

SECURITY AGREEMENT

THIS AGREEMENT made as of the ____ day of December, 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital established by the *Electricity Act, 1998*, SO, 1998,

(hereinafter referred to as the “**Grantor**”),

IN FAVOUR OF:—

[FINANCING ENTITY], a trust formed under the laws of the Province of Ontario,

(hereinafter referred to as the “**Secured Party**”),

~~**ACKNOWLEDGED AND ACCEPTED BY:**~~

~~**[INDENTURE TRUSTEE]**, a trust company existing under the laws of Canada and duly authorized to carry on the business of a trust company in all of the provinces and territories of Canada, as indenture trustee,~~

~~(hereinafter referred to as the “**Indenture Trustee**”).~~

WHEREAS under Regulation 206/17 made under the *Ontario Fair Hydro Plan Act, 2017* (the “**Regulation**”), the Grantor is required to pay and remit to the Secured Party any amounts charged to the Grantor by the Secured Party in respect of the Carrying Costs of the Secured Party during the period beginning on April 1, 2017 and ending on June 30, 2021 (the “**Statutory Obligation**”);

AND WHEREAS the Grantor (together with the Secured Party, collectively referred to as the “**Parties**”) has agreed to enter into a security agreement in favour of the Secured Party as security for, ~~inter alia~~, the performance to secure payment of the Statutory Obligation;

~~**AND WHEREAS** this Agreement has been assigned by the Secured Party, by way of security, to the Indenture Trustee and the Indenture Trustee wishes to acknowledge and accept the terms of this Agreement;~~

NOW THEREFORE THIS AGREEMENT WITNESSES that, for and in consideration of the premises, mutual covenants and conditions herein contained and such other lawful and valuable consideration the receipt of sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless there is something in the context or subject matter inconsistent therewith,

- (a) **"Account"** shall have the meaning attributed to such term in the PPSA;
- ~~(b) "Appropriation" shall have the meaning ascribed to such term in the *Financial Administration Act*, R.S.O. 1990, c. F-12, as amended;~~
- ~~(c) "Breach" shall have the meaning attributed to such term in Section 6.1;~~
- (b) ~~(d)~~ **"Business Day"** means any day other than a Saturday or a Sunday on which banks generally are open for business in Toronto, Ontario;
- (c) ~~(e)~~ **"Carrying Costs"** shall have the meaning attributed to such term in the Regulation;
- (d) ~~(f)~~ **"Collateral"** shall have the meaning attributed to such term in Section 2.1;
- ~~(g) "Excluded Accounts" means all amounts payable to the Grantor pursuant to Appropriations;~~
- (e) **"Electricity Vendor"** shall mean a licensed distributor and a licensed retailer, each as defined in the Ontario Fair Hydro Act.
- (f) ~~(h)~~ **"Money"** shall have the meaning attributed to such term in the PPSA;
- (g) ~~(i)~~ **"Permitted Liens"** means liens approved in writing by the Secured Party ~~and the Indenture Trustee;~~
- (h) ~~(j)~~ **"PPSA"** means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto;
- (i) ~~(k)~~ **"Proceeds"** ~~shall have the meaning attributed to such term~~ means "proceeds", as defined in the PPSA, of the Collateral;
- (j) ~~(l)~~ **"Receiver"** shall have the meaning attributed to such term in Section 6.2 of this Agreement;
- (k) ~~(m)~~ **"Regulation"** shall have the meaning attributed to such term in the recitals hereto;
- (l) ~~(n)~~ **"Statutory Obligation"** shall have the meaning attributed to such term in the recitals hereto.

1.2 Other Usages

References to “this Agreement”, “hereof”, “herein”, “hereto” and like references refer to this Security Agreement and not to any particular Article, Section or other subdivision of this Agreement.

1.3 Plural and Singular

Where the context so requires, the words importing the singular number shall include the plural and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Applicable Law

This Agreement and all documents delivered pursuant hereto shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Parties do hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.6 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.7 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.8 Recitals and Schedules

Each and every one of the recitals and schedules which are referred to in this Agreement and attached to this Agreement shall form an integral part of this Agreement.

