

January 7, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli,

Re: Board File No. EB-2018-0014 – Alectra Utilities Corporation, Guelph Hydro Electric Systems Inc. – Application under Section 86 of the *Ontario Energy Board Act, 1998* – Articles of Incorporation

Alectra Utilities Corporation and Guelph Hydro Electric Systems Inc. (collectively, the “Applicants”) filed an application with the Ontario Energy Board (“OEB”) on March 7, 2018 under Section 86 of the *Ontario Energy Board, 1998*, S.O. 1998, c. 15, (the “Act”).

The OEB issued its Decision and Order (“Decision”) in this matter on October 18, 2018 and ordered that per item #4 on page 17 of the Decision, the Applicants promptly notify the OEB when the amalgamation has occurred and when all the issued and outstanding shares in the capital of Guelph Hydro Electric Systems Inc., held by Guelph Municipal Holdings Inc., was acquired by Alectra Inc.

In response to that order, Alectra respectfully submits the Articles of Amalgamation for Alectra Utilities Corporation. Two hard copies of this filing will be sent to the OEB. By way of this letter, the undersigned wishes to advise that on December 31, 2018, Alectra Inc. acquired all the issued and outstanding shares held by Guelph Municipal Holdings Inc., in exchange for shares in Alectra Inc.

The Applicants anticipate that per item #5 in the Decision, the OEB will transfer the rate order of the former Guelph Hydro Electric Systems Inc. and that it will issue the new distribution licence.

Should there be any questions, please do not hesitate to contact me directly at (905) 821-5727 or indy.butany@alectrautilities.com.

Alectra Utilities Corporation

2185 Derry Road West, Mississauga, ON L5N 7A6 | t 905 273 7425

alectrautilities.com

Sincerely,

[Original Signed by]

Indy J. Butany-DeSouza, MBA
Vice-President, Regulatory Affairs
Alectra Utilities Corporation

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À l'usage exclusif du ministère



Ministry of Government
and Consumer Services

Ministère des Services
gouvernementaux et des
Services aux consommateurs

Ontario

CERTIFICATE

This is to certify that these
articles are effective on

CERTIFICAT

Ceci certifie que les présents
statuts entrent en vigueur le

Ontario Corporation Number
Numéro de la société en Ontario

5008293

JANUARY 01 JANVIER, 2019

Barbara Rachitt

(17)

Director / Directrice

Business Corporations Act / Loi sur les sociétés par actions

Form 4
Business
Corporations
Act

Formule 4
Loi sur les
sociétés par
actions

ARTICLES OF AMALGAMATION STATUTS DE FUSION

1. The name of the amalgamated corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale de la société issue de la fusion: (Écrire en LETTRES MAJUSCULES SEULEMENT):

A	L	E	C	T	R	A		U	T	I	L	I	T	I	E	S		C	O	R	P	O	R	A	T	I	O	N	

2. The address of the registered office is:
Adresse du siège social:

55 John Street North

Street & Number or R.R. Number & if Multi-Office Building give Room No. /
Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau

Hamilton

ONTARIO

L 8 R 3 M 8

Name of Municipality or Post Office /
Nom de la municipalité ou du bureau de poste

Postal Code/Code postal

3. Number of directors is:
Nombre d'administrateurs: Fixed number / Nombre fixe

OR minimum and maximum
OU minimum et maximum

3

15

4. The director(s) is/are: / Administrateur(s):

First name, middle names and surname Prénom, autres prénoms et nom de famille	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal	Resident Canadian State 'Yes' or 'No' Résident canadien Oui/Non
Brian Bentz	161 Cityview Boulevard Vaughan, Ontario Canada L4H 0A9	Yes
Dennis Nolan	161 Cityview Boulevard Vaughan, Ontario Canada L4H 0A9	Yes
Robert Hull	100 King Street West, Suite 1600 Toronto, Ontario Canada M5X 1G5	Yes

5. Method of amalgamation, check A or B
Méthode choisie pour la fusion – Cocher A ou B :

A - Amalgamation Agreement / Convention de fusion :



The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.
Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or
ou

B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :



The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.
Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of
Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

and are more particularly set out in these articles.
et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour
Alectra Utilities Corporation	1986763	2017	11	30
Guelph Hydro Electric Systems Inc.	1998022	2017	12	14

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

N/A

7. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

The Corporation is authorized to issue:

1. an unlimited number of Common Shares; and
2. 100,000 Class S Shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

See attached Page 4A.

A. **COMMON SHARES and CLASS S SHARES**

The following are the rights, privileges, restrictions and conditions attaching to the Common Shares and the Class S Shares:

1. **Voting Rights:**

(a) **Voting Rights of Common Shares:** The holders of the Common Shares shall be entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation and shall be entitled to one (1) vote per Common Share held, except meetings at which only holders of another class of shares are entitled to vote.

(b) **Voting Rights of Class S Shares:** The holders of Class S Shares shall not be entitled to receive notice of, attend or vote at any meeting of the Corporation's shareholders.

2. **Dividends:** The holders of the Common Shares and the holders of the Class S Shares shall be entitled to receive dividends as and when declared from time to time by the board of directors of the Corporation out of the moneys of the Corporation properly applicable to the payment of dividends and the amount per share of each such dividend shall be determined by the board of directors at the time of declaration. The board of directors may declare in its absolute discretion dividends on any of the said classes of shares in priority to or after dividends, if any, which may be declared or paid on any other of the said classes of shares in the same amounts or in such differing amounts as they may decide, together with or wholly to the exclusion of any other of the said classes of shares.

3. **Participation upon Liquidation, Dissolution or Winding-Up:**

(a) In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Class S Shares shall be entitled to share pro rata in any distribution of the assets of the Solar Projects (as defined in section 2.1(4) of the Merger Participation Agreement (as defined below)) directly owned by the Corporation at the relevant time, provided that such distribution shall be net of all liabilities and obligations pertaining to the said assets of the Solar Projects and the operation, management and disposition thereof, including liabilities and obligations which arise as a consequence of such distribution. After payment of such amounts to the holders of the Class S shares, they shall not be entitled to share in any further distribution of the assets of the Corporation.

(b) In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Common Shares shall be entitled share pro rata in any distribution of the assets of the Corporation remaining after payment to the holders of the Class S Shares.

"Merger Participation Agreement" means the merger participation agreement dated March 24, 2016 among The Corporation of the City of Vaughan, The Corporation of the City of Markham, The Corporation of the City of Barrie, The Corporation of the City of Mississauga, The City of Hamilton, The Corporation of the City of St. Catharines, BPC Energy Corporation, Hamilton Utilities Corporation, St. Catharines Hydro Inc., Vaughan Holdings Inc., Markham Enterprises Corporation, Barrie Hydro Holdings Inc., PowerStream Holdings Inc., Horizon Holdings Inc., Enersource Corporation, Enersource Holdings Inc., PowerStream Inc., Enersource Hydro Mississauga Inc. and Horizon Utilities Corporation, as amended.

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

The transfer of shares shall be subject to the restrictions on the transfer of securities set out in any unanimous shareholders agreement or written shareholders declaration, including the unanimous shareholders agreement for Alectra Inc. to be dated as of the Effective Date.

10. Other provisions, (if any):
Autres dispositions, s'il y a lieu :

No securities (other than non-convertible debt securities) of the Corporation shall at any time be transferred to any person without either:

(a) the consent of the directors to be signified by a resolution passed by the board or by an instrument or instruments in writing signed by a majority of the directors, or

(b) the consent of the shareholders of the Corporation to be signified either by a resolution passed by the shareholders or by an instrument or instruments in writing signed by the holders of shares of the Corporation which shares represent a majority of the votes attributable to all of the issued and outstanding shares of the Corporation carrying the right to vote.

