

ONTARIO POWER GENERATION INC.

DECLARATION OF THE SOLE SHAREHOLDER

REGARDING THE SALE OF THE CORPORATION'S LAKEVIEW SITE.

WHEREAS Her Majesty the Queen in right of Ontario as represented by the Minister of Energy (the "**Shareholder**") is the registered and beneficial owner of all the issued and outstanding shares of Ontario Power Generation Inc. (the "**Corporation**");

AND WHEREAS the Shareholder recognizes the Corporation is the owner of the title to the premises comprising the Corporation's former Lakeview Generating Station site located in the City of Mississauga at the address municipally known as 800 Hydro Road, including any adjacent water lots owned by the Corporation (the "**Lakeview Site**"), comprised of an approximately 67 acre portion running along the shoreline and along the southwesterly portion of the Lakeview Site and the adjacent water lots, more particularly identified in the sketch attached hereto (the "**Municipal Park Lands**") and the remaining approximately 110 acres of the Lakeview Site, more particularly identified in the sketch attached hereto (the "**Uplands**");

AND WHEREAS the Shareholder has determined that it is appropriate and desirable to require the Corporation to transfer, sell, dispose of or divest all of the Corporation's interest in the Lakeview Site, comprised of the Municipal Park Lands and the Uplands, (the "**Disposition**");

AND WHEREAS the Shareholder finds it necessary to assume decision-making power and authority over certain distinct aspects of the business operations of the Corporation, and in particular, in regards to certain decision-making authority that the Corporation has with respect to any decisions or activities in respect of the Disposition;

AND WHEREAS the Shareholder makes this declaration (the "**Declaration**") pursuant to subsection 108(3) of the *Business Corporations Act* (Ontario) (the "**Act**") intending the same to be deemed to be a Unanimous Shareholder Agreement within the meaning of the Act.

NOW THEREFORE it is hereby declared that:

1. This Declaration and the restriction of the powers of the directors of the Corporation (the "**Directors**") herein contained shall not affect any action, step or resolution or by-law duly taken, made, passed or consented to by the Directors prior to the date that this Declaration is signed (the "**Effective Date**").
2. For greater certainty, the Restricted Powers as defined in paragraph 3 do not restrict the duties and liabilities of the Directors to manage, or supervise the management of, the business and affairs of the Corporation relating to the actual implementation of any decision made by the Shareholder pursuant to this Declaration, including:

- (i) duties stemming from the Corporation's licence conditions and all applicable instruments, codes and orders of the Ontario Energy Board, as well as the regulations and legislation and any instruments issued pursuant thereto;
 - (ii) duties and liabilities associated with the safe, reliable, prudent and cost-efficient operation by the Corporation of all of its generation facilities;
 - (iii) duties to take appropriate decisions, action or steps to implement this Declaration and any Resolution of the Shareholder made pursuant to this Declaration.
3. The rights, powers and duties of the Directors to manage, or supervise the management of, the business and affairs of the Corporation, whether such rights, powers or duties arise under the Act, the articles of amalgamation of the Corporation or the by-laws of the Corporation, as and when amended, or otherwise, with regard to any decision regarding:
- (i) Whether, how and when to proceed with the Disposition.
 - (ii) Whether, how and when to determine and allocate the proceeds of disposition received by the Corporation in respect of the Disposition, and whether and when to distribute such proceeds to the Shareholder in such manner as may be directed by the Shareholder;
 - (iii) Whether and when to take any steps or perform any duties, functions, acts or operations required for, or relevant to, the Disposition or in support of the Disposition;
 - (iv) Whether and when to make an expenditure or to reimburse any cost or expenditure associated with the Disposition incurred before, on or after the Effective Date and before, on or after the date of the Disposition from the proceeds of the Disposition; and
 - (v) Whether and when to take all necessary steps to provide any and all information, assistance, services, personnel and resources needed by Her Majesty the Queen in Right of the Province of Ontario (the "**Government**"), the Government's advisors and consultants and/or the Corporation of the City of Mississauga (the "**Municipality**") and the Municipality's advisors and consultants, as and when any of them may request in respect of the Disposition,

are forthwith restricted (collectively the "**Restricted Powers**")

4. The Restricted Powers are hereby assumed by the Shareholder and no longer reside with the Directors from the Effective Date, until this Declaration is amended or revoked.

5. The Shareholder assumes all the rights, powers, duties and liabilities of the Directors to manage or supervise the management of the business and affairs of the Corporation in connection with the Restricted Powers and, pursuant to subsection 108(5) of the Act, the Directors are thereby relieved of their duties and liabilities, including any liabilities under section 131, to the same extent.

IN WITNESS WHEREOF the Shareholder has duly executed this Declaration as of the 9th day of June, 2016.

HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO, AS REPRESENTED BY THE
MINISTER OF ENERGY

By:



Bob Chiarelli
Minister of Energy

ONTARIO POWER GENERATION INC.