2. SECURITY INTEREST

2.1 Grant of Security Interest

As general and continuing security for the payment and performance of the Statutory Obligation, the Grantor hereby assigns, transfers, sets over and grants a first priority security interest to the Secured Party in the following (collectively, the “**Collateral**”):

- (a) ~~all Accounts, debts, choses in action and demands of every nature and kind, which are now due, owing or accruing or growing due to or owned by, or which may hereafter become due, owing or accruing or growing due, to or owned by the Grantor, excluding Excluded Accounts by an Electricity Vendor;~~
- (b) ~~all deeds, documents, writings, papers and books relating to or being records of the property described in Section 2.1(a); and~~
- (b) ~~(c)~~ all Proceeds and renewals of the foregoing, in whatever form, together with all substitutions therefore.

Whenever used elsewhere in this Agreement, the expression “**security interest**” refers to the security interest created in this Section 2.1.

2.2 Attachment of Security Interest

The Grantor acknowledges and agrees that (i) value has been given, (ii) the Grantor has rights in such of the Collateral as constitutes present property of the Grantor, and (iii) the security interest shall attach to existing Collateral upon execution of this Agreement by the Grantor and to each item of after-acquired Collateral at the time that the Grantor acquires any rights therein.

3. COVENANTS OF THE GRANTOR

3.1 Covenants

The Grantor hereby covenants and agrees with the Secured Party as follows:

- (a) ~~Not to pay any other obligations of the Grantor at any time when its Statutory Obligation to pay Carrying Costs is in arrears, except to the extent that such other obligations are satisfied from amounts payable to the Grantor pursuant to Appropriations.~~
- (a) (b) ~~To promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral.~~
- (b) ~~(c)~~ ~~To defend the Collateral against the claims and demands of all other persons claiming the same or an interest therein and to promptly notify the Secured Party of any such claim or demand.~~
- (d) ~~To deliver to the Secured Party such information concerning the Collateral or the Grantor as the Secured Party may reasonably request from time to time.~~
- (c) ~~(e)~~ ~~To do, make, execute and deliver such further and other assignments, transfers, deeds, agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party the security interest intended to be created hereby and to accomplish the intention of this Agreement.~~

3.2 Performance of Covenants by the Secured Party

The Secured Party may, in its sole discretion and upon notice to and at the expense of the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform and that the Secured Party is capable of performing, provided that the Secured Party will not be obligated to perform any such covenant on behalf of the Grantor and no such performance by the Secured Party will require the Secured Party further to perform the Grantor's covenants nor operate as a derogation of the rights and remedies of the Secured Party under this Agreement.

4. DEALING WITH COLLATERAL

4.1 Grantor's Rights before Breach

~~Until the occurrence of a Breach and subject to the terms hereof,~~ Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor shall be entitled to deal with the Collateral in the ordinary course of business, provided however, that no such action shall be taken which would impair the effectiveness of the security interests created hereby ~~or the value of the Collateral or which would be inconsistent with or violate the Regulation~~, the provisions of this Agreement or any other written agreement between the Secured Party and the Grantor.

4.2 General Restrictions

The Grantor shall not, without the prior written consent of the Secured Party:

- (a) sell, lease or otherwise dispose of the Collateral or any part thereof except in the ordinary course of business; or
- ~~(b) release, surrender or abandon possession of the Collateral or any part thereof; or~~
- (b) ~~(c)~~ enter into or grant, create, assume or suffer to exist any mortgage, charge, hypothec, assignment, pledge, lien or other security interest or encumbrance affecting any of the Collateral except the Permitted Liens.

4.3 Release by the Secured Party

The Secured Party may, at its discretion ~~but subject to the written approval of the Indenture Trustee~~, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Statutory Obligation either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Grantor hereby represents and warrants to the Secured Party, the matters set out below:

- (a) **Incorporation and Qualifications** – The Grantor is a statutory corporation amalgamated under the laws of the Province of Ontario, with requisite power and

authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to execute, deliver and carry out the terms of this Agreement.