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.

12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

Alectra Utilities Corporation

Names of Corporations / Dénomination sociale des sociétés

By / Par

Dennis Nolan

Secretary

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Guelph Hydro Electric Systems Inc.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Pankaj Sardana

Chief Executive Officer

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

Alectra Utilities Corporation

Names of Corporations / Dénomination sociale des sociétés

By / Par


Signature / Signature

Dennis Nolan

Print name of signatory /
Nom du signataire en lettres moulées

Secretary

Description of Office / Fonction

Guelph Hydro Electric Systems Inc.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Pankaj Sardana

Print name of signatory /
Nom du signataire en lettres moulées

Chief Executive Officer

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

SCHEDULE "A"

STATEMENT OF OFFICER

RE: Amalgamation of Alectra Utilities Corporation ("AUC")
with Guelph Hydro Electric Systems Inc. ("GHESI")

I, Pankaj Sardana, make this statement in respect of the amalgamation of AUC with GHESI (the "**Amalgamation**") pursuant to Section 178(2) of the *Business Corporations Act* (Ontario) (the "**Act**");

1. I am the Chief Executive Officer and Chief Financial Officer of GHESI (the "**Corporation**").
2. I have conducted an examination of the books and records of the Corporation and have made any inquiries and investigations that are necessary to enable me to make this statement.
3. There are reasonable grounds for believing that:
 - (a) the Corporation is, and the amalgamated corporation (the "**Amalgamated Corporation**") continuing from the Amalgamation will be, able to pay their respective liabilities as they become due;
 - (b) the realizable value of the Amalgamated Corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
 - (c) no creditor of the Corporation will be prejudiced by the Amalgamation.

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DATED as of December 21, 2018.



Pankaj Sardana

SCHEDULE "A"
STATEMENT OF OFFICER

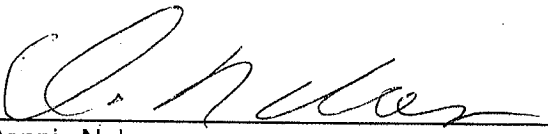
**RE: Amalgamation of Alectra Utilities Corporation ("AUC")
with Guelph Hydro Electric Systems Inc. ("GHESI")**

I, Dennis Nolan, make this statement in respect of the amalgamation of AUC with GHESI (the "**Amalgamation**") pursuant to Section 178(2) of the *Business Corporations Act* (Ontario) (the "**Act**"):

1. I am a director, General Counsel and Secretary of AUC (the "**Corporation**").
2. I have conducted an examination of the books and records of the Corporation and have made any inquiries and investigations that are necessary to enable me to make this statement.
3. There are reasonable grounds for believing that:
 - (a) the Corporation is, and the amalgamated corporation (the "**Amalgamated Corporation**") continuing from the Amalgamation will be, able to pay their respective liabilities as they become due;
 - (b) the realizable value of the Amalgamated Corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
 - (c) no creditor of the Corporation will be prejudiced by the Amalgamation.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

DATED as of December 21, 2018.



Dennis Nolan

SCHEDULE "B"

AMALGAMATION AGREEMENT

THIS AGREEMENT dated as of December 21, 2018

BETWEEN:

ALECTRA UTILITIES CORPORATION
As Amalgamating Corporation 1

- and -

GUELPH HYDRO ELECTRIC SYSTEMS INC.
As Amalgamating Corporation 2

RECITALS:

- A. Each of Amalgamating Corporation 1 and Amalgamating Corporation 2 is a corporation existing under the *Business Corporations Act* (Ontario).
- B. The authorized capital of Amalgamating Corporation 1 consists of an unlimited number of Common Shares and 100,000 Class S Shares, of which 114,149 Common Shares and 99,999 Class S Shares are issued and outstanding as, fully-paid and non-assessable shares of Amalgamating Corporation 1.
- C. The authorized capital of Amalgamating Corporation 2 consists of an unlimited number of Common Shares, of which 1,000.00002306 Common Shares are issued and outstanding as fully-paid and non-assessable shares of Amalgamating Corporation 2.
- D. Amalgamating Corporation 1 and Amalgamating Corporation 2 wish to amalgamate under section 174 of the Act.

IN CONSIDERATION of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

1. INTERPRETATION

- 1.1 In this Agreement, including the Recitals to this Agreement, unless the context otherwise requires:
 - (a) "**Act**" means the *Business Corporations Act* (Ontario).
 - (b) "**Agreement**" means this amalgamation agreement, including all Schedules to this amalgamation agreement, as amended from time to time in accordance with its provisions.
 - (c) "**Amalgamated Corporation**" has the meaning ascribed to that term in Section 2.
 - (d) "**Amalgamating Corporation 1**" means Alectra Utilities Corporation, a corporation existing under the Act.

- (e) **"Amalgamating Corporation 2"** means Guelph Hydro Electric Systems Inc., a corporation existing under the Act.
- (f) **"Amalgamating Corporations"** means Amalgamating Corporation 1 and Amalgamating Corporation 2, and **"Amalgamating Corporation"** means either one of them.
- (g) **"Effective Date"** has the meaning ascribed to that term in Section 2.
- (h) **"Parent"** means Alectra Inc., a corporation existing under the Act.
- (i) **"Parties"** means collectively Amalgamating Corporation 1 and Amalgamating Corporation 2, and **"Party"** means either one of them.
- (j) **"Tax Act"** means the *Income Tax Act* (Canada).

1.2 In this Agreement:

- (a) the division into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement;
- (b) the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular portion of this Agreement; and
- (c) unless specified otherwise or the context otherwise requires:
 - (i) references to any Section are references to the Section of this Agreement;
 - (ii) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;
 - (iii) references to any legislation, statutory instrument or regulation or a section thereof, unless otherwise specified, is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time; and
 - (iv) words in the singular include the plural and vice-versa and words in one gender include all genders.

1.3 The following schedules are attached to and form part of this Agreement:

- Schedule 1 - Share Capital
- Schedule 2 - By-Laws

2. AMALGAMATION

Effective as of January 1, 2019 (the **"Effective Date"**) Amalgamating Corporation 1 and Amalgamating Corporation 2 shall amalgamate under section 174 of the Act and continue as one corporation (the **"Amalgamated Corporation"**) under the terms and conditions set out in this Agreement.

3. NAME

The name of the Amalgamated Corporation shall be "Alectra Utilities Corporation".

4. REGISTERED OFFICE

The registered office of the Amalgamated Corporation shall be in the province of Ontario and shall be located at 55 John Street North, Hamilton, ON L8R 3M8.

5. RESTRICTIONS ON BUSINESS

There shall be no restrictions on the business that the Amalgamated Corporation may carry on or the powers that the Amalgamated Corporation may exercise.

6. SHARE CAPITAL

6.1 The Amalgamated Corporation is authorized to issue the classes and number of shares set out in Schedule 1.

6.2 The rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors' authority with respect to any class of shares which may be issued in series, are as set out in Schedule 1.

7. RESTRICTIONS ON SHARE TRANSFERS

The transfer of shares shall be subject to the restrictions on the transfer of securities set out in any unanimous shareholders agreement or written shareholders declaration, including the unanimous shareholders agreement for the Parent to be dated as of the Effective Date.

