principal amount of up to $475,000,000; and (ii) to update the uses which IESO may make of the funds drawn under the facility;

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

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

1. The definition of "Commitment" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting ~~" $"~~"$475,000,000" therefor.

2. On the date of this Amending Agreement ~~and prior to any further advances under the Credit Agreement~~, the IESO ~~shall execute~~has executed and ~~deliver~~delivered to the OFA (and included it in Schedule 1 to this Amending Agreement) a new grid promissory note in the principal amount of up to $475,000,000 ~~substantially in the form of the grid~~ , which note ~~attached hereto and indicating a~~ indicates the total principal amount of advances outstanding ~~to~~as of the date ~~of $114,383,131.40~~ hereof.

Commented [A1]: This is correct as of July 4 2017. Likely to change by mid-July.

3. ~~Upon receipt of~~In exchange for the ~~new~~ grid promissory note delivered hereunder, the OFA ~~will cancel~~has cancelled and ~~return~~returned the grid promissory note dated November 30, 2016 to the IESO.

4. Delete Section 2.3 "Use of Proceeds" of the Credit Agreement and replace it as follows:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time."

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

[*signature page follows*]

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IN WITNESS WHEREOF the parties hereto have executed and delivered this Amending Agreement No. 10 as of the date first above written.

ONTARIO FINANCING AUTHORITY	**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**
Per: ______________________	Per: ______________________
Name: Michael D. Manning	Name: Kimberly Marshall
Title: Executive Director Capital Markets Division	Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer
I have authority to bind the corporation.	I have authority to bind the corporation.

SCHEDULE ~~3~~1 TO AMENDING AGREEMENT NO. 10

~~SCHEDULE 3~~EXECUTED GRIDNOTE

MT DOCS 14791871

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

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

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

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

IN WITNESS WHEREOF the IESO has executed this Note.

INDEPENDENT ELECTRICTY SYSTEM OPERARTOR

By:________________________________

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By: ______________________________

Kimberly Marshall, Vice President,
Corporate Services; Chief Financial Officer; Treasurer

[NTD – TO BE UPDATED AT EXECUTION]

Ontario Financing Authority

Line of Credit Grid Note

Entity : Independent Electricity System Operator

Loan Limit: 475,000,000.00

Project: Regulated Price Plan Variance

Schedule of loan trans 21-Jul-2017

Loan Advanced to: 20-Jun-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
20-Jan-2017	$116,306,121.93	0.8100%	21-Feb-2017	32	$82,593.28	$6,005,205.45	$5,922,612.17	$82,593.28	21-Feb-2017	32
21-Feb-2017	$110,383,509.76	0.8200%	21-Mar-2017	28	$69,435.76	$29,244,186.90	$29,174,751.14	$69,435.76	21-Mar-2017	28
21-Mar-2017	$81,208,758.62	0.8100%	24-Apr-2017	34	$61,273.68	$66,756,693.44	$66,695,419.76	$61,273.68	24-Apr-2017	34
24-Apr-2017	$14,513,338.86	0.8000%	23-May-2017	29	$9,224.92	$14,522,563.78	$14,513,338.86	$9,224.92	23-May-2017	29
20-Jun-2017	$109,986,030.30	0.7900%	21-Jul-2017	31	73,796.11	$0.00	$0.00	$0.00	21-Jul-2017	31

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan trans 20-Jun-2017

Loan Advanced to: 20-Jun-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
18-May-2017	$1,193,999.75	0.7800%	20-Jun-2017	33	$842.02	$842.02	$0.00	$842.02	20-Jun-2017	33
20-Jun-2017	$4,397,101.10	0.7900%	21-Jul-2017	31	2,950.27	$0.00	$0.00	$0.00	21-Jul-2017	31

Total Principal Advanced	$114,383,131.40