

Section 2(16)

Litigation

There are no actions, suits, grievances, or proceedings, judicial or administrative, which are not fully covered by insurance (whether or not purportedly on behalf of PHI or any of its respective Subsidiaries) pending or, to the Knowledge of PHI, threatened, by or against or affecting PHI or any of its respective Subsidiaries which relate to the PowerStream Business at law or in equity, or before or by any court or any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which, if determined adversely against PHI or any of its respective Subsidiaries, would have a Material Adverse Effect on the PowerStream Business or prevent PHI from fulfilling any of its obligations under this Agreement, the Corporation Amalgamation Agreement, the Corporation Shareholders Agreement and the Merge Co LDC Amalgamation Agreement to which it is a party, except as follows:

- a) PowerStream has been made aware of potential deficiencies with respect to streetlights in the City of Markham.

To the Knowledge of PHI, there are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success, except as follows:

- a) Please see above.