8. OTHER PROVISIONS

8.1 No securities (other than non-convertible debt securities) of the Amalgamated Corporation shall at any time be transferred to any person without either (a) the consent of the directors to be signified by a resolution passed by the board or by an instrument or instruments in writing signed by a majority of the directors, or (b) the consent of the shareholders of the Amalgamated Corporation to be signified either by a resolution passed by the shareholders or by an instrument or instruments in writing signed by the holders of shares of the Amalgamated Corporation which shares represent a majority of the votes attributable to all of the issued and outstanding shares of the Amalgamated Corporation carrying the right to vote.

9. EXCHANGE OF SHARES

9.1 On the amalgamation becoming effective:

- (a) the 114,149 issued and fully-paid Common Shares and 99,999 issued and fully-paid Class S Shares of Amalgamating Corporation 1 then held by the Parent shall be exchanged into 114,149 issued, fully-paid and non-assessable, Common Shares and 99,999 Class S Shares, respectively, of the Amalgamated Corporation; and
- (b) the 1,000.00002306 issued and fully-paid common shares of Amalgamating Corporation 2 then held by the Parent shall be cancelled without any repayment of capital in respect of those shares.

9.2 The stated capital attributable to the:

- (a) Common Shares of the Amalgamated Corporation issuable pursuant to Section 9.1 above shall be the aggregate paid-up capital, within the meaning of the Tax Act, of all the outstanding Common Shares of Amalgamating Corporation 1 immediately before the effective date set out in Section 2; and
- (b) Class S Shares of the Amalgamated Corporation issuable pursuant to Section 9.1 above upon the exchange of the Class S Shares of Amalgamating Corporation 1 shall be the aggregate paid-up capital, within the meaning of the Tax Act, of all the outstanding Class S Shares of Amalgamating Corporation 1 immediately before the effective date set out in Section 2.

10. DIRECTORS AND OFFICERS

10.1 The Articles of the Amalgamated Corporation shall provide for the board of the Amalgamated Corporation to have a minimum number of 3 directors and a maximum number of 15 directors. The initial number of directors of the Amalgamated Corporation shall be 3. Other than the initial board, the size and appointment of the board of the Amalgamated Corporation shall be determined in accordance with any unanimous shareholders agreement or written shareholders declaration in effect with respect to the Amalgamated Corporation, including the unanimous shareholders agreement for the Parent to be dated as of the Effective Date, as applicable.

10.2 The first directors of the Amalgamated Corporation shall be the following individuals:

<u>Name</u>	<u>Address for Service</u>	<u>Resident Canadian</u>
Brian Bentz	161 Cityview Boulevard Vaughan, Ontario Canada L4H 0A9	Yes
Dennis Nolan	161 Cityview Boulevard Vaughan, Ontario Canada L4H 0A9	Yes
Robert Hull	100 King Street West Suite 1600 Toronto, Ontario Canada M5X 1G5	Yes

10.3 The officers of the Amalgamated Corporation shall be the following individuals to hold office at the pleasure of the board of directors:

Max Cananzi	- President
Dennis Nolan	- General Counsel and Secretary
Lawrence Wilde	- Associate General Counsel and Secretary
John Basilio	- Chief Financial Officer
Mike Matthews	- Senior Vice-President
Chris Hudson	- Senior Vice-President
John Matovich	- Executive Vice-President

James Macumber	- Vice-President
Dan Pastoric	- Vice-President
Eileen Campbell	- Vice-President
Indy Butany-DeSouza	- Vice-President
Danielle Diaz	- Vice-President
Marc Villett	- Vice-President

11. BY-LAWS

The by-laws of the Amalgamated Corporation shall be in the form attached hereto as Schedule 2. The proposed by-laws of the Amalgamated Corporation may be inspected at 55 John Street North, Hamilton, ON L8R 3M8.

12. FURTHER ASSURANCES

Each Party shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that the other Party may reasonably require, for the purposes of giving effect to this Agreement, including completing and sending the documents required under section 178 of the Act to the Director under the Act.

13. TERMINATION

At any time before the endorsement of a Certificate of Amalgamation under the Act, this Agreement may be terminated by the board of directors of either of the Amalgamating Corporations despite the approval of this Agreement by the shareholders of all or either of the Amalgamating Corporations.

14. ENUREMENT

This Agreement shall enure to the benefit of and be binding on the Parties and their respective successors. This Agreement may not be assigned by either Party.

15. GOVERNING LAW

This Agreement and any dispute arising from or in relation to this Agreement shall be governed by, and interpreted and enforced in accordance with, the law of the province of Ontario and the laws of Canada applicable in that province.

16. COUNTERPARTS

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 constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, including without limitation in a tagged image format file (TIFF) or portable document format (PDF), shall be equally effective as delivery of a manually executed counterpart of this Agreement.

THIS AGREEMENT has been duly executed by the Parties as of the date first stated above.

ALECTRA UTILITIES CORPORATION

Name: _____
Max Cananzi

Per: Authorized Signatory


Name: _____
Dennis Nolan

Per: Authorized Signatory

THIS AGREEMENT has been duly executed by the Parties as of the date first stated above.

ALECTRA UTILITIES CORPORATION



Name: Max Caparizi

Per: Authorized Signatory


Name: Dennis Nolan

Per: Authorized Signatory

GUELPH HYDRO ELECTRIC SYSTEMS INC.

Name: 
Per: PRASHANT SARDANA
Authorized Signatory CEO,

Name: _____
Per: _____
Authorized Signatory

SCHEDULE 1

SHARE CAPITAL

An unlimited number of Common Shares and 100,000 Class S Shares.

A. COMMON SHARES and CLASS S SHARES

The following are the rights, privileges, restrictions and conditions attaching to the Common Shares and the Class S Shares:

1. **Voting Rights:**
 - (a) **Voting Rights of Common Shares:** The holders of the Common Shares shall be entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation and shall be entitled to one (1) vote per Common Share held, except meetings at which only holders of another class of shares are entitled to vote.
 - (b) **Voting Rights of Class S Shares:** The holders of Class S Shares shall not be entitled to receive notice of, attend or vote at any meeting of the Corporation's shareholders.
2. **Dividends:** The holders of the Common Shares and the holders of the Class S Shares shall be entitled to receive dividends as and when declared from time to time by the board of directors of the Corporation out of the moneys of the Corporation properly applicable to the payment of dividends and the amount per share of each such dividend shall be determined by the board of directors at the time of declaration. The board of directors may declare in its absolute discretion dividends on any of the said classes of shares in priority to or after dividends, if any, which may be declared or paid on any other of the said classes of shares in the same amounts or in such differing amounts as they may decide, together with or wholly to the exclusion of any other of the said classes of shares.
3. **Participation upon Liquidation, Dissolution or Winding-Up:**
 - (a) In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Class S Shares shall be entitled to share pro rata in any distribution of the assets of the Solar Projects (as defined in section 2.1(4) of the Merger Participation Agreement (as defined below)) directly owned by the Corporation at the relevant time, provided that such distribution shall be net of all liabilities and obligations pertaining to the said assets of the Solar Projects and the operation, management and disposition thereof, including liabilities and obligations which arise as a consequence of such distribution. After payment of such amounts to the holders of the Class S shares, they shall not be entitled to share in any further distribution of the assets of the Corporation.
 - (b) In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Common Shares shall be entitled share pro rata in any distribution of the assets of the Corporation remaining after payment to the holders of the Class S Shares.

