

## COST OF CAPITAL AND CAPITAL STRUCTURE

### 1. INTRODUCTION

This Schedule provides an overview of Hydro Ottawa's capital structure, financing approach, costs associated with short-term and long-term debt, and Return on Equity (ROE), as required under section 2.5 of the *Chapter 2 Filing Requirements for Electricity Distribution Rate Applications - 2025 Edition for 2026 Rate Applications*, dated December 9, 2024.

On March 6, 2024, the OEB initiated hearing EB-2024-0063 to review the cost of capital that rate-regulated electricity and gas utilities can recover through rates. As part of this Original evidence, Hydro Ottawa is using the 2025 cost of capital parameters, published by the OEB in its *Decision and Order, Generic Proceeding - Cost of Capital and Other Matters (EB-2024-0063)* dated March 27, 2025, as a placeholder. This approach is further described in this Schedule and as prescribed by the Filing Requirements. It is anticipated that at the draft Rate Order stage the 2026 cost of capital parameters will be available, which is expected in fall 2025. The foregoing is for ROE and short-term debt, but not long-term debt, where the prescribed rate is only used as a proxy to bridge the periods between external financings.

### 2. CAPITAL STRUCTURE

Hydro Ottawa's proposed capital structure is in accordance with the OEB guidelines provided in the *Decision and Order, Generic Proceeding - Cost of Capital and Other Matters (EB-2024-0063)* issued on March 27, 2025 (2025 OEB Cost of Capital Decision and Order).<sup>1</sup> Hydro Ottawa targets a 60:40 debt to equity range. The 60% debt component is comprised of a targeted split between 56% long-term debt and 4% short-term debt.

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<sup>1</sup> Ontario Energy Board, *Decision and Order, Generic Proceeding - Cost of Capital and Other Matters*, EB-2024-0063, (March 27, 2025), page 55.

Attachment 5-1-1(A) - Appendix 2-OA - Capital Structure and Cost of Capital, provided in Excel format, outlines Hydro Ottawa's capital structure for both the last OEB-approved year of 2021 and the Test Year of 2026.

### 3. FINANCING APPROACH

Hydro Ottawa receives all of its long-term debt financing via intercompany loans from its parent company, Hydro Ottawa Capital Corporation. The intercompany loans are on a pass through basis, such that the rates, terms and conditions for Hydro Ottawa's financing are the same as the rates, terms and conditions that Hydro Ottawa Capital Corporation is able to obtain in the external markets. All external debt is managed by Hydro Ottawa Capital Corporation, which maintains an investment grade credit rating for the purpose of financing. This credit rating enables Hydro Ottawa Capital Corporation to execute private debt issuances in the Canadian debt market to support financing requirements for its subsidiaries/affiliates, including Hydro Ottawa.

It is Hydro Ottawa's intention to provide regulatory efficiency and rate stability over the five-year term of this Application by committing to the cost of capital parameters shown for each year and to not make or seek any updates to any component of the cost of capital for the period covered. The relevant cost of capital parameters for the purpose of calculating revenue requirement set out in Schedule 6-1-1 - Revenue Requirement and Revenue Deficiency or Sufficiency are summarized in Table 1 below. With the exception of the long-term debt rate, the placeholders noted below are as provided in the 2025 OEB Cost of Capital Decision and Order, however as noted in the footnotes below these will be updated to the 2026 Cost of Capital Parameters in the fall of 2025.

**Table 1 – Summary of Cost of Capital Parameters**

Rates Effective	Placeholder ROE <sup>2</sup> (fixed for 2026-2030)	Placeholder Long-Term Debt <sup>3</sup> (fixed for 2026-2030)	Placeholder Short-Term Debt <sup>4</sup> (fixed for 2026-2030)
January 1, 2026 - December 31, 2030	9.00%	3.96%	3.91%

### 3.1. CREDIT RATING

The current credit ratings for Hydro Ottawa Capital Corporation issued by Morningstar Dominion Bond Rating Service (DBRS) are: Issuer Rating of A (low), a Senior Unsecured Debt credit rating of A (low), and a Commercial Paper program credit rating of R-1 (low), all with Stable trends.

The most recent credit rating report is provided in Attachment 1-5-3(A) - Rating Report for Hydro Ottawa Capital Corporation issued by Morningstar DBRS.

### 3.2. SHORT-TERM DEBT

Hydro Ottawa Capital Corporation maintains short-term credit facilities and also has the ability to issue commercial paper to support the liquidity needs of Hydro Ottawa. These facilities are used to cover periodic working capital deficiencies, bridge financing requirements until long-term debt is warranted, and post required prudential support with the Independent Electricity System Operator.

The cost of short-term financing is applied to Hydro Ottawa based on the same terms and conditions that Hydro Ottawa Capital Corporation receives through its credit facility. Terms and conditions of short-term borrowings are governed by the “Amended and Restated Credit Agreement” dated October 1, 2024, which is appended to this Schedule as Attachment 5-1-1(C) - Credit Agreement as Amended.

For the purpose of calculating revenue requirement set out in Schedule 6-1-1 - Revenue Requirement and Revenue Deficiency or Sufficiency, for the full five-year period covered by this

<sup>2</sup> To be updated based on the ROE for 2026 to be set by the OEB in the fall of 2025.

<sup>3</sup> To be updated as per Section 3.4, Anticipated Long-Term Debt, of this Schedule.

<sup>4</sup> To be updated based on the Short-Term Debt rate for 2026 to be set by the OEB in the fall of 2025.

Application, Hydro Ottawa has utilized the deemed short-term debt rate of 3.91%, as provided in the 2025 OEB Cost of Capital Decision and Order. Hydro Ottawa intends to update its revenue requirement for 2026-2030, based on the deemed short-term debt rate for 2026 to be set by the OEB in the fall of 2025. That short-term debt rate will be used for the full five-year term to provide regulatory efficiency and rate stability.

### 3.3. LONG-TERM DEBT

As required, Hydro Ottawa Capital Corporation issues long-term debt to support the financing requirements of Hydro Ottawa. The costs associated with long-term financing are passed on to Hydro Ottawa on the same terms and conditions as Hydro Ottawa Capital Corporation receives from the external markets.

In the absence of associated external long-term financing at the Hydro Ottawa Capital Corporation level, long-term debt is advanced under the Grid Promissory Note provided in Attachment 5-1-1(D) - Grid Promissory Note and charged to Hydro Ottawa at the deemed cost of debt as calculated at the time of the fund transfer, as per the methodology of the 2025 OEB Cost of Capital Decision and Order.<sup>5</sup> All debt using a deemed rate accumulates until the next external long-term financing is conducted by Hydro Ottawa Capital Corporation, at which time Hydro Ottawa repays the balance(s) owing to Hydro Ottawa Capital Corporation under the Grid Promissory Note and Hydro Ottawa issues a Promissory Note with the new rate, terms, and conditions as per the external bond issuance, which includes the actual cost of debt, plus any issuance costs incurred which are amortized over the life of the bond.

By using this approach, Hydro Ottawa primarily relies on the embedded or actual cost of long-term debt and only uses the deemed long-term debt rate as a proxy to bridge the period between external financings.

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<sup>5</sup> However, prior to March 27, 2025: Ontario Energy Board, *Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*, EB-2009-0084 (December 11, 2009).



The markets are not receptive to long-term debt issuances under \$100M due to liquidity and listing requirements, and therefore smaller issuances, if attainable, would dictate premium pricing. As well, smaller and more frequent issuances will incur more costs than larger, less frequent issuances due to the fixed nature of many of the required issuance costs. The financing arrangement between Hydro Ottawa and Hydro Ottawa Capital Corporation is beneficial to both Hydro Ottawa and ratepayers, as it allows the utility to target the deemed capital structure and borrow in smaller tranches (without paying premiums) than would otherwise be attainable in the financial markets.

The financial strength of Hydro Ottawa Capital Corporation and this type of financing arrangement optimizes Hydro Ottawa's cost of borrowing on both short-term and long-term financing. It provides financing to Hydro Ottawa in tranches that meets its capital structure requirements using both actual and deemed rates in an objective and transparent manner, which minimizes borrowing costs for the utility and ratepayers.

The current long-term debt notes issued by Hydro Ottawa, as at December 31, 2024, are included as the following attachments to this Schedule and detailed in Table 2 below:

- Attachment 5-1-1(D) - Grid Promissory Note;
- Attachment 5-1-1(E) - Hydro Ottawa Limited \$138.667M Promissory Note;
- Attachment 5-1-1(F) - Hydro Ottawa Limited \$121.333M Promissory Note;
- Attachment 5-1-1(G) - Hydro Ottawa Limited \$107.185M Promissory Note;
- Attachment 5-1-1(H) - Hydro Ottawa Limited \$50M Promissory Note;
- Attachment 5-1-1(I) - Hydro Ottawa Limited \$15.999M Promissory Note;
- Attachment 5-1-1(J) - Hydro Ottawa Limited \$14.001M Promissory Note;
- Attachment 5-1-1(K) - Hydro Ottawa Limited \$87.5M Promissory Note; and
- Attachment 5-1-1(L) - Hydro Ottawa Limited \$162.5M Promissory Note.

**Table 2 – Long Term Debt at December 31, 2024**

Description	Maturity	Outstanding Principal (\$)	Rate (%)
Promissory Note	19-Dec-2036	\$50,000,000	4.968%
Promissory Note	13-May-2043	\$107,185,000	3.991%
Promissory Note	3-Feb-2025	\$138,667,000	2.614%
Promissory Note	2-Feb-2045	\$121,333,000	3.639%
Promissory Note	25-Jun-2025	\$15,999,000	2.614%
Promissory Note	25-Jun-2045	\$14,001,000	3.639%
Promissory Note	16-Oct-2029	\$87,500,000	2.660%
Promissory Note	16-Oct-2049	\$162,500,000	3.210%
Grid Promissory Note	Due on Demand	\$80,000,000	3.570%
Grid Promissory Note	Due on Demand	\$30,000,000	4.940%
Grid Promissory Note	Due on Demand	\$30,000,000	4.560%
Grid Promissory Note	Due on Demand	\$60,000,000	4.490%
<b>TOTAL</b>		<b>\$897,185,000</b>	

There is no expectation of profit or loss on redemption of the above-noted debt instruments, and no profit or loss on redemption of debt instruments has occurred during the 2021-2025 rate term.