- (b) **Corporate Authority and Power** – The Grantor has the requisite power and authority to execute and deliver this Agreement and to carry out its terms. The execution, delivery and performance of all obligations under this Agreement have been duly authorized by all necessary action on the part of the Grantor under all applicable laws.
- ~~(c) **No Other Business Names or Styles** – The Grantor does not carry on business under or use any name or style other than the name(s) specified in Schedule A to this Agreement including:~~
- (c) ~~(d)~~ **Non-Conflict** – Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over the Grantor nor is this Agreement in contravention of or in conflict with the by-laws or resolutions of the directors or shareholders of the Grantor or of the provisions of any agreement to which the Grantor is a party or by which any of its property may be bound or of any statute, regulation, by-law, ordinance or other law, or to the best of its knowledge of any judgement, decree, award, ruling or order to which the Grantor or any of its property may be subject, other than approvals that have been obtained.
- (d) ~~(e)~~ **Ownership of Collateral Free of Liens** – The Grantor is the owner of or has rights in the existing Collateral free and clear of any liens other than Permitted Liens.
- (e) ~~(f)~~ **Grantor Information** – Schedule A sets forth (a) the Grantor’s jurisdiction of incorporation, (b) the location of the Grantor’s registered office and business operations and records, and (c) the Grantor’s exact legal name (in English and French).
- (f) ~~(g)~~ **Enforceability** – This Agreement constitutes a valid and legally binding obligation of the Grantor enforceable against it in accordance with its terms, subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

5.2 Reliance and Survival

All representations and warranties of the Grantor made in this Agreement ~~or in any certificate or other document delivered by or on behalf of the Grantor to or for the benefit of the Secured Party~~ are material, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

6. ~~BREACH AND ENFORCEMENT~~

6.1 Enforceability of Security

~~The security hereby constituted shall become enforceable upon the occurrence of any of the following events each of which shall constitute a “Breach” only upon the failure of the Grantor to pay the Statutory Obligations when due, and then only to the extent of the Statutory Obligations not then paid when due. The Grantor acknowledges that it has no right in any circumstance to accelerate payment of the Statutory Obligations, to apply proceeds of Collateral on account of Statutory Obligations not yet due, or to reserve or hold proceeds of Collateral on account of Statutory Obligations not yet due.~~

- ~~(a) — the Grantor is in breach of the Statutory Obligation;~~
- ~~(b) — any representation or warranty made or deemed made by or on behalf of the Grantor to the Secured Party under or in connection with this Agreement shall be materially false on the date as of which made; or~~
- ~~(c) — any breach by the Grantor of any of the covenants, terms or provisions of Article 3 of this Agreement.~~

6.2 Remedies

~~At any time after the happening of any Breach that the security hereby constituted shall have become enforceable, the Secured Party may give notice of its intention to its exercise rights and remedies hereunder. At any time ten Business Days following the giving of such notice, and unless the amounts due and owing on account of the carrying Costs at the time of the Notice have been paid, the Secured Party shall have the following rights, powers and remedies:~~

- (a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the “**Receiver**”) of the Collateral and to remove any Receiver so appointed and to appoint another if the Secured Party so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Secured Party hereunder;
- (b) to make payments to parties having prior charges or encumbrances on the Collateral;
- (c) to preserve, protect and maintain the Collateral;
- (d) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement;
- (e) to sell or dispose of all or any part of the Collateral whether by public or private sale or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including without limitation, terms that provide time for payment on credit;

- (f) to enjoy and exercise in respect of the Collateral all of the rights and remedies of a secured party under the PPSA;
- (g) to notify the account debtors or obligors under any Accounts ~~(other than Excluded Accounts)~~ which constitute part of the Collateral of the assignment of such Accounts to the Secured Party and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Secured Party and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Grantor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done; and
- (h) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Secured Party, the Receiver or the Grantor for the purpose of exercising any of the rights, powers and remedies set out in this Section, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral.

6.3 Special Rules re Accounts

~~After the security hereby constituted becomes enforceable,~~

At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2,

- (a) all Money or other form of payment received by the Grantor in respect of ~~all of its Accounts~~ the Collateral shall be received in trust for the benefit of the Secured Party hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Secured Party in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 6.8; and
- (b) the Grantor shall not adjust, settle or compromise the amount or payment of any ~~Accounts, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon~~ Collateral.