“Merger Participation Agreement” means the merger participation agreement dated March 24, 2016 among The Corporation of the City of Vaughan, The Corporation of the City of Markham, The Corporation of the City of Barrie, The Corporation of the City of Mississauga, The City of Hamilton, The Corporation of the City of St. Catharines, BPC Energy Corporation, Hamilton Utilities Corporation, St. Catharines Hydro Inc., Vaughan Holdings Inc., Markham Enterprises Corporation, Barrie Hydro Holdings Inc., PowerStream Holdings Inc., Horizon Holdings Inc., Enersource Corporation, Enersource Holdings Inc., PowerStream Inc., Enersource Hydro Mississauga Inc. and Horizon Utilities Corporation, as amended.

SCHEDULE 2

BY-LAWS

(See attached.)

BY-LAW 1

A by-law relating generally to
the transaction of the business and affairs of

ALECTRA UTILITIES CORPORATION

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BY-LAW 1

ARTICLE ONE INTERPRETATION

Section 1.01 Definitions: In this by-law and all other by-laws, unless the context otherwise requires:

- (a) "Act" means the *Business Corporations Act* (Ontario) or any successor statute, as amended from time to time, and the regulations thereunder;
- (b) "Articles" means the certificate and Articles of Amalgamation of even date herewith pursuant to which the Corporation was established;
- (c) "board" means the board of directors of the Corporation, and includes the sole director when the required number of directors is one;
- (d) "by-laws" means all by-laws of the Corporation from time to time in effect;
- (e) "Business Day" means a day other than a Saturday, Sunday or statutory holiday in Ontario;
- (f) "Corporation" means Alectra Utilities Corporation;
- (g) "Director" means the Director appointed under the Act;
- (h) "directors" means directors of the Corporation;
- (i) "holiday" means Sunday and any other day that is a holiday as defined in the *Legislation Act* (Ontario) or any successor statute, as amended from time to time;
- (j) "meeting of shareholders" includes an annual meeting of shareholders, a special meeting of shareholders and a meeting of the holders of any class or series of shares of the Corporation;
- (k) "person" includes an individual, body corporate, sole proprietorship, partnership, syndicate, an unincorporated association or organization, joint venture, trust, employee benefit plan, government or any agency or political subdivision thereof, and a natural person acting as trustee, executor, administrator or other legal representative;
- (l) "recorded address" means, with respect to a single shareholder, its latest address as recorded in the securities register of the Corporation; with respect to joint shareholders, the first address appearing in the securities register in respect of their joint holding; and with respect to any other person, but subject to the Act, his or her latest address as recorded in the records of the Corporation or otherwise known to the secretary;
- (m) "Shareholders Agreement" means the shareholder declaration dated January 31, 2017 between the Corporation and Alectra Inc.;
- (n) "signing officer" means, in relation to any contract or document, any one of the persons authorized to sign the same on behalf of the Corporation by this by-law or by a resolution passed pursuant to it;
- (o) subject to the foregoing, words and expressions that are defined in the Act have the same meanings when used in the by-laws;

- (p) words importing the singular include the plural and vice-versa, words importing any gender include the masculine, feminine and neuter genders, and headings are for convenience of reference only and shall not affect the interpretation of the by-laws.

Section 1.02 Shareholders Agreement and Articles Govern: Notwithstanding any provision of this or any other by-law, where any such provision conflicts with the Shareholders Agreement or the Articles, the Shareholders Agreement or Articles, as the case may be, shall govern.

ARTICLE TWO BUSINESS OF THE CORPORATION

Section 2.01 Registered Office: The registered office of the Corporation shall be located at the address set out in the Articles.

Section 2.02 Seal: The Corporation may have a seal in such form as the board may determine from time to time.

Section 2.03 Financial Year: The financial year of the Corporation shall be determined by the board.

Section 2.04 Execution of Instruments: Contracts or documents requiring execution by the Corporation may be signed as follows: when only one person is elected or appointed as an officer and as the director of the Corporation, by that person; and when two or more persons are elected or appointed as officers or directors of the Corporation, by any two of the persons holding the office of chair, vice-chair (if appointed under Section 5.01), president and chief executive officer, or any other office the holder of which has been designated as a signing officer by the board. All contracts or documents so signed shall be binding upon the Corporation without further authorization or formality. However, the board may direct from time to time the manner in which and the person by whom any particular contract or document or class of contracts or documents may or shall be signed. Any officer of the Corporation may affix the seal, if any, of the Corporation to any contract or document, and may certify a copy of any resolution or of any by-law or contract or document of the Corporation to be a true copy thereof. Subject to the provisions of this by-law relative to share certificates and to the Act, and if authorized by the board, the corporate seal, if any, of the Corporation and the signature of any signing officer may be mechanically or electronically reproduced upon any contracts or documents of the Corporation. Any such facsimile signature shall bind the Corporation notwithstanding that any signing officer whose signature is so reproduced may have ceased to hold office at the date of delivery or issue of such contracts or documents. The term “**contracts or documents**” shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property (real or personal, immovable or movable, legal or equitable), agreements, releases, receipts and discharges for the payment of money, share certificates and other securities, warrants and all instruments in writing.

Section 2.05 Exercise of Corporation's Voting Rights: Except as otherwise directed by the board, the persons authorized to sign contracts or documents on behalf of the Corporation may execute and deliver instruments of proxy and may arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation and such instruments, certificates or other evidence shall be in favour of such person as may be determined by the signing officers. However, the board may direct from time to time the manner in which and the person by whom any particular voting rights may or shall be exercised.

Section 2.06 Banking Arrangements: The banking business of the Corporation shall be transacted with such banks, trust companies or other persons as the board may designate from time to time and all such banking business shall be transacted on behalf of the Corporation by such persons and to such extent as the board may determine from time to time.

Section 2.07 Borrowing Power: Subject to the Shareholders Agreement, without restricting any of its powers, whether derived from the Act or otherwise, the board may from time to time, without further authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge debt obligations of the Corporation; and
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person.

Section 2.08 Charging Power: Subject to the Shareholders Agreement, without restricting any of its powers, whether derived from the Act or otherwise, the board may from time to time, without further authorization of the shareholders, mortgage, hypothecate, pledge or otherwise create a security interest in all or any present or future, real or personal, immovable or movable, legal or equitable property of the Corporation (including without limitation its book debts, rights, powers, franchises and undertaking) for any purpose whatsoever.

ARTICLE THREE DIRECTORS

Section 3.01 Powers of the Board of Directors: Subject to the Shareholders Agreement, the board of directors shall manage or supervise the management of the business and affairs of the Corporation.

Section 3.02 Qualifications: In addition to the requirements set out in the Shareholders Agreement, no person shall be a director if the person is not an individual or is less than 18 years of age or is bankrupt or is found by a court to be of unsound mind. Except as permitted by the Act, at least 25% of the directors shall be resident Canadians but when the required number of directors is less than four, only one of them need be a resident Canadian. Whenever the Corporation has an audit, finance and risk management committee, a number of directors being sufficient to form a majority of such committee shall not be officers or employees of the Corporation or its affiliates. Whenever the Corporation is offering its securities to the public, at least one-third of the directors shall not be officers or employees of the Corporation or of any affiliate of the Corporation.