### 3.4. ANTICIPATED LONG-TERM DEBT

Forecast new debt issuance for 2025-2026 is driven primarily by Hydro Ottawa's capital expenditure program and requirement to repay maturing debt. Hydro Ottawa has historically allocated debt issuances between 10-year and 30-year tenors of 35% and 65%, respectively. In early January 2025, indicative rates<sup>6</sup> for Hydro Ottawa Capital Corporation's 10-year and 30-year debt were 4.62% and 5.02%, respectively. Given the 30-year indicative debt rate exceeded the OEB's interim deemed long-term debt rate for 2025 of 4.66%,<sup>7</sup> a 10-year 4.372% \$425 million issuance was completed by Hydro Ottawa Capital Corporation on January 30, 2025. The proceeds from this bond

<sup>6</sup> BMO Capital Markets, Indicative New Issue Pricing as at January 10, 2025: Hydro Ottawa Capital Corporation

<sup>7</sup> Decision and Order, Generic Proceeding - Cost of Capital and Other Matters (EB-2024-0063), March 27, 2025, Schedule H, page V.

issuance were used to refinance Hydro Ottawa's Grid Notes and the \$138.667 million Promissory Note which matured on February 3, 2025.

Details of the recent and forecast debt issues for 2025-2026 are shown in Table 3:

**Table 3 – Recent and Forecast Long-Term Debt Issues**

Description	Issue Date	Maturity Date	Outstanding Principal (\$)	Rate (%)
Promissory Note <sup>8</sup>	03-Feb-2025	30-Jan-2035	\$350,000,000	4.429% <sup>9</sup>
Promissory Note	02-Jul-2025	30-Jan-2035	\$72,500,000	4.429% <sup>6</sup>
Grid Promissory Note	02-Jul-2026	Due on Demand	\$110,000,000	4.51% <sup>10</sup>

Excel Attachment 5-1-1(B) - Appendix 2-OB - Debt Instruments outlines the amounts and associated interest rates for all of the utility's long-term debt instruments as well as the weighted average long-term debt rate for the Historical, Bridge, and 2026 Test Years. Hydro Ottawa proposes a long-term debt rate for 2026 of 3.96%, calculated as the weighted average rate of existing embedded debt and forecast debt planned to be issued from 2025-2026 applied throughout the 2026-2030 rate cycle.

#### 4. RETURN ON EQUITY

Hydro Ottawa has used a 9.00%<sup>11</sup> ROE parameter for the purpose of calculating revenue requirement set out in Schedule 6-1-1 - Revenue Requirement and Revenue Deficiency or Sufficiency, for the full five-year period covered by this Application. Hydro Ottawa will update its revenue requirement for 2026-2030, based on the ROE for 2026 to be set by the OEB in the fall of 2025, which typically occurs at the draft Rate Order stage of the rate application process. This is in line with the guidance set forth in the *Handbook for Utility Rate Applications*, which states that "the

<sup>8</sup> Attachment 5-1-1(M) Hydro Ottawa Limited \$350.0M Promissory Note

<sup>9</sup> Series 2025-1 Senior Unsecured Debentures due 2035 underlying rate of 4.372% plus 0.057% for issuance costs.

<sup>10</sup> To be updated based on deemed long-term debt rate published by the OEB in fall 2025.

<sup>11</sup> Ontario Energy Board, *Decision and Order, Generic Proceeding - Cost of Capital and Other Matters*, EB-2024-0063, (March 27, 2025), page 109.

OEB expects there to be no further rate applications for annual updates within the five-year term” and “the OEB does not expect to address annual rate applications for updates for cost of capital.”<sup>12</sup>

Please see Table 4 for Hydro Ottawa’s historical approved and achieved ROE.

**Table 4 – Historical 2019-2023 Deemed and Achieved ROE**

Year	2019	2020	2021	2022	2023
Deemed (included in Rates)	8.98%	8.98%	8.34%	8.34%	8.34%
Achieved	8.82%	7.24%	8.49%	6.94%	6.15%

## 5. PREFERRED SHARES

Hydro Ottawa does not currently have any preferred shares issued nor has the utility forecasted for any issuance of preferred shares for the Bridge or Test Years.

<sup>12</sup> Ontario Energy Board, *Handbook for Utility Rate Applications* (October 13, 2016), page 26.

**Attachment 5-1-1(A) - OEB Appendix 2-OA - Capital Structure  
and Cost of Capital**

**(Refer to the attachment in Excel format)**

**Attachment 5-1-1(B) - OEB Appendix 2-OB - Debt Instruments**

**(Refer to the attachment in Excel format)**

**AMENDED AND RESTATED CREDIT AGREEMENT**

**THIS AGREEMENT** is made as of the 1<sup>st</sup> day of October, 2024.

**BETWEEN:**

**HYDRO OTTAWA CAPITAL CORPORATION/SOCIÉTÉ DE CAPITAUX  
HYDRO OTTAWA**

(hereinafter also referred to as the “**Lender**”)

- and -

**HYDRO OTTAWA LIMITED**

(hereinafter also referred to as the “**Borrower**”)

**WHEREAS**, Hydro Ottawa Holding Inc./Société de Portefeuille D’Hydro Ottawa Inc. (“**HOHI**”) and the Borrower entered into a credit agreement dated January 1, 2009, as amended, and the Lender agreed to assume the obligations of HOHI under the credit agreement.

**AND WHEREAS**, the Lender has agreed to make available to the Borrower certain credits on the terms and conditions set out in this agreement.

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained, the Parties agree as to amend and restate the credit agreement as follows:

**1. Definition**

Whenever used in this Agreement, unless there is something inconsistent in the subject matter or context, the following words and terms shall have the meaning as set out below:

- (a) “**Agreement**” means this agreement, including any schedules and all instruments supplementing or amending or confirming this agreement;
- (b) “**Bank of Nova Scotia Credit Agreement**” means an agreement between The Bank of Nova Scotia and Hydro Ottawa Capital Corporation evidenced by the most recent Commitment Letter;
- (c) “**Drawdown**” means a borrowing of funds under the facility, a conversion or a rollover, as the context requires;
- (d) “**Event of Default**” means any of the events described in section 6;
- (e) “**Fixed Term Loan**” means an interest-bearing loan having a term of not less than 7 days and not more than 180 days having a rate of interest determined on the bases set out in this Agreement;
- (f) “**Permitted Encumbrance**” means any of the following:
  - (i) purchase money security interests, capital leases and other encumbrances not exceeding in an aggregate amount of \$5,000,000;

- (ii) liens for taxes, payments in lieu of taxes, assessments, government charges or claims not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested in good faith, on in respect of which appropriate provision is made in consolidated financial statements of the Borrower;
- (iii) a lien or deposit under workers' compensation, social security or similar legislation or deposits to secure public or statutory obligations;
- (iv) a lien or deposit of cash or securities in connection with contracts, bids, tenders, leases or expropriation proceedings or to secure surety and appeal bonds not exceeding an aggregate amount of \$1,000,000 at any time;
- (v) a lien or privilege imposed by law, such as a builder's, carrier's, warehousemen's, landlord's mechanic's, supplier's or other similar liens and public, statutory and other like obligations incurred in the ordinary course of business;
- (vi) a lien or right of distress reserved in or exercisable under any lease, for rent or for compliance with the terms of the lease;
- (vii) undetermined or inchoate liens, rights of distress, privileges and charges incidental to current operations which have not at such time been filed or exercised or which relate to obligations not due or payable, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings;
- (viii) reservations, limitations, provisos and conditions expressed in any original grants from the Crown or other grants of real or immovable property, or interests therein, which do not materially affect the use of the affected land for the purpose for which it is being used;
- (ix) title defects, encroachments or irregularities or other matters relating to title which in the aggregate do not materially impair the use of the affected property for the purpose for which it is used;
- (x) zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, state, municipal and other governmental authorities, licences, easements, rights-of-way, rights in the nature of easements (including, without limiting the generality of the foregoing, licences, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the use of the affected land for the purpose for which it is being used;
- (xi) any right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, licence, franchise, grant or permit acquired by that person or by any statutory provision to terminate any lease, licence, franchise, grant or permit, or to require annual or other payments as a condition for the continuance thereof;



- (xii) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that person in the ordinary course of business;
- (xiii) security for costs of litigation where required by law; and
- (xiv) attachments, judgements and other similar encumbrances arising in connection with court proceedings; provided that the encumbrances are in existence for less than 30 days after their creation or the execution or other enforcement of the encumbrances is effectively stayed or the claims so secured are being actively contested in good faith and by proper legal proceedings;
- (g) **“Prime Rate”** means, at any time, the rate of interest expressed as an annual rate, established by The Bank of Nova Scotia Agreement from time to time as its reference “interest rate / fee” to determine the interest rates it will charge for loans in Canadian dollars; and
- (h) **“Prime Rate Advance”** means an interest-bearing loan having a term not more than 180 days, for which the principal may be drawdown and upon which interest is calculated daily at the Prime Rate and repayable determined on the bases set out in this Agreement;

## 2. **The Credit Facilities**

- (1) Upon the terms and subject to the conditions herein set forth, the Lender establishes in favour of the Borrower the following credit facility to be available to the Borrower in accordance with the provisions of this Agreement. The facility shall consist of a revolving demand facility of up to a maximum principal amount available within the Bank of Nova Scotia Credit Agreement.
- (2) The total amount authorized for this credit facility is \$90,000,000.00 CDN.
- (3) The Borrower may avail the credit facility by way of direct advances through Prime Rate Advances. Changes in the Prime Rate shall cause an immediate adjustment to the interest rate applicable to an advance without the necessity of notice to the Borrower. The principal amounts of any Prime Rate Advances shall be repayable at any time on demand of the Lender and may be repaid by the Borrower at any time prior to such demand.
- (4) The Borrower may avail the credit facility by way of Fixed Term Loans.
- (5) The rate of interest on the Fixed Term Loans shall be the Term Canadian Overnight Repo Rate Average (CORRA) spread charged pursuant to The Bank of Nova Scotia Credit Agreement, plus the 1-month Term CORRA rate applicable to the date of the Drawdown as evidenced by a CORRA Loan drawn by Hydro Ottawa Capital Corporation on that date, otherwise the “CanDeal/TMX Term CORRA 1 Month” rate will be used as posted on that date.
- (6) Interest on loans and advances will be calculated on a daily basis and payable in arrears on a mutually agreed date.