6.4 Receiver as Agent

The Receiver shall be deemed to be the agent of the Grantor for the purpose of establishing liability for the acts or omissions of the Receiver and the Secured Party shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Secured Party to give instructions to the Receiver relating to the performance of its duties as set out herein.

6.5 Expenses of Enforcement

The Grantor shall pay to the Receiver the remuneration of the Receiver and all costs and expenses (including, without limitation, legal fees and disbursements on a full indemnity basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and

shall pay to the Secured Party and the Receiver as required all amounts of Money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Grantor to the Secured Party and the Receiver pursuant to this Section 6.5 shall be payable on demand.

6.6 Indulgences and Releases

Either the Secured Party or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Grantor, debtors of the Grantor, sureties and others and with the Collateral and other security as the Secured Party or the Receiver may see fit without prejudice to the Statutory Obligation or the right of the Secured Party and the Receiver to repossess, hold, collect and realize the Collateral.

6.7 No Liability for Failure to Exercise Remedies

The Secured Party and the Receiver shall not be liable or accountable to the Grantor or to any other person for any failure to exercise any of the rights, powers and remedies set out in this Agreement, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Secured Party, the Receiver, the Grantor or any other party in respect of the same.

6.8 Proceeds of Disposition

All Moneys received by the Secured Party or by the Receiver pursuant to Section 6.2 shall be promptly applied as follows:

- (a) first, in payment of all costs and expenses incurred by the Secured Party in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 6.5;
- (b) second, in payment of all amounts of Money borrowed or advanced by either of the Secured Party or the Receiver pursuant to the powers set out in this Agreement and any interest thereon;
- (c) third, in payment of the Statutory Obligation, provided that if there are not sufficient Moneys to fully pay and perform the Statutory Obligation, the Secured Party may apply the Moneys available to such part or parts thereof as the Secured Party, in its sole discretion, may determine; and
- (d) fourth, in payment of any surplus in accordance with applicable law.

6.9 Grantor Liable for Deficiency

If the Moneys received by the Secured Party or the Receiver pursuant to Section 6.2 are not sufficient to pay the claims set out in Section 6.8, the Grantor shall immediately pay the Secured Party the amount of such deficiency.

6.10 Restriction on Grantor

~~Upon the Secured Party taking possession notification of the account debtors or obligors under any Accounts which constitute part of the Collateral of the assignment of such Accounts to the Secured Party or the appointment of a Receiver in respect of the Collateral,~~ all the powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor with respect to the Collateral shall, to the extent permitted by applicable law, be suspended unless specifically continued by the written consent of the Secured Party; however, all other powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor shall be unaffected by such events.

6.11 Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute.

~~6.12 Care by the Secured Party~~

~~The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Secured Party's possession if it takes such action for that purpose as the Grantor requests in writing, but failure of the Secured Party to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Secured Party to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Grantor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.~~

~~6.13 Application by Grantor re: Receiver~~

~~The Grantor hereby irrevocably waives its right to make an application to any court with respect to the appointment, powers or remuneration of the Receiver.~~

7. GENERAL

7.1 Waiver

~~Any breach by the Grantor of any of the provisions contained in this Agreement or any default by the Grantor in the observance or performance of any covenant or condition required to be observed or performed by the Grantor hereunder, may only be waived by the Secured Party in writing,~~

provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.

7.2 The Secured Party as Attorney

~~The~~At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor hereby irrevocably appoints the Secured Party and any person further designated by the Secured Party to be the attorney of the Grantor for and in the name of the Grantor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Grantor is obliged to sign, execute or do hereunder and, ~~after the happening of any Breach,~~ to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Grantor in the exercise of all or any of the powers hereby conferred on the Secured Party. These powers are coupled with an interest, have been given for valuable consideration (the receipt and adequacy of which is acknowledged), survive, and do not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor, and are irrevocable until the Statutory Obligation has been satisfied in full and this Agreement is terminated and the security interest created herein has been released. This power of attorney extends to and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Secured Party to delegate in writing to another person any power and authority of the Secured Party under this power of attorney as may be necessary or desirable in the opinion of the Secured Party, and to revoke or suspend such delegation.