**RESOLUTION OF THE SOLE SHAREHOLDER (“RESOLUTION”) EXERCISING THE
RESTRICTED POWERS OF THE DIRECTORS UNDER A UNANIMOUS
SHAREHOLDER AGREEMENT REGARDING THE SALE OF THE CORPORATION’S
LAKEVIEW SITE such resolution being made as of the 9th day of June, 2016 (the
“Effective Date”)**

WHEREAS Her Majesty the Queen in right of Ontario as represented by the Minister of Energy (the “**Shareholder**”) is the registered and beneficial owner of all the issued shares of Ontario Power Generation Inc. (the “**Corporation**”);

AND WHEREAS the Shareholder recognizes the Corporation is the owner of the title to the premises comprising the Corporation’s former Lakeview Generating Station site located in the City of Mississauga at the address municipally known as 800 Hydro Road, including any adjacent water lots owned by the Corporation (the “**Lakeview Site**”), comprised of an approximately 67 acre portion running along the shoreline and along the southwesterly portion of the Lakeview Site and the adjacent water lots, more particularly identified in the sketch attached hereto (the “**Municipal Park Lands**”) and the remaining approximately 110 acres of the Lakeview Site, more particularly identified in the sketch attached hereto (the “**Uplands**”);

AND WHEREAS the Shareholder executed a unanimous shareholder agreement (the “**Declaration**”) dated as of the 9th day of June, 2016, regarding the transfer, sale, disposition of or divestment of all of the Corporation’s interest in the Lakeview Site, comprised of the Municipal Park Lands and the Uplands, (the “**Disposition**”);

AND WHEREAS paragraph 3 of the Declaration removed from the Directors of the Corporation (the “**Directors**”) all of their rights, powers and duties in relation to:

1. Whether, how and when to proceed with the Disposition.
2. Whether, how and when to determine and allocate the proceeds of disposition received by the Corporation in respect of the Disposition, and whether and when to distribute such proceeds to the Shareholder in such manner as may be directed by the Shareholder.
3. Whether and when to take any steps or perform any duties, functions, acts or operations required for, or relevant to, the Disposition or in support of the Disposition.
4. Whether and when to make an expenditure or to reimburse any cost or expenditure associated with the Disposition incurred before, on, or after the Effective Date and before, on or after the date of the Disposition from the proceeds of the Disposition.

5. Whether and when to take all necessary steps to provide any and all information, assistance, services, personnel and resources needed by Her Majesty the Queen in Right of the Province of Ontario (the "**Government**"), the Government's advisors and consultants and/or the Corporation of the City of Mississauga (the "**Municipality**") and the Municipality's advisors and consultants, as and when any of them may request in respect of the Disposition.

AND WHEREAS the Shareholder wishes to exercise its rights and powers under the Declaration.

NOW THEREFORE BE IT RESOLVED AS A RESOLUTION OF THE SOLE SHAREHOLDER OF THE CORPORATION THAT:

1. The Corporation shall take all necessary steps, including the issuance of any requisite resolutions, the completion of all due diligence and the completion of all actions, conveyances or processes with respect to the Disposition to proceed with the Disposition in a single, fixed-price transaction, in the manner determined by the Shareholder's advisors.
2. The Corporation shall take all necessary steps, including the issuance of any requisite resolutions, to cause the purchaser of the Lakeview Site to fully remediate the Municipal Park Lands and complete any site preparation or improvement work, in each case, to such standards as required by applicable Ministry of Environment and Climate Change regulations, and to transfer the Municipal Park Lands to the Municipality at a nominal value upon completion of such work.
3. The Corporation shall take all necessary steps, including the issuance of any requisite resolutions, to provide information, access, services, assistance, personnel and resources needed by the Government, the Government's advisors and consultants, the Municipality and/or the Municipality's advisors and consultants, as and when any of them may request in respect of the Disposition.
4. The Corporation shall, as soon as is reasonably practical, pay all reasonable costs related to the Disposition and recover all expenditures associated with the Disposition incurred before, on or after the Effective Date or before, on or after the date of the Disposition, including, without limitation, (i) the costs of any environmental remediation or site preparation (including the removal of surface and subsurface infrastructure) to such standards as required by applicable Ministry of Environment and Climate Change regulations, (ii) the costs of any rezoning, bylaw amendments, surveying or such other municipal planning; (iii) any legal costs; (iv) any tax consequences or liabilities arising from or related to the Disposition accruing to the Corporation; and (v) any advisors and consultants retained or engaged by the Corporation and/or the Government, in each case, with respect to the Disposition (collectively, the "**Disposition Costs**").

5. The Corporation shall, subject to any requirements under the *Trillium Trust Act, 2014* (Ontario), transfer that portion of the proceeds of the Disposition (net of Disposition Costs and net of the proceeds of any dispositions related to the Lakeview Site that occurred prior to the Effective Date) received by the Corporation, representing the amount equivalent to the after-tax accounting gain derived from the Disposition, relative to the depreciated and amortized value of the assets recorded on the Corporation's balance sheet, to the Government in accordance with any direction of the Shareholder.
6. The Corporation shall ensure that this resolution is carried out in accordance with all applicable laws, all applicable licences, and in accordance with the Independent Electricity System Operator's Market Rules, as applicable.

IN WITNESS WHEREOF the Shareholder has duly executed this Resolution as of the Effective Date.

HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO, AS REPRESENTED BY THE
MINISTER OF ENERGY

By:



Bob Chiarelli
Minister of Energy