- (7) The Borrower may increase or decrease advances made by Prime Rate Advances or by Fixed Term Loan by making drawdowns, repayments or further drawdowns of the amount of advances that have been repaid. The Borrower may also convert a Prime Rate Advance to a Fixed Tenn Loan by notice to the Lender.
- (8) On the date of maturity, the Borrower shall repay to the Lender the principal amount of Prime Rate Advances and Fixed Tenn Loans. The Borrower may request from the Lender and the Lender, in its sole discretion, may grant an extension of the maturity date of any Primary Rate Advances or Fixed Term Loans for a further period not to exceed 180 days.
- (9) The Borrower may avail the credit facility by way of Standby Letters of Credit / Letters of Guarantee. The charge will be made pursuant to the Bank of Nova Scotia Credit Agreement "Commission" fee and will be payable upon issuance.

### **3. Commitment Fee and Standby Fees**

The Borrower shall pay a proportionate share of the commitment fee and standby fees payable per the terms of the Bank of Nova Scotia Credit Agreement.

### **4. Evidence of Indebtedness**

The Lender shall open and maintain books of account evidencing all advances and all other amounts owing by the Borrower to the Lender hereunder. The information entered in the foregoing accounts shall constitute *prima facie* evidence of the obligations of the Borrower to the Lender and, in the absence of manifest error, are conclusive evidence of the advances made, repayments on account thereof and the indebtedness of the Borrower to the Lender. Upon request of the Borrower, the Lender shall advise the Borrower of entries made on the books of account.

### **5. General Conditions**

The following conditions will apply until all debts and liabilities of the Borrower availed under the Credit Facilities have been discharged in full:

- (a) The Borrower shall not encumber its assets in any manner other than by Permitted Encumbrances;
- (b) The Borrower may not incur, assume or permit any debt to remain outstanding other than debt under this Agreement, other than:
  - (i) debt incurred from the Lender;
  - (ii) debt incurred in respect of purchase money security interests;
  - (iii) capital leases; and
  - (iv) other debt permitted by the Lender.
- (c) The business activities of the Borrower shall be restricted to those permitted pursuant to section 73 of the *Ontario Energy Board Act, 1998*, so long as those restrictions on business activities continue to apply to the Borrower;

- (d) The Borrower shall make due and timely payment of the obligations required *to* be paid by it hereunder;
- (e) The Borrower shall provide notice to the Lender of any Event of Default;
- (f) The Lender shall be under no obligation to provide a Prime Rate Advance, a Fixed Term Loan, or a Standby Letter of Credit / Letters of Guarantee following an Event of Default.

**6. Events of Default**

- (1) The following shall constitute Events of Default for the purposes of this Agreement:
  - (a) The Borrower encumbering assets other than by Permitted Encumbrances;
  - (b) The Borrower fails to pay interest, principal or other amounts owing pursuant to this Agreement;
  - (c) The Borrower is in breach of any conditions of this Agreement;
  - (d) Any actions by the Borrower which cause the Lender to be in default of its obligations under the Bank of Nova Scotia Credit Agreement;
  - (e) The Borrower is bankrupt, insolvent or liquidation proceedings or any other proceedings for the relief of creditors are instituted by or against the Borrower and are not dismissed within 60 days of such institution.
- (2) Upon the occurrence of an Event of Default, at the option of the Lender, all amounts of Principal and Interest shall become immediately due and payable. The occurrence of an Event of Default shall relieve the Lender of all obligations to provide any further advances or loans to the Borrower.

**7. Indemnification**

The Borrower shall indemnify the Lender from any loss or expense incurred by the Lender as a result of any failure by the Borrower to fulfill its obligations under this Agreement, expense any loss or expense arising from the negligence or wilful misconduct of the Lender.

**8. Early Termination**

In the event of any change in control of the Borrower, the Lender may require that the Borrower pay the Principal and Interest payable within 30 days following a change of control of the Borrower. For the purpose of this subsection control means with respect to the Borrower at any time (i) holding, as owner or other beneficiary - other than solely as beneficiary of an unrealized security interest - directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower, or (ii) the exercise of de facto control of the Borrower, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**9. Termination**

Unless otherwise extended by agreement of the parties, this facility shall terminate the date the Bank of Nova Scotia Credit Agreement is no longer in force. Prior to the termination of the facility, the Borrower shall pay to the Lender the Principal outstanding and any Interest payable.

**10. Notice**

Any demand, notice or communication to be made or given pursuant to this Agreement shall be in writing and may be made or given by personal delivery, by mail, by electronic mail addressed to the respective parties as follows:

To the Borrower:

Hydro Ottawa Limited  
2711 Hunt Club Road, PO Box 8700 Ottawa, Ontario K1G 3S4

Attention: Treasurer  
Telephone: 613-738-5499  
Electronic mail: [corptreasury@hydroottawa.com](mailto:corptreasury@hydroottawa.com)

To the Lender:

Hydro Ottawa Capital Corporation  
2711 Hunt Club Road, PO Box 8700 Ottawa, Ontario K1G 3S4

Attention: Treasurer  
Telephone: 613-738-5499  
Electronic mail: [corptreasury@hydroottawa.com](mailto:corptreasury@hydroottawa.com)

Either party may from time to time notify the other party of any change to its address, telephone number, or electronic mail contact.

**11. Successors and Assigns**

This Agreement shall be binding upon and enure to the benefit of the Lender, the Borrower and their successors and assigns, except that the Borrower shall not assign any rights or obligations with respect to this Agreement without the prior written consent of the Lender, which consent may be withheld or refused for any reason. The Lender may assign its rights and obligations with respect to this Agreement upon notice to the Borrower.

**12. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**13. Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

**HYDRO OTTAWA CAPITAL  
CORPORATION/SOCIÉTÉ DE CAPITAL  
HYDRO OTTAWA**

DocuSigned by:  
*Bryce Conrad*  
Per: \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per: \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
By: \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per: \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

Docusign Envelope ID: 9B0E99D7-F66F-4B3F-8A22-041DD0083F58

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**IN WITNESS WHEREOF** the parties hereto have executed this Agreement.

**HYDRO OTTAWA CORPORATION/SOCIÉTÉ DE CAPITAL  
HYDRO OTTAWA**

Per: \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Signed by:  
Per:   
Name: 43DC885CF33E43F... Geoff Simpson  
Title: Chief Financial Officer

**HYDRO OTTAWA LIMITED**

By: \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Signed by:  
Per:   
Name: 43DC885CF33E43F... Geoff Simpson  
Title: Chief Financial Officer

## **SECOND AMENDMENT TO CREDIT AGREEMENT**

THIS SECOND AMENDMENT TO CREDIT AGREEMENT (the “Amendment”), dated as of July 1, 2024, is entered into by:

**HYDRO OTTAWA HOLDING INC.** (the “Lender”)

And

**HYDRO OTTAWA LIMITED** (the “Borrower”).

WHEREAS, the Lender and the Borrower are parties to a Credit Agreement dated as of January 1, 2009 subsequently amended as of January 31, 2014, and

WHEREAS, the Lender and the Borrower desire to amend the Credit Agreement as follows:

Section 2 of the Credit Agreement entitled “The Credit Facilities” is hereby amended in its Paragraph (5) and restated in its entirety to read as follows:

- (5) The rate of interest on the Fixed Term Loans shall be the Term Canadian Overnight Repo Rate Average (CORRA) spread charged pursuant to The Bank of Nova Scotia Credit Agreement, plus the 1-month Term CORRA rate applicable to the date of the Drawdown as evidenced by a CORRA Loan drawn by Hydro Ottawa Holding Inc. on that date, otherwise the “CanDeal/TMX Term CORRA 1 Month” rate will be used as posted on that date.

Section 11 of the Credit Agreement entitled “Notice” is hereby amended and restated in its entirety to read as follows:

### **11. Notice**

Any demand, notice or communication to be made or given pursuant to this Agreement shall be in writing and may be made or given by personal delivery, by mail, by electronic mail addressed to the respective parties as follows:

To the Borrower:  
Hydro Ottawa Limited  
2711 Hunt Club Road, PO Box 8700  
Ottawa, Ontario  
K1G 3S4  
Attention: Treasurer  
Telephone: 613-738-5499  
Electronic mail: [corptreasury@hydroottawa.com](mailto:corptreasury@hydroottawa.com)

To the Lender:  
Hydro Ottawa Holding Inc.  
2711 Hunt Club Road, PO Box 8700  
Ottawa, Ontario  
K1G 3S4  
Attention: Treasurer  
Telephone: 613-738-5499  
Electronic mail: [corptreasury@hydroottawa.com](mailto:corptreasury@hydroottawa.com)

Either party may from time to time notify the other party of any change to its address, telephone number, or electronic mail contact.


**Miscellaneous.**

- A. All other sections of the Credit Agreement remain unchanged.
- B. Except as expressly amended and modified by this Amendment, the Credit Agreement is and shall continue to be in full force and effect in accordance with the terms thereof.
- C. This Amendment shall be deemed to constitute part of the Credit Agreement.