Section 3.03 Number and Quorum of Directors: Subject to the Shareholders Agreement, the number of directors, including the number to be elected at the annual meeting, shall be three (3). The number of directors from time to time required to constitute a quorum for the transaction of business at a meeting of the board shall be a majority of the number of directors of the Corporation in office at the time the meeting is held. If a quorum of directors is not present within thirty (30) minutes after the time appointed for a meeting, the meeting shall be adjourned to such date, not less than five (5) and not more than fifteen (15) Business Days subsequent to the date originally set for the meeting, as the directors present at the meeting may determine. As soon as practicable following the determination of the date and time of any such adjourned meeting, the chair of the board shall provide notice to each of the directors. If a quorum is not present at such adjourned meeting, the Secretary of the Corporation shall promptly give notice to the directors and the shareholders of a further adjourned meeting to be held on the fifth (5th) Business Day following the date on which the first adjourned meeting was to be held, and the shareholders shall cause their respective nominee directors to attend such further adjourned meeting. A majority of the number of directors of the Corporation in office at the time the meeting is held will constitute a quorum at such further adjourned meeting. Reference is made to Section 3.08 and Section 3.13.

Section 3.04 Election and Term: Subject to the Act and the Shareholders Agreement, all directors shall be elected to hold office for an initial term expiring upon the first meeting of the board after the third annual meeting of the shareholders. Thereafter, every member appointed or elected to the Board shall

be appointed or elected to a term of three (3) years, with such term expiring at the third annual meeting of the shareholders after the annual meeting of the shareholders at which that member was appointed or elected to the board. The term of office of a director who is elected for a term that is not expressly stated expires at the close of the third annual meeting of shareholders following his or her election or when his or her successor is duly elected. The incumbent directors continue in office until their respective term expires, unless their respective offices are earlier vacated.

Section 3.05 Resignation: A director may resign his or her office by delivering or sending his or her resignation in writing to the Corporation and such resignation shall be effective when it is received by the Corporation or at such time as may be specified in the resignation, whichever is later.

Section 3.06 Removal: Subject to the Shareholders Agreement, a director ceases to hold office when he or she dies, resigns, is removed or ceases to be qualified to be a director or when his or her successor is duly elected in accordance with Section 3.04. Subject to the Act, each shareholder shall be entitled at any time in its discretion to cause any of the directors nominated by it to the board to be removed and to nominate and have one or more individuals elected a successor or successors, as required, by providing a direction in writing to the Corporation and to the other shareholders who shall vote their shares in favour of the appointment of such replacement director or directors.

Section 3.07 Statements: A director who resigns or who learns of a meeting of shareholders called for the purpose of removing him or her from office or a meeting of shareholders or directors at which another person is to be elected or appointed a director in his or her stead may submit to the Corporation a written statement giving the reasons for his or her resignation or the reasons why he or she opposes the proposed action. The secretary shall in accordance with the Act send a copy of such statement to every shareholder entitled to receive notice of meetings of shareholders and to the Director.

Section 3.08 Vacancies: Subject to the Act, in the event of any vacancy occurring on the board by reason of the death, disqualification, inability to act, resignation or removal of any director (the "Former Director") previously appointed by a particular shareholder, such shareholder shall, subject to the Shareholders Agreement, appoint another individual to replace the Former Director in order to fill such vacancy as soon as reasonably possible and in any event within sixty days, and the shareholders shall vote their shares accordingly.

Section 3.09 Calling Meetings: Meetings of the board shall be held at least once during each calendar quarter at a time to be determined by the chair of the board at the registered office of the Corporation or such other locations as the board may determine from time to time, provided that all meetings are held at a location within the Province of Ontario. The secretary shall give notice of any such meeting when directed by the person calling it as aforesaid. Additional meetings of the board may be called by any director by providing notice in writing to every other director containing the information required and the notice required for a regularly scheduled meeting of the board. A director may waive notice of any meeting of the board by an instrument in writing delivered to the secretary of the Corporation.

Section 3.10 Notice: Notice of the time and of the place or manner of participation for every meeting of the board shall be sent to each director not less than 10 Business Days before the time of the meeting. Reference is made to Article Ten.

Section 3.11 First Meeting of New Board: Each newly constituted board may hold its first meeting without notice for routine organizational purposes on the same day as the meeting of shareholders at which such board is elected.

Section 3.12 Regular Meetings: The board may appoint a day or days in any months for regular meetings of the board to be held at a place or by communications facilities and at an hour to be named. A copy of any resolution of the board fixing the time and place or manner of participation for such regular

meetings shall be sent to each director forthwith after being passed and to each director elected or appointed thereafter, but no other notice shall be required for any such regular meeting.

Section 3.13 Canadian Majority: No business other than the filling of a vacancy on the board shall be transacted at a meeting of the board unless at least 25% of the directors present are resident Canadians, except as permitted by the Act or where a resident Canadian director who is unable to be present approves in writing or by telephone or other communication facilities the business transacted at the meeting and 25% of resident Canadian directors would have been present had that director been present at the meeting.

Section 3.14 Meetings by Telephone: Any one or more of the directors may participate in a meeting of the board by a telephonic or video device that permits all participants in the meeting to communicate with each other simultaneously and instantaneously, and such participation shall be deemed to constitute attendance at the meeting, and each director participating in such a meeting by such means shall be deemed to be present at the meeting.

Section 3.15 Chair: Subject to the Shareholders Agreement, the chair and vice-chair (if appointed under Section 5.01) of the board shall be designated by the directors and nominees of one shareholder shall not hold both positions at any one time. The chair of the board, or in his or her absence the vice-chair (if appointed under Section 5.01), or in his or her absence the directors in attendance shall appoint a director in attendance, shall be chair of any meeting of the board. If no such person is present, the directors present shall choose one of their number to be chair of the meeting.

Section 3.16 Voting: Subject to the Shareholders Agreement, at all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.

Section 3.17 Signed Resolutions: When there is a quorum of directors in office, a resolution in writing signed by all the directors entitled to vote thereon at a meeting of the board or any committee thereof is as valid as if passed at such meeting. Any such resolution may be signed in counterparts.

Section 3.18 Remuneration: The remuneration of the directors for their respective services will be as determined by the board from time to time on the recommendation of the corporate governance and nominating committee of the board on advice from an independent consultant retained by such committee.

ARTICLE FOUR COMMITTEES OF THE BOARD

Section 4.01 Committees: Subject to the Shareholders Agreement, from time to time the board may appoint from among its number one or more committees, including an audit, finance and risk management committee and a corporate governance and nominating committee. Each committee may exercise those powers lawfully delegated to it by the board under the Act.

Section 4.02 Procedure: The members of each committee shall hold office while directors at the pleasure of the board or until their successors shall have been appointed. The board may fill any vacancy in a committee from among the directors. Unless otherwise determined by the board, each committee may fix its quorum, elect its chair and adopt rules to regulate its procedure. Subject to the foregoing, the procedure of each committee shall be governed by the provisions of this by-law which govern proceedings of the board so far as the same can apply except that a meeting of a committee may be called by any member thereof (or by any member or the auditor, in the case of the audit, finance and risk management committee), notice of any such meeting shall be given to each member of the committee (or each member and the auditor, in the case of the audit, finance and risk management committee) and the meeting shall be chaired by the chair of the committee or, in his or her absence,

some other member of the committee. Each committee shall keep records of its proceedings and transactions and shall report all such proceedings and transactions to the board in a timely manner.

ARTICLE FIVE OFFICERS

Section 5.01 Appointment of Officers: From time to time the board shall appoint a chair of the board and may appoint a vice-chair, president and chief executive officer and such other officers as it deems appropriate. One person may hold more than one office. Except for the chair of the board, the officers so appointed need not be directors.

Section 5.02 Appointment of Non-Officers: The board may also appoint other persons to serve the Corporation in such other positions and with such titles, powers and duties as the board may determine from time to time.