7.3 Further Assurances

The Grantor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party shall reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party a security interest in the Collateral, or which the Grantor may hereafter become bound to charge in favour of the Secured Party, for the purpose of accomplishing and effecting the intention of this Agreement.

7.4 Amalgamation of the Grantor

The Grantor acknowledges and agrees that in the event that it amalgamates with any other persons, then (i) the Collateral and the security interest shall extend to and include all of the property and undertaking that any of the amalgamating corporations then owns, all of the property and undertaking that the amalgamated corporation thereafter acquires, all of the property and undertaking in which any of the amalgamating corporations then has any interest, and all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest, and (ii) all references herein to the Grantor shall extend to and include the amalgamated corporation.

7.5 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Statutory Obligation until the Statutory Obligation is paid and performed in full.

7.6 Notices

All notices and other communications provided for herein shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee or sent by facsimile, charges prepaid, at or to the applicable address or facsimile number, as the case may be, of the party set opposite its name below or at or to such other address or addresses or facsimile number or numbers as either party may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by facsimile as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

In the case of the Grantor:

Independent Electricity System Operator
[Address]

Attention: ■
Email: ■
Facsimile: ■

In the case of the Secured Party:

[Financing Entity]
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■
Facsimile: ■

7.7 Assignment

The Secured Party may from time to time upon notice to, but without the consent of the Grantor, assign or transfer this Agreement to any other person (the "Assignee"). ~~The Assignee shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of and the right to enforce this Agreement to the same extent as if the Assignee were the Secured Party.~~ The Grantor shall not be entitled to assign or transfer this Agreement or any of the Grantor's rights, duties or obligations hereunder without the prior written consent of the Secured Party.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Grantor and its successors and permitted assigns.

7.9 Amendments

This Agreement may not be amended or otherwise modified except by an instrument in writing executed by ~~all~~ the Parties.

7.10 Entire Agreement

This Agreement and the agreements referred to herein and any document, agreement or instrument delivered pursuant to such agreements constitute the entire agreement between the Parties and supersede any prior agreements, undertakings, declarations, representations and undertakings, both written and verbal, in respect of the subject matter hereof.

7.11 Receipt of Agreement and Financing Statement.

The Grantor hereby acknowledges receipt of an executed copy of this Agreement and of the financing statement registered under the PPSA evidencing the security interest created hereby.

7.12 Counterpart

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.13 Delivery by Facsimile or Electronic Transmission

This Agreement may be executed and delivered by facsimile or electronic transmission and each of the Parties may rely on such facsimile or electronic signature as though such facsimile signature were an original signature.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above.

**[FINANCING ENTITY], by its Manager,
ONTARIO POWER GENERATION
INC., as Secured Party**

By: _____
Name:
Title:

By: _____
Name:
Title:

**INDEPENDENT ELECTRICITY
SYSTEM OPERATOR
as Grantor**

By: _____
Name:
Title:

By: _____
Name:
Title:

ACKNOWLEDGED AND ACCEPTED:

[~~INDENTURE TRUSTEE~~]
as Indenture Trustee

By: _____
Name:—
Title:—

By: _____
Name:—
Title:—

SCHEDULE A
GRANTOR INFORMATION

1. **Grantor's exact legal name: Independent Electricity System Operator**
■ [French]
2. **Grantor's jurisdiction of incorporation: Ontario**
3. **Grantor's registered office address: ■**
4. **Location of Grantor's business operations and records: ■**

Document comparison by Workshare Professional on Wednesday, November 01, 2017 5:22:54 PM

Input:	
Document 1 ID	PowerDocs://SETOR1/6800841/1
Description	SETOR1-#6800841-v1-IESO_Security_Agreement
Document 2 ID	PowerDocs://SETOR1/6800841/2
Description	SETOR1-#6800841-v2-IESO_Security_Agreement
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	34
Deletions	88
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	124