IN WITNESS WHEREOF the parties have executed this Amendment effective July 1, 2024:

**HYDRO OTTAWA HOLDING INC.**

By:   
8EDB4595749C4E3...  
Name: **J. Bryce Conrad**  
Title: **President and Chief Executive Officer**

By:   
43DC885CF33E43F...  
Name: **Geoff Simpson**  
Title: **Chief Financial Officer**

**HYDRO OTTAWA LIMITED**

By:   
8EDB4595749C4E3...  
Name: **J. Bryce Conrad**  
Title: **President and Chief Executive Officer**

By:   
43DC885CF33E43F...  
Name: **Geoff Simpson**  
Title: **Chief Financial Officer**

## AMENDMENT TO CREDIT AGREEMENT

The Credit Agreement between Hydro Ottawa Holding Inc. and Hydro Ottawa Limited, dated January 1, 2009, is amended as follows:

### 3. Administrative Fee

An administrative charge will be added to the rate of interest charged on Prime Rate Advances and Fixed Term Loans, payable to the Lender at the rate of 0.10% per annum.

**This clause is removed in its entirety.**

All other sections of the Credit Agreement, including any subsequent amendments remain the same.

IN WITNESS WHEREOF the parties have executed this amendment January 31, 2014:

**HYDRO OTTAWA HOLDING INC. /  
SOCIÉTÉ DE PORTEFEUILLE D'HYDRO  
OTTAWA INC.**

By: \_\_\_\_\_

  
**J. Bryce Conrad**  
President and Chief Executive Officer

By: \_\_\_\_\_

  
**Geoff Simpson**  
Chief Financial Officer

**HYDRO OTTAWA LIMITED**

By: \_\_\_\_\_

  
**J. Bryce Conrad**  
President and Chief Executive Officer

By: \_\_\_\_\_

  
**Geoff Simpson**  
Chief Financial Officer

## **CREDIT AGREEMENT**

THIS AGREEMENT is made as of the 1st day of January 2009.

BETWEEN:

**HYDRO OTTAWA HOLDING INC./SOCIÉTÉ DE PORTEFEUILLE  
D'HYDRO OTTAWA INC.**

(hereinafter also referred to as the "Lender")

- and -

**HYDRO OTTAWA LIMITED**

(hereinafter also referred to as the "Borrower")

WHEREAS, the Lender has agreed to make available to the Borrower certain credits on the terms and conditions set out in this agreement.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows

### **1. Definition**

Whenever used in this Agreement, unless there is something inconsistent in the subject matter or context, the following words and terms shall have the meaning as set out below:

- (a) "Agreement" means this agreement, including any schedules and all instruments supplementing or amending or confirming this agreement;
- (b) "Bank of Nova Scotia Credit Agreement" means an agreement between The Bank of Nova Scotia and Hydro Ottawa Holding Inc. evidenced by the most recent Commitment Letter;
- (c) "Drawdown" means a borrowing of funds under the facility, a conversion or a rollover, as the context requires;
- (d) "Event of Default" means any of the events described in section 7;
- (e) "Fixed Term Loan" means an interest-bearing loan having a term of not less than 7 days and not more than 180 days having a rate of interest determined on the bases set out in this Agreement;
- (f) "Permitted Encumbrance" means any of the following:

- (i) purchase money security interests, capital leases and other encumbrances not exceeding in an aggregate amount of \$5,000,000;
- (ii) liens for taxes, payments in lieu of taxes, assessments, government charges or claims not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested in good faith, on in respect of which appropriate provision is made in consolidated financial statements of the Borrower;
- (iii) a lien or deposit under workers' compensation, social security or similar legislation or deposits to secure public or statutory obligations;
- (iv) a lien or deposit of cash or securities in connection with contracts, bids, tenders, leases or expropriation proceedings or to secure surety and appeal bonds not exceeding an aggregate amount of \$1,000,000 at any time;
- (v) a lien or privilege imposed by law, such as a builder's, carrier's, warehousemen's, landlord's mechanic's, supplier's or other similar liens and public, statutory and other like obligations incurred in the ordinary course of business;
- (vi) a lien or right of distress reserved in or exercisable under any lease, for rent or for compliance with the terms of the lease;
- (vii) undetermined or inchoate liens, rights of distress, privileges and charges incidental to current operations which have not at such time been filed or exercised or which relate to obligations not due or payable, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings;
- (viii) reservations, limitations, provisos and conditions expressed in any original grants from the Crown or other grants of real or immovable property, or interests therein, which do not materially affect the use of the affected land for the purpose for which it is being used;
- (ix) title defects, encroachments or irregularities or other matters relating to title which in the aggregate do not materially impair the use of the affected property for the purpose for which it is used;
- (x) zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, state, municipal and other governmental authorities, licences, easements, rights-of-way, rights in the nature of easements (including, without limiting the generality of the foregoing, licences, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the use of the affected land for the purpose for which it is being used;
- (xi) any right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, licence, franchise, grant or permit acquired by that person or by any statutory provision to terminate any lease, licence, franchise, grant or permit, or to require annual or other payments as a condition for the continuance thereof;

- (xii) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that person in the ordinary course of business;
- (xiii) security for costs of litigation where required by law; and
- (xiv) attachments, judgements and other similar encumbrances arising in connection with court proceedings; provided that the encumbrances are in existence for less than 30 days after their creation or the execution or other enforcement of the encumbrances is effectively stayed or the claims so secured are being actively contested in good faith and by proper legal proceedings;
- (g) "Prime Rate" means, at any time, the rate of interest expressed as an annual rate, established by The Bank of Nova Scotia Agreement from time to time as its reference "interest rate / fee" to determine the interest rates it will charge for loans in Canadian dollars; and
- (h) "Prime Rate Advance" means an interest-bearing loan having a term not more than 180 days, for which the principal may be drawdown and upon which interest is calculated daily at the Prime Rate and repayable determined on the bases set out in this Agreement;

## **2. The Credit Facilities**

- (1) Upon the terms and subject to the conditions herein set forth, the Lender establishes in favour of the Borrower the following credit facility to be available to the Borrower in accordance with the provisions of this Agreement. The facility shall consist of a revolving demand facility of up to a maximum principal amount available within the Bank of Nova Scotia Credit Agreement.
- (2) The total amount authorized for this credit facility is \$90,000,000.00 CDN.
- (3) The Borrower may avail the credit facility by way of direct advances through Prime Rate Advances. Changes in the Prime Rate shall cause an immediate adjustment to the interest rate applicable to an advance without the necessity of notice to the Borrower. The principal amounts of any Prime Rate Advances shall be repayable at any time on demand of the Lender and may be repaid by the Borrower at any time prior to such demand.
- (4) The Borrower may avail the credit facility by way of Fixed Term Loans.
- (5) The rate of interest on Fixed Term Loans shall be the Banker's Acceptance Fee charged pursuant to The Bank of Nova Scotia Credit Agreement, plus the Bankers Acceptance rate applicable to the date of the Drawdown as evidenced by a Bankers

Acceptance drawn by Hydro Ottawa Holding Inc. on that date, otherwise The Bank of Canada "Bankers Acceptances – 1 Month" rate will be used as posted on that date.

- (6) Interest on loans and advances will be calculated on a daily basis and payable in arrears on a mutually agreed date.
- (7) The Borrower may increase or decrease advances made by Prime Rate Advances or by Fixed Term Loan by making drawdowns, repayments or further drawdowns of the amount of advances that have been repaid. The Borrower may also convert a Prime Rate Advance to a Fixed Term Loan by notice to the Lender.
- (8) On the date of maturity, the Borrower shall repay to the Lender the principal amount of Prime Rate Advances and Fixed Term Loans. The Borrower may request from the Lender and the Lender, in its sole discretion, may grant an extension of the maturity date of any Primary Rate Advances or Fixed Term Loans for a further period not to exceed 180 days.
- (9) The Borrower may avail the credit facility by way of Standby Letters of Credit / Letters of Guarantee. The charge will be made pursuant to the Bank of Nova Scotia Credit Agreement "Commission" fee and will be payable upon issuance.

3. **Administrative Fee**

An administrative charge will be added to the rate of interest charged on Prime Rate Advances and Fixed Term Loans, payable to the Lender at the rate of 0.10% per annum.

4. **Commitment Fee and Standby Fees**

The Borrower shall pay a proportionate share of the commitment fee and standby fees payable per the terms of the Bank of Nova Scotia Credit Agreement.

5. **Evidence of Indebtedness**

The Lender shall open and maintain books of account evidencing all advances and all other amounts owing by the Borrower to the Lender hereunder. The information entered in the foregoing accounts shall constitute *prima facie* evidence of the obligations of the Borrower to the Lender and, in the absence of manifest error, are conclusive evidence of the advances made, repayments on account thereof and the indebtedness of the Borrower to the Lender. Upon request of the Borrower, the Lender shall advise the Borrower of entries made on the books of account.

**6. General Conditions**

The following conditions will apply until all debts and liabilities of the Borrower availed under the Credit Facilities have been discharged in full:

- (a) The Borrower shall not encumber its assets in any manner other than by Permitted Encumbrances;
- (b) The Borrower may not incur, assume or permit any debt to remain outstanding other than debt under this Agreement, other than:
  - (i) debt incurred from the Lender;
  - (ii) debt incurred in respect of purchase money security interests;
  - (iii) capital leases; and
  - (iv) other debt permitted by the Lender.
- (c) The business activities of the Borrower shall be restricted to those permitted pursuant to section 73 of the *Ontario Energy Board Act, 1998*, so long as those restrictions on business activities continue to apply to the Borrower;
- (d) The Borrower shall make due and timely payment of the obligations required to be paid by it hereunder;
- (e) The Borrower shall provide notice to the Lender of any Event of Default;
- (f) The Lender shall be under no obligation to provide a Prime Rate Advance, a Fixed Term Loan, or a Standby Letter of Credit / Letters of Guarantee following an Event of Default.