Section 5.03 Terms of Employment: The board may settle from time to time the terms of employment of the officers and other persons appointed by it and may remove at its pleasure any such person without prejudice to his or her rights, if any, to compensation under any employment contract. Otherwise each such person shall hold his or her office or position until he or she resigns or ceases to be qualified for his or her office or position or until his or her successor is appointed.

Section 5.04 Powers and Duties of Officers: The board may from time to time specify the duties of each officer, delegate to him or her powers to manage any business or affairs of the Corporation (including the power to sub-delegate) and change such duties and powers, all insofar as not prohibited by the Act.

Section 5.05 Agents and Attorneys: The board or any officer designated by it may from time to time appoint agents or attorneys for the Corporation in or out of Canada with such lawful powers (including the power to sub-delegate) as may be thought fit.

ARTICLE SIX CONDUCT OF DIRECTORS AND OFFICERS AND INDEMNITY

Section 6.01 Standard of Care: Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Section 6.02 Disclosure of Interest: A director or officer who now or in future is a party to, or is a director or officer of or has an interest in another person who is a party to, any existing or proposed material contract or transaction with the Corporation shall in accordance with the Act disclose in writing to the Corporation or request to have entered in the minutes of meetings of the board the nature and extent of his or her interest. Except as permitted by the Act a director so interested shall not vote on any resolution to approve such contract or transaction. A general notice to the board by a director or officer that he or she is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract made or transaction entered into with that person is a sufficient disclosure of interest in relation to any contract or transaction so made or entered into.

Section 6.03 Effect of Disclosure: Where the Corporation enters into a material contract or transaction with a director or officer (or with another person of which a director or officer is a director or officer or in which he or she has a material interest) the director or officer is not accountable to the Corporation or the shareholders for any profit or gain realized from the contract or transaction, and the contract or transaction is neither void nor voidable, by reason only of that relationship (or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of

directors that authorized the contract or transaction), if the director or officer disclosed his or her interest in the manner referred to above and the contract or transaction was reasonable and fair to the Corporation at the time it was so authorized.

Notwithstanding the foregoing, a director or officer, acting honestly and in good faith, is not accountable to the Corporation or the shareholders for any profit or gain realized from any such contract or transaction by reason only of his or her holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the Corporation at the time it was approved, is not by reason only of the director's or officer's interest therein void or voidable, if the contract or transaction is confirmed or approved by at least two-thirds of the votes cast at a special meeting of the shareholders duly called for that purpose and the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in an information circular relating thereto, or if the contract or transaction is confirmed or approved by a signed special resolution of the shareholders and the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail to the shareholders signing such resolution before it is signed.

Section 6.04 Indemnity: Every person who at any time is or has been a director or officer of the Corporation or who at any time acts or has acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and the heirs and legal representatives of every such person, shall at all times be indemnified by the Corporation in every circumstance where the Act so permits or requires. In addition and without prejudice to the foregoing and subject to the limitations in the Act regarding indemnities in respect of derivative actions, every person who at any time is or has been a director or officer of the Corporation or properly incurs or has properly incurred any liability on behalf of the Corporation or who at any time acts or has acted at the Corporation's request (in respect of the Corporation or any other person), and his or her heirs and legal representatives, shall at all times be indemnified by the Corporation against all costs, charges and expenses, including an amount paid to settle an action or satisfy a fine or judgment, reasonably incurred by him or her in respect of or in connection with any civil, criminal or administrative action, proceeding or investigation (apprehended, threatened, pending, under way or completed) to which he or she is or may be made a party, or in which he or she is or may become otherwise involved, by reason of being or having been such a director or officer or by reason of so incurring or having so incurred such liability or by reason of so acting or having so acted (or by reason of anything alleged to have been done, omitted or acquiesced in by him or her in any such capacity or otherwise in respect of any of the foregoing), and all appeals therefrom, if:

- (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing his or her conduct was lawful.

Nothing in this section shall affect any other right to indemnity to which any person may be or become entitled by contract or otherwise, and no settlement or plea of guilty in any action or proceeding shall alone constitute evidence that a person did not meet a condition set out in clause (a) or (b) of this section or any corresponding condition in the Act. From time to time the board may determine that this section shall also apply to the employees of the Corporation who are not directors or officers of the Corporation or to any particular one or more or class of such employees, either generally or in respect of a particular occurrence or class of occurrences and either prospectively or retroactively. From time to time thereafter the board may also revoke, limit or vary such application of this section.

Section 6.05 Limitation of Liability: So long as he or she acts honestly and in good faith with a view to the best interests of the Corporation, no person referred to in Section 6.04 (including, to the extent it

is then applicable to them, any employees referred to therein) shall be liable for any damage, loss, cost or liability sustained or incurred by the Corporation, except where so required by the Act.

Section 6.06 Insurance: Subject to the Act, the Corporation shall purchase liability insurance for the benefit of any person referred to in Section 6.04. In the event that such insurance coverage ceases to be available to the directors for any reason, each shareholder shall be responsible for insuring its own nominees.

ARTICLE SEVEN SHARES

Section 7.01 Issue: Subject to the Articles and the Shareholders Agreement, the board may issue all or from time to time any of the authorized and unissued shares in the capital of the Corporation to such persons and for such consideration as the board shall determine. No share shall be issued until the Corporation has received the requisite consideration for it in compliance with the Act.

Section 7.02 Commissions: From time to time the board may authorize the Corporation to pay a reasonable commission to any person in consideration of his or her purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or in consideration of his or her procuring or agreeing to procure purchasers for such shares.

Section 7.03 Share Certificates: Every shareholder is entitled at his or her option to a share certificate that complies with the Act and states the number, class and series designation, if any, of shares held by him or her as appears on the records of the Corporation, or a non-transferable written acknowledgement of his or her right to obtain such a share certificate. However, the Corporation is not bound to issue more than one share certificate or acknowledgement in respect of shares held jointly by several persons, and delivery of such certificate or acknowledgement to one of such persons is sufficient delivery to all of them. Share certificates shall be endorsed as required by the Shareholders Agreement and acknowledgements shall be in such forms the board shall approve from time to time and, unless otherwise ordered by the board, shall be signed like a contract or document and need not be under corporate seal. However, certificates representing shares in respect of which a transfer agent has been appointed shall be signed manually by or on behalf of such transfer agent and other share certificates and acknowledgements shall be signed manually by at least one signing officer.

Section 7.04 Replacement of Share Certificates: Subject to the Shareholders Agreement, the board may prescribe either generally or in a particular case the conditions, in addition to those provided in the Act, upon which a new share certificate may be issued in place of any share certificate which is claimed to have been lost, destroyed or wrongfully taken, or which has become defaced.

Section 7.05 Transfer Agent: From time to time the board may appoint or remove a trustee, transfer agent or other agent to keep the securities register and the register of transfers, one or more persons or agents to keep branch registers, and a registrar, trustee or agent to maintain a record of issued security certificates and warrants. Subject to the Act, one person may be appointed for purposes of the foregoing in respect of all securities and warrants of the Corporation or any class thereof.

