

**ONTARIO POWER GENERATION INC.  
DECLARATION AND RESOLUTIONS  
OF THE SOLE SHAREHOLDER**

**REGARDING REQUEST FOR INDICATIVE PRICES  
FOR THE SUPPLY OF WOOD PELLET FUEL**

**BACKGROUND:**

- A. Her Majesty The Queen in Right of the Province of Ontario as represented by the Minister of Energy and Infrastructure (the “**Shareholder**”) is the registered and beneficial owner of all the issued and outstanding shares of Ontario Power Generation Inc. (the “**Corporation**”).
- B. The Corporation intends to issue a Request for Indicative Prices for the Supply of Wood Pellet Fuel (the “**RFIP**”).
- C. The Shareholder finds it necessary to assume, in accordance with the authority granted to it under subsection 108 of the *Business Corporations Act* (Ontario) (the “**Act**”), all decision-making power in respect of the following RFIP-related matters:
- (a) the imposition of local content requirements in the RFIP relating to:
    - (i) the location of the source of the wood fibre used to produce the wood pellets supplied under the RFIP, and
    - (ii) the location of the production facilities producing those wood pellets,(collectively the “**Local Content Requirements**”); and
  - (b) the weight given to Aboriginal Community (as defined in the RFIP) benefits in the “Evaluated Criteria” set out in the RFIP (the “**Aboriginal Scoring Weight**”).

**NOW THEREFORE** the Shareholder, being the sole shareholder of the Corporation, by his signature hereby:

- (1) makes the following declaration pursuant to section 108 of the Act, intending the same to be deemed to be a Unanimous Shareholder Agreement within the meaning of the Act; and
- (2) passes the following resolutions pursuant to section 104 of the Act:

**DECLARATION**

1. The rights, powers and duties of the directors of the Corporation (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, any articles of incorporation or amalgamation of the Corporation, or the by-laws of the Corporation, each as and when amended, or otherwise) are hereby restricted with regard to:

- (i) the establishment of any Local Content Requirements under the RFIP, and
- (ii) the amount of the Aboriginal Scoring Weight,

(collectively the “**Restricted Powers**”),

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

2. By assuming the Restricted Powers, the Shareholder assumes, pursuant to section 108 of the Act, all of 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 relieved of their duties and liabilities, including any liabilities under section 131 of the Act, to the same extent.
3. For greater clarity, the Restricted Powers 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 decisions made by the Shareholder in its exercise of the Restricted Powers.
4. This Declaration shall be governed by the laws of the Province of Ontario and the laws of Canada applicable in that Province.

**IN WITNESS OF THE FOREGOING** the Shareholder has duly executed this Declaration as of March 18, 2010 (the “**Effective Date**”).

**HER MAJESTY THE QUEEN IN THE RIGHT  
OF THE PROVINCE OF ONTARIO AS  
REPRESENTED BY THE MINISTER OF  
ENERGY AND INFRASTRUCTURE**

**ORIGINAL SIGNED BY**

By: \_\_\_\_\_  
Brad Duguid  
Minister of Energy and Infrastructure

## **RESOLUTIONS**

1. The Corporation is authorized and directed to amend the RFIP as follows:
  - (a) **Local Content Requirements:** To require that the location of:
    - (i) the source of the wood fibre used to produce the wood pellets supplied under the RFIP, and
    - (ii) the production facilities that produce those wood pellets, be within Ontario.
  - (b) **Aboriginal Scoring Weight:** To provide that the amount of the Aboriginal Scoring Weight be twenty percent (20%).
2. Any officer or director of the Corporation be and is hereby authorized and directed to execute and deliver all documents and agreements, and to do and perform all acts and things as may be necessary or desirable, in order to give effect to and implement the foregoing resolutions.

**THE FOREGOING RESOLUTIONS ARE HEREBY CONSENTED TO AND PASSED** as evidenced by the signature of the sole shareholder of the Corporation pursuant to the provisions of the Act.

**DATED** as of March 18, 2010.

**HER MAJESTY THE QUEEN IN RIGHT OF  
THE PROVINCE OF ONTARIO AS  
REPRESENTED BY THE MINISTER OF  
ENERGY AND INFRASTRUCTURE**

**ORIGINAL SIGNED BY**

By: \_\_\_\_\_  
Brad Duguid  
Minister of Energy and Infrastructure