**7. Events of Default**

- (1) The following shall constitute Events of Default for the purposes of this Agreement:
  - (a) The Borrower encumbering assets other than by Permitted Encumbrances;
  - (b) The Borrower fails to pay interest, principal or other amounts owing pursuant to this Agreement
  - (c) The Borrower is in breach of any conditions of this Agreement;

- (d) Any actions by the Borrower which cause the Lender to be in default of its obligations under the Bank of Nova Scotia Credit Agreement;
  - (e) The Borrower is bankrupt, insolvent or liquidation proceedings or any other proceedings for the relief of creditors are instituted by or against the Borrower and are not dismissed within 60 days of such institution.
- (2) Upon the occurrence of an Event of Default, at the option of the Lender, all amounts of Principal and Interest shall become immediately due and payable. The occurrence of an Event of Default shall relieve the Lender of all obligations to provide any further advances or loans to the Borrower.

**8. Indemnification**

The Borrower shall indemnify the Lender from any loss or expense incurred by the Lender as a result of any failure by the Borrower to fulfill its obligations under this Agreement, expense any loss or expense arising from the negligence or wilful misconduct of the Lender.

**9. Early Termination**

In the event of any change in control of the Borrower, the Lender may require that the Borrower pay the Principal and Interest payable within 30 days following a change of control of the Borrower. For the purpose of this sub-section control means with respect to the Borrower at any time (i) holding, as owner or other beneficiary – other than solely as beneficiary of an unrealized security interest – directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower, or (ii) the exercise of de facto control of the Borrower, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**10. Termination**

Unless otherwise extended by agreement of the parties, this facility shall terminate the date the Bank of Nova Scotia Credit Agreement is no longer in force. Prior to the termination of the facility, the Borrower shall pay to the Lender the Principal outstanding and any Interest payable.

**11. Notice**

Any demand, notice or communication to be made or given pursuant to this Agreement shall be in writing and may be made or given by personal delivery, by mail, by electronic mail addressed to the respective parties as follows:



**To the Borrower:**

Hydro Ottawa Limited  
3025 Albion Road North  
Ottawa, Ontario  
K1G 3S4

Attention: Treasurer  
Telephone: 613-738-5499 ext. 319  
Electronic Mail: [mikegrue@hydroottawa.com](mailto:mikegrue@hydroottawa.com)

**To the Lender:**

Hydro Ottawa Holding Inc.  
3025 Albion Road North  
Ottawa, Ontario  
K1G 3S4

Attention: Treasurer  
Telephone: 613-738-5499 ext. 319  
Electronic mail: [mikegrue@hydroottawa.com](mailto:mikegrue@hydroottawa.com)

Either party may from time to time notify the other party of any change to its address, telephone number or electronic mail contact.

**12. Successors and Assigns**

This Agreement shall be binding upon and enure to the benefit of the Lender, the Borrower and their successors and assigns, except that the Borrower shall not assign any rights or obligations with respect to this Agreement without the prior written consent of the Lender, which consent may be withheld or refused for any reason. The Lender may assign its rights and obligations with respect to this Agreement upon notice to the Borrower.

**13. Governing Law**


This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

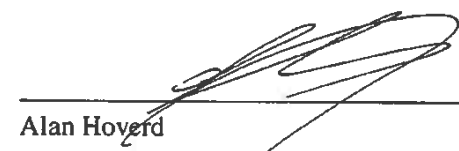
**14. Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

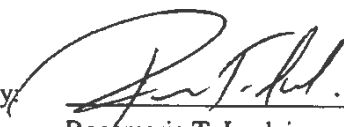
**IN WITNESS WHEREOF** the parties hereto have executed this Agreement.

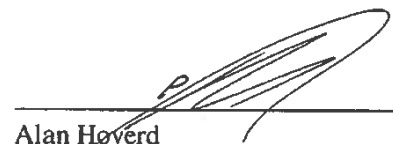
**HYDRO OTTAWA HOLDING INC./  
SOCIÉTÉ DE PORTEFEUILLE D'HYDRO  
OTTAWA INC.**

By:   
Rosemarie T. Leclair  
President and Chief Executive Officer

By:   
Alan Hoverd  
Chief Financial Officer

**HYDRO OTTAWA LIMITED**

By:   
Rosemarie T. Leclair  
President and Chief Executive Officer

By:   
Alan Hoverd  
Chief Financial Officer

## GRID PROMISSORY NOTE

**DATED** as of the 1<sup>st</sup> day of October, 2024.

As consideration for the funds received, **Hydro Ottawa Limited** (the “**Borrower**”) unconditionally promises to pay to, or the order of, **Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa** (the “**Lender**”), in lawful money of Canada, the principal amount (the “**Principal**”) advanced under this grid promissory note (the “**Note**”) and interest (“**Interest**”) thereon at a rate specified below upon the terms and subject to the conditions set forth below.

This Note is a negotiable instrument.

The following are the terms and conditions of the Note:

### 1. PRINCIPAL

- (a) Advances of Principal may be made in tranches to meet the Borrower’s long term business requirements.
- (b) The liability of the Borrower and of any guarantor of the Borrower (a “**Guarantor**”) or endorser in respect of Principal shall not exceed the outstanding amount of Principal.
- (c) Advances shall be deemed conclusively to have been made to and for the benefit of the Borrower when,
  - i. deposited or credited to the account of the Borrower by the Lender; or
  - ii. made in accordance with the instructions of the Borrower.
- (d) All advances of Principal under this Note shall be evidenced by endorsement upon the grid attached to this Note as Schedule A (the “**Grid**”).
- (e) The Lender's Chief Financial Officer, President and Chief Executive Officer and Treasurer are authorized to endorse the Grid, including any continuation Grid that may be attached to this Note, the date and amount of each advance and together with the unpaid balance of the Principal and each endorsement shall be prima facie evidence of the amounts so advanced and the balance of principal outstanding under this Note.

### 2. INTEREST RATE

- (a) Interest shall be payable upon the amounts advanced under this Note at a fixed rate of Interest payable monthly in arrears on a mutually agreed date. The rate established for long term debt will be:
  - i. a “**deemed interest rate**” which will be based on the underlying methodology outlined in the Ontario Energy Board's “Report of the Board” on the Cost of Capital for Ontario's Regulated Utilities EB-2009-0084 dated December 11, 2009. The rate will be determined from information available at the end of the month preceding the date of the advancement. The rate that is in effect

when the advance was made will be used for the duration of the advance as per the Term and Repayment section.

### **3. TERMS OF PAYMENT**

The Interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, Interest on overdue Interest at the rate described in Section 2 hereof compounded on each date for the payment of Interest on this Note before and after judgment.

### **4. REPAYMENT**

- (a) The Borrower may, at any time, repay in whole or in part the Principal and Interest outstanding under this Note.
- (b) The Lender may, at any time, require that the Borrower repay in whole or in part the Principal and Interest outstanding under this Note.

### **5. SUBORDINATION**

The obligation of the Borrower to pay the Principal amount or the amount remaining unpaid from time to time on this Note, together with Interest thereon in accordance with and pursuant to this Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

### **6. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal amount on the amount remaining unpaid from time to time on this Note, or any payment of Interest thereon, is not made when due.

### **7. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Borrower under this Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

### **8. ASSIGNMENT**

This Note may not be assigned by the Borrower without the written consent of the Lender.

### **9. GOVERNING LAW**

This Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

### **10. CANCELLATION OF PREVIOUS NOTE**

This Note replaces the Note dated May 14, 2013 made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

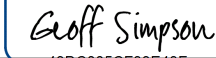
DocuSigned by:  
*Bryce Conrad*  
8EDB4595749C4E3...

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per :  \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

Schedule A  
Advances and Payment of Principal

Date	Amount of Advance C\$	Interest Rate	Amount of Principal Payment C\$	Unpaid Balance C\$	Approved By	Recorded By	Notes
14 May 2013	-30,000,000.00	4.7900%	0.00	-30,000,000.00	MG	MG	
28 Oct 2014	-30,000,000.00	4.7700%	0.00	-60,000,000.00	MG	MG	
09 Feb 2015	0.00		60,000,000.00	0.00	MG	MG	
25 Jun 2015	-15,999,000.00	2.7240%	0.00	-15,999,000.00	MG	MG	
25 Jun 2015	-14,001,000.00	3.7690%	0.00	-30,000,000.00	MG	MG	
25 Jun 2015	0.00		15,999,000.00	-14,001,000.00	MG	MG	Converted to P.Note
25 Jun 2015	0.00		14,001,000.00	0.00	MG	MG	Converted to P.Note
01 Dec 2016	-60,000,000.00	3.7200%	0.00	-60,000,000.00	MG	MG	
01 Nov 2017	-60,000,000.00	4.1200%	0.00	-120,000,000.00	MG	PN	
05 Dec 2018	-30,000,000.00	4.4100%	0.00	-150,000,000.00	MG	NT	
02 Jul 2019	-30,000,000.00	3.5500%	0.00	-180,000,000.00	MG	NT	
16 Oct 2019	0.00		60,000,000.00	-120,000,000.00	MG	NT	Converted to P.Note
16 Oct 2019	0.00		60,000,000.00	-60,000,000.00	MG	NT	Converted to P.Note
16 Oct 2019	0.00		30,000,000.00	-30,000,000.00	MG	NT	Converted to P.Note
16 Oct 2019	0.00		30,000,000.00	0.00	MG	NT	Converted to P.Note
05 Jul 2021	-80,000,000.00	3.5700%	0.00	-80,000,000.00	GS	NT	
09 Aug 2022	-30,000,000.00	4.9400%	0.00	-110,000,000.00	CM	NT	
06 Jul 2023	-30,000,000.00	4.5600%	0.00	-140,000,000.00	CM	NT	
06 Nov 2024	-60,000,000.00	4.4900%	0.00	-200,000,000.00	NT	BY	
03 Feb 2025	0.00		80,000,000	-120,000,000.00	<div><div>DS</div><div>NT</div></div>	<div><div>DS</div><div>BU</div></div>	Converted to P.Note
03 Feb 2025	0.00		30,000,000	-90,000,000.00	<div><div>DS</div><div>NT</div></div>	<div><div>DS</div><div>BU</div></div>	Converted to P.Note
03 Feb 2025	0.00		30,000,000	-60,000,000.00	<div><div>DS</div><div>NT</div></div>	<div><div>DS</div><div>BU</div></div>	Converted to P.Note
03 Feb 2025	0.00		60,000,000	0.00	<div><div>DS</div><div>NT</div></div>	<div><div>DS</div><div>BU</div></div>	Converted to P.Note



## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$138,667,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of one hundred thirty eight million, six hundred sixty seven thousand dollars (\$138,667,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.614% per annum from October 1, 2024 to February 3, 2025.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 — 1 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred thirty eight million, six hundred sixty seven thousand dollars (\$138,667,000) replaces the Promissory Note dated February 9, 2015 in the amount of one hundred thirty eight million, six hundred sixty seven thousand dollars (\$138,667,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

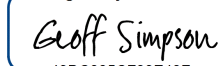
**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EDB4595749C4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
  
Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per :   
43DC889CF33E43F...  
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

Principal: \$138,667,000 lawful money of Canada	Effective February 9 <sup>th</sup> , 2015
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on February 3, 2025 (the "Due Date") the principal amount of one hundred thirty eight million, six hundred sixty seven thousand dollars (\$138,667,000) (the "Principal Amount") in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

### 1. **INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.724% per annum from February 9, 2015 to February 3, 2020 (the first five years). Subsequently, the rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.614% per annum from February 4, 2020 to February 3, 2025.

### 2. **TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. **REPAYMENT**

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:
  - a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests

sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:
  - a. disposes of substantially all of its property or assets;
  - b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
  - c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
  - d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:
  - a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
  - b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined

by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 – 1 Supplemental Indenture dated as of February 2, 2015 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall



discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

9. **CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred thirty eight million, six hundred sixty seven thousand dollars (\$138,667,000) replaces 53.33% of the Promissory Note dated **May 14, 2013** in the amount of two hundred million dollars (\$200,000,000) made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.** which matured February 9, 2015, and 53.33% of the \$60,000,000 outstanding as of February 9, 2015 on the Grid Promissory Note dated **May 14, 2013** made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.**

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per:   
Name: J. Bryce Conrad  
Title: President and Chief Executive Officer

Per:   
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$121,333,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of one hundred twenty one million, three hundred thirty three thousand dollars (\$121,333,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.639% per annum from October 1, 2024 to February 2, 2045.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 — 2 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred twenty one million, three hundred thirty three thousand dollars (\$121,333,000) replaces the Promissory Note dated February 9, 2015 in the amount of one hundred twenty one million, three hundred thirty three thousand dollars (\$121,333,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

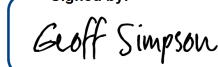
**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per :   
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

Principal: \$121,333,000 lawful money of Canada	Effective February 9 <sup>th</sup> , 2015
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on February 2, 2045 (the "Due Date") the principal amount of one hundred twenty one million, three hundred thirty three thousand dollars (\$121,333,000) (the "Principal Amount") in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

### 1. **INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.769% per annum from February 9, 2015 to February 2, 2020 (the first five years). Subsequently, the rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.639% per annum from February 3, 2020 to February 2, 2045.

### 2. **TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. **REPAYMENT**

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:
  - a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests

sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
- b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined



by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 – 2 Supplemental Indenture dated as of February 2, 2015 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall

discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

9. **CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred twenty one million, three hundred thirty three thousand dollars (\$121,333,000) replaces 46.67% of the Promissory Note dated **May 14, 2013** in the amount of two hundred million dollars (\$200,000,000) made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.** which matured February 9, 2015, and 46.67% of the \$60,000,000 outstanding as of February 9, 2015 on the Grid Promissory Note dated **May 14, 2013** made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.**

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per: 

Name: J. Bryce Conrad

Title: President and Chief Executive Officer

Per: 

Name: Geoff Simpson

Title: Chief Financial Officer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$107,185,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of one hundred seven million, one hundred eighty five thousand dollars (\$107,185,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.991% per annum from October 1, 2024 to May 13, 2043.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2013 — 1 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred seven million, one hundred eighty five thousand dollars (\$107,185,000) replaces the Promissory Note dated May 14, 2013 in the amount of one hundred seven million, one hundred eighty five thousand dollars (\$107,185,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EBB4595749C4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per : Geoff Simpson  
43DC885CF33E43F...  
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

Principal: \$107,185,000 lawful money of Canada	Effective May 14 <sup>th</sup> , 2013
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on May 14, 2043 (the "Due Date") the principal amount of one hundred seven million one hundred eighty five thousand dollars (\$107,185,000) (the "Principal Amount") in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 4.144% per annum from May 14, 2013 to May 13, 2018 (the first five years). Subsequently, the rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.991% per annum from May 14, 2018 to May 13, 2043.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:
  - a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests



sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

(3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

(4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
- b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined

by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2013 – 1 Supplemental Indenture dated as of May 14, 2013 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall

discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

9. **CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred seven million, one hundred eighty five thousand dollars (\$107,185,000) replaces the Demand Promissory Note dated **July 1, 2005** in the amount of thirty two million, one hundred eighty five thousand dollars (\$32,185,000) made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.** and the Grid Promissory Note dated **January 1, 2009** in the amount of seventy five million dollars (\$75,000,000) made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.**

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per: 

Name: J. Bryce Conrad

Title: President and Chief Executive Officer

Per: 

Name: Geoff Simpson

Title: Chief Financial Officer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$50,000,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of fifty million dollars (\$50,000,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 4.968% per annum from October 1, 2024 to December 19, 2036.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2006 — 1 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of fifty million dollars (\$50,000,000) replaces the Promissory Note dated May 14, 2013 in the amount of fifty million dollars (\$50,000,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

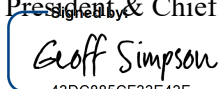
**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Per :  \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer



## **PROMISSORY NOTE**

Principal: \$50,000,000 lawful money of Canada	Effective May 14 <sup>th</sup> , 2013
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For value received, **Hydro Ottawa Limited**, hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on December 19, 2036 (the "Due Date") the principal amount of fifty million dollars (\$50,000,000) (the "Principal Amount") in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

1. **INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 4.968% per annum.

2. **TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

3. **REPAYMENT**

(1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.

(2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:

- a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
- b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the

Redemption Price respecting an equivalent payment of principal as is set out in the Series 2006 – 1 Supplemental Indenture dated as of December 20, 2006 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall discharge or release any person at any time liable for the payment of this

Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

9. **CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of fifty million dollars (\$50,000,000) replaces the Demand Promissory Note dated **December 20, 2006** in the amount of fifty million dollars (\$50,000,000) made between **Hydro Ottawa Limited** and **Hydro Ottawa Holding Inc.**

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per: 

Name: J. Bryce Conrad

Title: President and Chief Executive Officer

Per: 

Name: Geoff Simpson

Title: Chief Financial Officer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$15,999,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of fifteen million, nine hundred ninety nine thousand dollars (\$15,999,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.614% per annum from October 1, 2024 to June 25, 2025.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 — 1 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of fifteen million, nine hundred ninety nine thousand dollars (\$15,999,000) replaces the Promissory Note dated June 25, 2015 in the amount of fifteen million, nine hundred ninety nine thousand dollars (\$15,999,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EDB4595749C4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
  
Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer



**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per : Geoff Simpson  
43DC885CF33E43F...  
Name: Geoff Simpson  
Title: Chief Financial Officer

## PROMISSORY NOTE

Principal: \$15,999,000 lawful money of Canada	Effective June 25 <sup>th</sup> , 2015
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on June 25, 2025 (the “Due Date”) the principal amount of fifteen million, nine hundred ninety-nine thousand dollars (\$15,999,000) (the “Principal Amount”) in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

### 1. INTEREST RATE

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.724% per annum from June 25, 2015 to June 25, 2020 (the first five years). Subsequently, the rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.614% per annum from June 26, 2020 to June 25, 2025.

### 2. TERMS OF PAYMENT

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. REPAYMENT

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:
  - a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests

sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
- b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined



by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 – 1 Supplemental Indenture dated as of February 2, 2015 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

#### 4. SUBORDINATION

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

#### 5. WAIVER OF NOTICE IN EVENT OF DEFAULT

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

#### 6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall

discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per: 

Name: Geoff Simpson

Title: Chief Financial Officer

Per: 

Name: Mike Grue

Title: Treasurer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$14,001,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of fourteen million, one thousand dollars (\$14,001,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.639% per annum from October 1, 2024 to June 25, 2045.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 — 1 Amended and Restated Supplemental Indenture dated as of October 1, 2024 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

## **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

## **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

## **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

## **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

## **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of fourteen million, one thousand dollars (\$14,001,000) replaces the Promissory Note dated June 25, 2015 in the amount of fourteen million, one thousand dollars (\$14,001,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*



**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EDB4595749C4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
  
Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed By: \_\_\_\_\_  
Per :  \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

## PROMISSORY NOTE

Principal: \$14,001,000 lawful money of Canada	Effective June 25 <sup>th</sup> , 2015
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on June 25, 2045 (the “Due Date”) the principal amount of fourteen million and one thousand dollars (\$14,001,000) (the “Principal Amount”) in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

### 1. INTEREST RATE

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.769% per annum from June 25, 2015 to June 25, 2020 (the first five years). Subsequently, the rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.639% per annum from June 26, 2020 to June 25, 2045.