Section 7.06 Registration of Transfer: No transfer of shares need be recorded in the register of transfers except upon presentation of the certificate representing such shares endorsed by the appropriate person under the Act, together with reasonable assurance that the endorsement is genuine and effective, and upon compliance with such restrictions on transfer, if any, as are authorized by the Articles and effective against the transferee, upon satisfaction of any debt for which the Corporation has a lien on the shares that is effective against the transferee, and upon compliance with all other conditions set out in the Act

Section 7.07 Lien for Indebtedness: Except when the Corporation has shares listed on a stock exchange recognized by the Ontario Securities Commission and subject to the Shareholders Agreement, the Corporation shall have a lien on the shares registered in the name of a shareholder or his or her legal representative for any debt of the shareholder to the Corporation. Subject to the Act, the Corporation may enforce such lien without notice or liability by (i) refusing to register a transfer of any such shares until the debt is paid, (ii) setting off against the debt any dividends or other distributions payable on any such shares, (iii) redeeming any such shares, if redeemable, and applying the redemption price less costs of redemption to the debt, (iv) purchasing any such shares and applying the purchase price, less any taxes thereon and costs of purchase, to the debt, (v) selling any such shares as if the Corporation were the owner thereof, at any time and place and to any person and on any commercially reasonable terms, and applying to the debt the cash proceeds of the sale, less any taxes thereon and all reasonable expenses incurred in connection with the sale, or (vi) cancelling such shares in satisfaction of the debt, or by any other method permitted by law or by any combination of any of the foregoing.

Section 7.08 Dealings with Registered Shareholder: Subject to the Act and the Shareholders Agreement, the Corporation may treat the registered owner of a share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share and otherwise to exercise all the rights and powers of a holder of the share. The Corporation may, however, and where required by the Act shall, treat as the registered shareholder any executor, administrator, heir, legal representative, guardian, committee, trustee, curator, tutor, liquidator or trustee in bankruptcy who furnishes appropriate evidence to the Corporation establishing his or her authority to exercise the rights relating to a share of the Corporation.

ARTICLE EIGHT DIVIDENDS AND RIGHTS

Section 8.01 Dividends: Subject to the Act, and in accordance with, the Articles and the Shareholders Agreement, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation.

Section 8.02 Dividend Payments: Subject to the Shareholders Agreement, a dividend payable to any shareholder in money may be paid by cheque or by electronic means payable to the order of the shareholder. Cheques shall be mailed to the shareholder by prepaid mail addressed to him or her at his or her recorded address unless he or she directs otherwise. In the case of joint holders the cheque or payment by electronic means shall be made payable to the order of all of them, unless such joint holders direct otherwise in writing. The mailing of a cheque or electronic delivery as aforesaid, unless it is not paid on due presentation, shall discharge the Corporation's liability for the dividend to the extent of the amount of the cheque or electronic payment plus the amount of any tax thereon which the Corporation has properly withheld. If any dividend cheque sent is not received by the payee, the Corporation shall issue to such person a replacement cheque for a like amount on such reasonable terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board or any person designated by it may require.

Section 8.03 Record Date for Dividends and Rights: Subject to the Shareholders Agreement, the board may fix in advance a date preceding by not more than 50 days the date for the payment of any dividend or the making of any distribution or for the issue of any warrant or other evidence of right to acquire securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or distribution or to receive such right. In every such case only the persons who are holders of record of the relevant shares at the close of business on the date so fixed shall be entitled to receive payment of such dividend or distribution or to receive such right. Notice of any such record date fixed by the board shall be given as and when required by the Act. Where no such record date is fixed by the board, the record date for the determination of the persons entitled to receive

payment of such dividend or distribution or to receive such right shall be the close of business on the day on which the board passes the resolution relating thereto.

ARTICLE NINE MEETINGS OF SHAREHOLDERS

Section 9.01 Annual Meeting: The annual meeting of the shareholders shall be held on such day and at such time as the board may, subject to the Act, determine from time to time, for the purpose of receiving the financial statements and reports required by the Act to be placed before each annual meeting of shareholders, electing directors (if required), appointing the auditor (if required) and fixing or authorizing the board to fix his or her remuneration and transacting such other business as may properly be brought before the meeting.

Section 9.02 Special Meeting: From time to time the board or the chair of the board may call a special meeting of the shareholders to be held on such day and at such time as the board or the chair of the board may determine. The holders of not less than 25% of the issued shares of the Corporation carrying the right to vote at the meeting sought to be held may requisition a special meeting of shareholders. Any special meeting of shareholders may be combined with an annual meeting.

Section 9.03 Place of Meetings: Meetings of shareholders shall be held at the registered office of the Corporation or such other location as the board may determine from time to time.

Section 9.04 Record Date: The board may fix in advance a record date, preceding the date of any meeting of shareholders by not more than 50 days nor less than 21 days, for the determination of the shareholders entitled to notice of the meeting, and where no such record date for notice is fixed by the board, the record date for notice shall be the close of business on the day immediately preceding the day on which notice is given. Notice of any such record date fixed by the board shall be given as and when required by the Act.

Section 9.05 Shareholder List: For each meeting of shareholders the secretary shall prepare or cause to be prepared an alphabetical list of shareholders entitled to receive notice of the meeting showing the number of shares entitled to be voted at the meeting and held by each such shareholder. The list shall be prepared (i) if a record date for such notice is fixed by the board, not later than 10 days thereafter, (ii) if no such record date is fixed by the board, at the close of business on the day immediately preceding the day on which notice of the meeting is given, or (iii) if no notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder prior to the meeting during usual business hours at the registered office of the Corporation or at the place where the securities register is kept, and at the meeting. Where a separate list is not prepared, the names of the shareholders entitled to receive notice of the meeting and the number of shares entitled to be voted thereat and held by them, respectively, as they appear in the securities register at the requisite time (excluding shares not entitled to be voted at the meeting), shall constitute the list prepared in accordance with this section.

Section 9.06 Notice: Notice in writing of the time, place and purpose for holding each meeting of shareholders shall be sent not less than 10 days, and not more than 50 days, before the date on which the meeting is to be held, to each director, the auditor (if any) of the Corporation and each person who on the record date for notice appears in the securities register of the Corporation as the holder of one or more shares carrying the right to vote at the meeting or as the holder of one or more shares the holders of which are otherwise entitled to receive notice of the meeting. Notice of a meeting of shareholders shall state or be accompanied by a statement of the nature of all special business to be transacted at the meeting, in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and the text of any special resolution or by-law to be submitted to the meeting. For this purpose all business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the minutes of an earlier meeting, the financial statements and

auditor's report, election of directors and reappointment of the incumbent auditor, is "special business". Reference is made to Article Ten.

Section 9.07 Financial Statements: Not less than 10 days before each annual meeting of shareholders or before the signing of a resolution in lieu thereof, the secretary shall send a copy of the annual financial statements and reports required by the Act to be placed before the annual meeting to each shareholder who has not informed the Corporation in writing that he or she does not want such documents.

Section 9.08 Shareholder Proposal: Any shareholder entitled to vote at a meeting of shareholders may submit to the Corporation notice of any proposal that he or she wishes to raise at the meeting and may discuss at the meeting any matter in respect of which he or she would have been entitled under the Act to submit a proposal. Where so required by the Act, the management information circular prepared in respect of the meeting shall set out or be accompanied by such shareholder proposal.

Section 9.09 Persons Entitled to be Present: The only persons entitled to attend a meeting of shareholders shall be those persons entitled to notice thereof and others who although not entitled to notice are entitled or required under any provision of the Act or the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

Section 9.10 Chair, Secretary and Scrutineer: The chair of the board, or in his or her absence, the vice-chair (if appointed under Section 5.01), or in their absence the president, or in their absence a vice-president, shall be chair of any meeting of shareholders. If no such officer is present within 15 minutes after the time appointed for the holding of the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary is absent, the chair shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. One or more scrutineers, who need not be shareholders, may be appointed by the chair or by a resolution of the shareholders.

