

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 HEAD OFFICE such resolution being made as of the 14th day of December, 2015 (**the “Effective Date”**).

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

AND WHEREAS the Shareholder recognizes that the Corporation is the owner of the title to the premises comprising the Corporation’s head office located at 700 University Avenue, and 40 Murray Street, Toronto, Ontario, (the **“Head Office”**);

AND WHEREAS the Shareholder executed a unanimous shareholder agreement (the **“Shareholder Agreement”**) dated as of the 14th day of December, 2015, regarding the sale, disposition or divestment of the Corporation’s interest in the Head Office (the **“Transaction”**);

AND WHEREAS paragraph 3 of the Shareholder Agreement 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 Transaction.
2. Whether, how and when to determine and allocate the proceeds of disposition received by the Corporation in respect of the Transaction, and whether and when to distribute such proceeds to the Shareholder in such specific manner as may be directed by the Shareholder.
3. Whether and when to take steps or perform any duties, functions or operations required for, or relevant to, the Transaction or in support of the Transaction.
4. Whether and when to make an expenditure or reimbursement of any cost or expenditure associated with the Transaction incurred on or after the Effective Date from the proceeds of disposition.

5. Whether and when to take all necessary steps to provide any and all information, assistance, personnel and resources needed by Her Majesty the Queen in Right of the Province of Ontario (the “**Government**”), and/or the Government’s advisors and consultants, as and when any of them may request in respect of the Transaction.

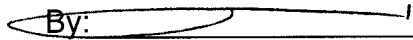
AND WHEREAS the Shareholder wishes to exercise its rights and powers under the Shareholder Agreement.

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, to proceed with the Transaction in the manner determined by the Shareholder and its advisors.
2. The Corporation shall take all necessary steps, including the issuance of any requisite resolutions, to provide information, assistance, personnel and resources needed by the Government and/or the Government’s advisors and consultants, as and when any of them may request in respect of the Transaction.
3. The Corporation shall, as soon as is reasonably practical, pay all reasonable costs related to the Transaction and recover all expenditures associated with the Transaction incurred before, on or after the Effective Date including the costs of any advisors and consultants retained or engaged by the Government with respect to the Transaction (the “**Transaction Costs**”).
4. The Corporation shall transfer that portion of the proceeds of the Transaction (net of Transaction Costs) received by the Corporation, representing the amount equivalent to the after-tax accounting gain derived from the sale, 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.
5. 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

ONTARIO POWER GENERATION INC.

DECLARATION OF THE SOLE SHAREHOLDER

REGARDING THE SALE OF THE CORPORATION'S HEAD OFFICE.

WHEREAS HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE 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 has determined that it is appropriate and desirable to require the Corporation to sell, dispose of or divest its interests in the premises, including all interests in the building and lands, which comprise the Corporation's head office located at 700 University Avenue, and 40 Murray Street, Toronto, Ontario, (the "**Transaction**");

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 Transaction;

AND WHEREAS the Shareholder makes the following 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, 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 4 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 paragraph 3, 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, actions 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 of the Corporation 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, are forthwith restricted with regard to any decisions regarding:
- (i) Whether, how and when to proceed with the Transaction.
 - (ii) Whether, how and when to determine and allocate the proceeds of disposition received by the Corporation in respect of the Transaction, and whether and when to distribute such proceeds to the Shareholder in such specific manner as may be directed by the Shareholder.
 - (iii) Whether and when to take steps or perform any duties, functions or operations required for, or relevant to, the Transaction or in support of the Transaction.
 - (iv) Whether and when to make an expenditure or reimbursement of any cost or expenditure associated with the Transaction incurred before, on or after the Effective Date from the proceeds of disposition.
 - (v) Whether and when to take all necessary steps to provide any and all information, assistance, personnel and resources needed by Her Majesty the Queen in Right of the Province of Ontario (the “**Government**”), and/or the Government’s advisors and consultants, as and when any of them may request in respect of the Transaction.
4. The rights, powers, duties and liabilities of the Directors as set out in paragraph 3 are hereby assumed by the Shareholder and no longer reside with the Board of Directors or any members thereof, from the Effective Date, until this Declaration is amended or revoked. (collectively, the “**Restricted Powers**”).

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 14th Day of December, 2015 ("**the Effective Date**").

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

By: 

Bob Chiarelli
Minister of Energy