### 2. TERMS OF PAYMENT

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. REPAYMENT

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:
  - a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests

sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or

- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
- b. Pay to **Hydro Ottawa Holding Inc.** in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined



by **Hydro Ottawa Holding Inc.** in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2015 – 2 Supplemental Indenture dated as of February 2, 2015 between Hydro Ottawa Holding Inc. and BNY Trust Company of Canada;

- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall

discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

**IN WITNESS WHEREOF Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per: 

Name: Geoff Simpson

Title: Chief Financial Officer

Per: 

Name: Mike Grue

Title: Treasurer

## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$87,500,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of eighty seven million, five hundred thousand dollars (\$87,500,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

“**Canada Yield Price**” shall mean the price equal to the net present value of all scheduled payments of interest (other than accrued and unpaid interest) and principal on the Promissory Note being redeemed, calculated in accordance with generally accepted Canadian financial practice, using as a discount rate the sum of 30 basis points and the Canada Yield calculated at 10:00 a.m. (Toronto time) three business days prior to the redemption date of the Promissory Note being redeemed.

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.66% per annum from October 1, 2024 to October 16, 2029.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender a price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest to (but excluding) the redemption date.
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this



Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

#### **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

#### **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

#### **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

#### **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

#### **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of eighty seven million, five hundred thousand dollars (\$87,500,000) replaces the Promissory Note dated October 16, 2019 in the amount of eighty seven million, five hundred thousand dollars (\$87,500,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

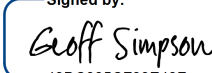
**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EDB4595749C4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer

Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per :  \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

Principal: \$87,500,000 lawful money of Canada	Effective: October 16th, 2019
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on October 16<sup>th</sup>, 2029 (the “Due Date”) the principal amount of eighty-seven million five hundred thousand dollars (\$87,500,000) (the “Principal Amount”) in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

“Canada Yield Price” shall mean the price equal to the net present value of all scheduled payments of interest (other than accrued and unpaid interest) and principal on the Promissory Note being redeemed, calculated in accordance with generally accepted Canadian financial practice, using as a discount rate the sum of 30 basis points and the Canada Yield calculated at 10:00 a.m. (Toronto time) three business days prior to the redemption date of the Promissory Note being redeemed.

### 1. **INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 2.66% per annum.

### 2. **TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. **REPAYMENT**

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:

- a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or
- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

(3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

(4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;

- b. Pay to **Hydro Ottawa Holding Inc.** a price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest to (but excluding) the redemption date.
- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory

Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**


This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

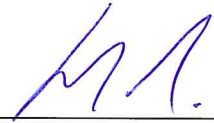
8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per:   
Name: Geoff Simpson  
Title: Chief Financial Officer

Per:   
Name: Mike Grue  
Title: Treasurer



# Indicative Pricing as at October 11, 2019

## HYDRO OTTAWA C\$ INDICATIVE PRICING TERMS

Term	Fixed Rate			
	2 year	3 year	5 year	10 year
<b>New Issue Spread</b>	<b>59 bps</b>	<b>68 bps</b>	<b>82 bps</b>	<b>118 bps</b>
CAD Benchmark Bond	Can 1.50% 08/21	Can 1.00% 09/22	Can 1.50% 09/24	Can 2.25% 06/29
CAD Benchmark Yield	1.64%	1.58%	1.50%	1.48%
Curve Adjustment	-0.01%	0.00%	0.00%	0.01%
<b>CAD Coupon</b>	<b>2.22%</b>	<b>2.26%</b>	<b>2.32%</b>	<b>2.66%</b>
<b>Spread to 3m BA</b>	<b>33 bps</b>	<b>41 bps</b>	<b>51 bps</b>	<b>82 bps</b>
<b>Spread to 3m LIBOR</b>	<b>51 bps</b>	<b>56 bps</b>	<b>61 bps</b>	<b>87 bps</b>

Spread Changes	2 year	3 year	5 year	10 year	30 year
Week-over-Week	0 bps	0 bps	0 bps	0 bps	-3 bps

Comparable Issuers	2 year	3 year	5 year	10 year	30 year
Ontario	-	29 bps	45 bps	71 bps	82 bps
Hydro One	56 bps	66 bps	80 bps	116 bps	158 bps
Toronto Hydro	-	57 bps	68 bps	99 bps	139 bps

**Disclaimer:** Estimates and projections contained herein are those of BMO Nesbitt Burns Inc. ("BMO NBI") as of the date hereof and are subject to change without notice. BMO NBI makes every effort to ensure that the contents herein have been compiled or derived from sources believed reliable and contain information and opinions, which are accurate and complete. However, BMO NBI makes no representation or warranty, and accepts no liability whatsoever for any loss arising from any use of or reliance on this report or its contents. This report is not to be construed as an offer to sell, or a solicitation for, or an offer to buy, any securities. BMO NBI is a wholly owned subsidiary of BMO Nesbitt Burns Corporation Limited, which is a majority-owned subsidiary of Bank of Montreal. BMO Capital Markets is a registered trade name of BMO NBI.

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To U.K. Residents: The contents herein are intended solely for the use of, and may only be issued or passed on to, persons described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) order 1995, as amended.

\*BMO (the M-bar round symbol) Capital Markets is a trade-mark of Bank of Montreal, used under license.

Note: Indicative credit spreads represent the bid-side of the secondary market by BMO CM's trading desk. New issue credit spreads are determined by a variety of factors. This can result in an issuance spread that may incorporate a new issue premium. Indicative swapped-equivalent levels do not include credit charge, if applicable.



## **PROMISSORY NOTE**

(the “**Promissory Note**”)

October 1, 2024

**Principal Sum: \$162,500,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of one hundred sixty two million, five hundred thousand (\$162,500,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

“**Canada Yield Price**” shall mean the price equal to the net present value of all scheduled payments of interest (other than accrued and unpaid interest) and principal on the Promissory Note being redeemed, calculated in accordance with generally accepted Canadian financial practice, using as a discount rate the sum of 40 basis points and the Canada Yield calculated at 10:00 a.m. (Toronto time) three business days prior to the redemption date of the Promissory Note being redeemed.

### **1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.21% per annum from October 1, 2024 to October 16, 2049.

### **2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### **3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower For the purpose of this sub-section control means with respect to the Borrower at any time:
  1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender a price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest to (but excluding) the redemption date.
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4. SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this

Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

#### **5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

#### **6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

#### **7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

#### **8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

#### **9. CANCELLATION OF PREVIOUS NOTE**

This interest bearing Promissory Note in the amount of one hundred sixty two million, five hundred thousand (\$162,500,000) replaces the Promissory Note dated October 16, 2019 in the amount of one hundred sixty two million, five hundred thousand (\$162,500,000) made between the Borrower and Hydro Ottawa Holding Inc./Société de Portefeuille D'Hydro Ottawa Inc.

*[Signature page immediately follows]*

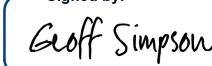
**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

DocuSigned by:  
*Bryce Conrad*  
8EDB4595749G4E3...  
Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
  
Per : \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Per : \_\_\_\_\_  
Name: Bryce Conrad  
Title: President & Chief Executive Officer  
Signed by: \_\_\_\_\_  
Per :  \_\_\_\_\_  
Name: Geoff Simpson  
Title: Chief Financial Officer

## **PROMISSORY NOTE**

Principal: \$162,500,000 lawful money of Canada	Effective: October 16th, 2019
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For value received, **Hydro Ottawa Limited** hereby unconditionally promises to pay to the order of **Hydro Ottawa Holding Inc.** at Ottawa, Canada on October 16<sup>th</sup>, 2049 (the “Due Date”) the principal amount of one hundred sixty-two million five hundred thousand dollars (\$162,500,000) (the “Principal Amount”) in lawful money of Canada and interest thereon upon the terms and subject to the conditions set forth below.

“Canada Yield Price” shall mean the price equal to the net present value of all scheduled payments of interest (other than accrued and unpaid interest) and principal on the Promissory Note being redeemed, calculated in accordance with generally accepted Canadian financial practice, using as a discount rate the sum of 40 basis points and the Canada Yield calculated at 10:00 a.m. (Toronto time) three business days prior to the redemption date of the Promissory Note being redeemed.

### 1. **INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 3.21% per annum.

### 2. **TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. **Hydro Ottawa Limited** shall pay to **Hydro Ottawa Holding Inc.**, on demand, interest on overdue interest at the rate described in section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

### 3. **REPAYMENT**

- (1) Subject to the terms and conditions set out in sub-section 3 (4) herein, **Hydro Ottawa Limited** may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (2) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable within 30 days following a change of control of **Hydro Ottawa Limited**. For the purpose of this sub-section control means with respect to **Hydro Ottawa Limited** at any time:

- a. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of **Hydro Ottawa Limited** carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of **Hydro Ottawa Limited**, or
- b. the exercise of de facto control of **Hydro Ottawa Limited**, whether direct or indirect and whether through the ownership of securities or ownership interests, by contract, trust or otherwise.

**Hydro Ottawa Holding Inc.** shall provide **Hydro Ottawa Limited** with no less than twenty (20) days' prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (3) **Hydro Ottawa Holding Inc.** may require that **Hydro Ottawa Limited** repay the Principal Amount and interest payable in the event that **Hydro Ottawa Limited**:

- a. disposes of substantially all of its property or assets;
- b. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
- c. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
- d. for any other reason causes the whole or any part of the Principal Amount to be repayable to **Hydro Ottawa Holding Inc.** in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with sub-section 3 (4) herein.

- (4) In the event that **Hydro Ottawa Limited** chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with sub-sections 3 (1), (2) or (3) herein, **Hydro Ottawa Limited** shall:

- a. Provide, where such repayment is initiated at the request of **Hydro Ottawa Limited**, at least fifty (50) days' prior notice in writing to **Hydro Ottawa Holding Inc.** setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;

- b. Pay to **Hydro Ottawa Holding Inc.** a price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest to (but excluding) the redemption date
- c. Indemnify **Hydro Ottawa Holding Inc.**, in addition to the amount calculated and determined pursuant to sub-section 3 (4)(b) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to sub-section 3 (1), (2) or (3) herein or any delay in providing such payment.