Section 9.11 Quorum: Subject to the approvals set out in the Shareholders Agreement, the quorum for the transaction of business at any meeting of shareholders shall be two persons present and entitled to vote not less than 51% of the shares entitled to be voted at the meeting. If a quorum is present at the opening of the meeting the shareholders may proceed with the business of the meeting notwithstanding that a quorum is not present throughout. If a quorum is not present within such reasonable time after the time appointed for the holding of the meeting as the persons present and entitled to vote may determine, they may adjourn the meeting to a fixed time and place.

Section 9.12 Persons Entitled to Vote: Without prejudice to any other right to vote, every shareholder recorded on the shareholder list prepared in accordance with Section 9.05 is entitled, at the meeting to which the list relates, to vote the shares shown thereon opposite his or her name, except to the extent that the shareholder transfers ownership of any such shares after the record date for notice of the meeting and the transferee establishes that he or she owns the shares and requests not later than seven days before the meeting that his or her name be included in the list (in which case the transferee is entitled to vote such shares at the meeting). However, where two or more persons hold the same shares jointly, any one of them may in the absence of the others vote in respect of such shares but if more than one of such persons are present or represented and vote, they shall vote together as one on the shares jointly held by them or not at all.

Section 9.13 Proxies: Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or alternate proxyholders, who need not be shareholders, as his or her nominee to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy. A proxy shall be in writing and signed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized. A proxy shall conform to the requirements of the Act.

Section 9.14 Time for Deposit of Proxies: The board may specify in the notice calling a meeting of shareholders a time, not exceeding 48 hours (excluding Saturdays and holidays) preceding the meeting or any adjournment thereof, before which proxies must be deposited with the Corporation or its agent. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, where no such time is specified in such notice, if it has been received by the secretary of the Corporation or the chair of the meeting or any adjournment thereof before the time of voting.

Section 9.15 Revocation of Proxies: In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed in the same manner as a proxy and deposited either at the registered office of the Corporation at any time up to and including the last day (excluding Saturdays and holidays) preceding the date of the meeting or any adjournment thereof at which the proxy is to be used, or with the chair of such meeting or any adjournment thereof before the time of voting.

Section 9.16 Authorized Representatives: In accordance with the Shareholders Agreement, a shareholder that is a body corporate, shall designate a single individual from time to time as its authorized (legal) representative for purposes of providing any consent or approval required by the Act. Such shareholder shall designate its authorized representative by proxy duly completed in accordance with the Act as its representative to attend and vote at any meeting of the shareholders.

Section 9.17 Voting: At each meeting of shareholders every question shall be decided by a majority of the votes duly cast thereon, unless otherwise provided by the Act, the Articles, the by-laws or the Shareholders Agreement. In case of an equality of votes the chair of the meeting shall not be entitled to a casting vote.

Section 9.18 Show of Hands: At each meeting of shareholders voting shall be by show of hands unless a ballot is required or demanded as hereinafter provided. Upon a show of hands every person present and entitled to vote on the show of hands shall have one vote. Whenever a vote by show of hands has been taken upon a question, unless a ballot thereon be so required or demanded and such requirement or demand is not withdrawn, a declaration by the chair of the meeting that the vote upon the question was carried or carried by a particular majority or not carried or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be prima facie evidence of the result of the vote without proof of the number or proportion of votes cast for or against

Section 9.19 Ballots: On any question proposed for consideration at a meeting of shareholders a ballot may be required by the chair or demanded by any person present and entitled to vote, either before or after any vote by show of hands. If a ballot is so required or demanded and such requirement or demand is not withdrawn, a poll upon the question shall be taken in such manner as the chair of the meeting shall direct. Subject to the Articles, upon a ballot each person present shall be entitled to one vote in respect of each share which he or she is entitled to vote at the meeting on the question.

Section 9.20 Adjournment: The chair of a meeting of shareholders may terminate the meeting following the conclusion of all business which may properly come before the meeting or, subject to such conditions as the meeting may decide, may adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of less than 30 days, it is not necessary to give notice of the resumption of the meeting if the time and place for resuming the meeting are announced at the earliest meeting that is adjourned.

Section 9.21 One-Shareholder Meeting: Where all the outstanding shares of any class or series of shares of the Corporation are held by one shareholder, that shareholder present in person or by proxyholder or by authorized representative constitutes a meeting of the holders of that class or series of shares.

Section 9.22 Signed Resolutions: Subject to the Act, a resolution in writing signed by all the shareholders entitled to vote thereon at a meeting of shareholders is as valid as if passed at such a meeting and a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of shareholders and signed by all shareholders entitled to vote thereat satisfies all requirements relating to that meeting. Any such resolution may be signed in counterparts.

ARTICLE TEN NOTICES

Section 10.01 To Shareholders, Directors: Any notice or document required or permitted to be sent by the Corporation to a shareholder or director may be mailed by registered mail in a sealed envelope addressed to, or may be delivered personally to, such person at his or her recorded address, or by transmittal by facsimile or email transmission or may be sent by any other means permitted under the Act. If so mailed, the notice or document shall be deemed to have been received by the addressee on the fifth day after mailing. If notices or documents so mailed to a shareholder are returned on three consecutive occasions because he or she cannot be found, the Corporation need not send any further notices or documents to such shareholder until he or she informs the Corporation in writing of his or her new address.

Section 10.02 To Others: Any notice or document required or permitted to be sent by the Corporation to any other person may be (i) delivered personally to such person, (ii) addressed to such person and delivered to his or her recorded address, (iii) mailed by registered mail in a sealed envelope addressed to such person at his or her recorded address or (iv) addressed to such person and sent to his or her recorded address by facsimile or email, electronic communication, or any other means of legible communication then in business use in Canada. A notice or document so mailed or sent shall be deemed to have been received by the addressee when deposited in a post office or public letter box (if mailed) or when transmitted by the Corporation on its equipment or delivered to the appropriate communication agency or its representative for dispatch, as the case may be (if sent by facsimile or email, electronic communication, or other means of legible communication).

Section 10.03 Changes in Recorded Address: The secretary may change the recorded address of any person in accordance with any information the secretary believes to be reliable.

Section 10.04 Computation of Days: In computing any period of days under the by-laws or the Act, the period shall be deemed to commence on the day following the event that begins the period and shall be deemed to end at midnight on the last day of the period except that if the last day of the period falls on a Sunday or holiday, the period shall end at midnight of the day next following that is not a Sunday or holiday.

Section 10.05 Omissions and Errors: The accidental omission to give any notice to any person, or the non-receipt of any notice by any person or any immaterial error in any notice shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

Section 10.06 Unregistered Shareholders: Subject to the Act, every person who becomes entitled to any share shall be bound by every notice in respect of such share which was duly given to any predecessor in title prior to such person's name and address being entered on the securities register of the Corporation.

Section 10.07 Waiver of Notice: Any person entitled to attend a meeting of shareholders or directors or a committee thereof may in any manner and at any time waive notice thereof, and attendance of any shareholder or his or her proxyholder or authorized representative or of any other person at any meeting is a waiver of notice thereof by such shareholder or other person except where the attendance is for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. In addition, where any notice or document is required to be given under the Articles or

by-laws or the Act, the notice may be waived or the time for sending the notice or document may be waived or abridged at any time with the consent in writing of the person entitled thereto. Any meeting may be held without notice or on shorter notice than that provided for in the by-laws if all persons not receiving the notice to which they are entitled waive notice of or accept short notice of the holding of such meeting.

ENACTED by the directors under the Business Corporations Act (Ontario).

[SIGNATURE PAGE FOLLOWS.]

DATED January 1, 2019.



Max Cananzi, President