4. **SUBORDINATION**

The obligation of **Hydro Ottawa Limited** to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of **Hydro Ottawa Limited** to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of **Hydro Ottawa Limited**.

5. **WAIVER OF NOTICE IN EVENT OF DEFAULT**

**Hydro Ottawa Limited** hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. **Hydro Ottawa Limited** further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

6. **RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of **Hydro Ottawa Holding Inc.** under this Promissory Note which it may have at law or in equity against **Hydro Ottawa Limited** shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by **Hydro Ottawa Holding Inc.**, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of **Hydro Ottawa Limited** under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by **Hydro Ottawa Holding Inc.** which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by **Hydro Ottawa Holding Inc.** in the enforcement of any covenant, promise or agreement of **Hydro Ottawa Limited** hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of **Hydro Ottawa Holding Inc.** shall only occur and be valid when set forth in writing by **Hydro Ottawa Holding Inc.** No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory



Note from such liability. No single or partial exercise of any of **Hydro Ottawa Holding Inc.**'s powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

7. **ASSIGNMENT**

This Promissory Note may not be assigned by **Hydro Ottawa Limited** without the written consent of **Hydro Ottawa Holding Inc.**

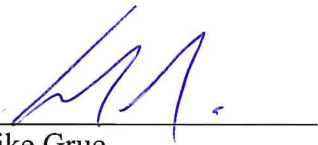
8. **GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

**IN WITNESS WHEREOF** **Hydro Ottawa Limited** has duly executed this Promissory Note.

**HYDRO OTTAWA LIMITED**

Per:   
Name: Geoff Simpson  
Title: Chief Financial Officer

Per:   
Name: Mike Grue  
Title: Treasurer

## Indicative Pricing as at October 11, 2019

## HYDRO OTTAWA C\$ INDICATIVE PRICING TERMS

Term	Fixed Rate			
	2 year	3 year	5 year	30 year
<b>New Issue Spread</b>	<b>59 bps</b>	<b>68 bps</b>	<b>82 bps</b>	<b>160 bps</b>
CAD Benchmark Bond	Can 1.50% 08/21	Can 1.00% 09/22	Can 1.50% 09/24	Can 2.75% 12/48
CAD Benchmark Yield	1.64%	1.58%	1.50%	1.61%
Curve Adjustment	-0.01%	0.00%	0.00%	0.00%
<b>CAD Coupon</b>	<b>2.22%</b>	<b>2.26%</b>	<b>2.32%</b>	<b>3.21%</b>
<b>Spread to 3m BA</b>	<b>33 bps</b>	<b>41 bps</b>	<b>51 bps</b>	<b>127 bps</b>
<b>Spread to 3m LIBOR</b>	<b>51 bps</b>	<b>56 bps</b>	<b>61 bps</b>	<b>138 bps</b>

<b>Spread Changes</b>	<b>2 year</b>	<b>3 year</b>	<b>5 year</b>	<b>10 year</b>	<b>30 year</b>
Week-over-Week	0 bps	0 bps	0 bps	0 bps	-3 bps

<b>Comparable Issuers</b>	<b>2 year</b>	<b>3 year</b>	<b>5 year</b>	<b>10 year</b>	<b>30 year</b>
Ontario	-	29 bps	45 bps	71 bps	82 bps
Hydro One	56 bps	66 bps	80 bps	116 bps	158 bps
Toronto Hydro	-	57 bps	68 bps	99 bps	139 bps

**Disclaimer:**

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Note: Indicative credit spreads represent the bid-side of the secondary market by BMO CM's trading desk. New issue credit spreads are determined by a variety of factors. This can result in an issuance spread that may incorporate a new issue premium. Indicative swapped-equivalent levels do not include credit charge, if applicable.

**PROMISSORY NOTE**(the “**Promissory Note**”)

February 3, 2025

**Principal Sum: \$350,000,000**

**FOR VALUE RECEIVED**, and subject to the terms and conditions set forth in his promissory note, Hydro Ottawa Limited, its successors and assigns (the “**Borrower**”) hereby unconditionally promises to pay to the order of Hydro Ottawa Capital Corporation/Société de Capitaux Hydro Ottawa (the “**Lender**”) the principal sum of three hundred fifty million dollars (\$350,000,000) in lawful money of Canada at such place as the Lender may designate by notice in writing to the Borrower (the “**Principal Amount**”).

**1. INTEREST RATE**

The rate of interest payable on the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note shall be 4.429% per annum from February 3, 2025 to January 30, 2035.

**2. TERMS OF PAYMENT**

The interest payable hereunder shall be calculated and payable monthly in arrears on the first day of each month, both before and after demand, default and judgment. The Borrower shall pay to the Lender on demand, interest on overdue interest at the rate described in Section 1 hereof compounded on each date for the payment of interest on this Promissory Note before and after judgment.

**3. REPAYMENT**

- (a) Subject to the terms and conditions set out in Subsection 3(d) herein, the Borrower may, at any time, repay in whole or in part the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note and interest owing under this Promissory Note.
- (b) The Lender may require that the Borrower repay the Principal Amount and interest payable within 30 days following a change of control of the Borrower. For the purpose of this sub-section control means with respect to the Borrower at any time:
  - 1. holding, as owner or other beneficiary, other than solely as beneficiary of an unrealized security interest, directly or indirectly, securities or ownership interests of the Borrower carrying votes or ownership interests sufficient to elect or appoint the majority of individuals who are responsible for the supervision or management of the Borrower; or
  - 2. the exercise of de facto control of the Borrower, whether direct or indirect and whether through ownership of securities or ownership interests, by contract, trust or otherwise.

The Lender shall provide the Borrower with no less than twenty (20) days’ prior notice of the requirement to repay Principal and interest.

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(c) The Lender may require that the Borrower repay the Principal Amount and interest payable in the event that the Borrower:

1. disposes of substantially all of its property or assets;
2. fails to pay any principal, premium or interest on an indebtedness however incurred beyond any period of grace applicable to such indebtedness, where the amount of the indebtedness is \$25 million or greater;
3. fails to perform or observe an agreement, term or condition contained in any agreement under which an indebtedness in the amount of \$25 million or greater becomes due and payable; or
4. for any other reason causes the whole or any part of the Principal Amount to be repayable to the Lender in advance of the Due Date;

The amount to be repaid in respect of the Principal Amount and accrued and unpaid interest shall be determined in accordance with Subsection 3(d) herein.

(d) In the event that the Borrower chooses to repay or is required to repay in whole or in part the Principal Amount remaining unpaid and accrued and unpaid interest in accordance with Subsections 3(a), (b) or (c) herein, the Borrower shall:

1. Provide, where such repayment is initiated at the request of the Borrower, at least fifty (50) days' prior notice in writing to the Lender setting out the proposed amount of the Principal Amount and accrued and unpaid interest that it proposes to pay and the date of such payment;
2. Pay to the Lender in respect of the Principal Amount and accrued and unpaid interest to be paid, an amount calculated and determined by the Lender in the same manner and subject to the same conditions (subject to any necessary changes) as the Redemption Price respecting an equivalent payment of principal as is set out in the Series 2025 — 1 Supplemental Indenture dated January 30, 2025 between the Lender and BNY Trust Company of Canada; and
3. Indemnify the Lender., in addition to the amount calculated and determined pursuant to Subsection 3(d)(2) herein, for any damages, losses, liabilities, claims, demands, interest, charges, fines, penalties, assessments, judgments, costs and expenses suffered or asserted directly or indirectly arising from any payment made pursuant to Subsection 3(a), (b) or (c) herein or any delay in providing such payment.

#### **4 SUBORDINATION**

The obligation of the Borrower to pay the Principal Amount or the amount remaining unpaid from time to time on this Promissory Note, together with interest thereon in accordance with and pursuant to this Promissory Note is subordinated and postponed to the obligations of the Borrower to a third party for the payment in full of any secured indebtedness and all security interests granted to secure such obligations of the Borrower.

**5. WAIVER OF NOTICE IN EVENT OF DEFAULT**

The Borrower hereby waives presentment, protest and notice of any kind in the enforcement of this Promissory Note. The Borrower further agrees to pay all costs of collection, including legal fees on a solicitor and client basis, in case the Principal Amount, or the amount remaining unpaid from time to time on this Promissory Note, or any payment of interest thereon is not made when due.

**6. RIGHTS AND REMEDIES IN EVENT OF DEFAULT**

The rights and remedies of the Lender under this Promissory Note which it may have at law or in equity against the Borrower shall be distinct, separate and cumulative, and shall not be deemed inconsistent with one another, and none of the said rights, whether or not exercised by the Lender, shall be deemed to be to the exclusion of any other, and any one or more of said rights and remedies may be exercised at the same time. The obligations of the Borrower under this Promissory Note shall continue until the entire debt evidenced hereby is paid, notwithstanding any court action or actions taken by the Lender which may be brought to recover any amounts due and payable under this Promissory Note. No delay or failure by the Lender in the enforcement of any covenant, promise or agreement of the Borrower hereunder shall constitute or be deemed to constitute a waiver of such right. Any waivers of the Lender shall only occur and be valid when set forth in writing by the Lender. No waiver of any event of default shall discharge or release any person at any time liable for the payment of this Promissory Note from such liability. No single or partial exercise of any of the Lender's powers hereunder shall preclude other and further exercise thereof or the exercise of any other power.

**7. ASSIGNMENT**

This Promissory Note may not be assigned by the Borrower without the written consent of the Lender.

**8. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*[Signature page immediately follows]*

**IN WITNESS WHEREOF**, the undersigned has caused this Promissory Note to be duly executed and delivered on the date first above written.

**HYDRO OTTAWA LIMITED**

Signed by:  
Per : Geoff Simpson  
Name: Geoff Simpson  
Title: Chief Financial Officer

DocuSigned by:  
Per : Neal Teiwani  
Name: Neal Teiwani  
Title: Treasurer