



BRUCE C PRE-DEVELOPMENT FUNDING AGREEMENT

between

the INDEPENDENT ELECTRICITY SYSTEM OPERATOR

- and -

BRUCE POWER L.P.

December 15, 2025

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SCHEDULES

Schedule "A" – Pre-development Work

This Bruce C Pre-development Funding Agreement (this “**Agreement**”) is made as of the 15th day of December, 2025 (the “**Effective Date**”), between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the “**IESO**”)

-and-

BRUCE POWER L.P. (the “**Recipient**”)

RECITALS

- I. On July 10, 2023, the Province of Ontario released a report titled *Powering Ontario’s Growth: Ontario’s Plan for a Clean Energy Future* and subsequently, the Minister of Energy (Ontario), by directive dated April 5, 2024, instructed the IESO to enter into a funding agreement with the Recipient to support a portion of the federal Impact Assessment process for the Project (as defined below) and such an agreement was entered into between the IESO and the Recipient on April 5, 2024 (the “**IA Funding Agreement**”).
- II. The Recipient continues to advance options for adding up to 4,800 megawatts of additional nuclear generation capacity at the Bruce Power nuclear site (the “**Project**”) and has commenced additional early-stage development activities in advance of the Development Phase (as defined herein) of the Project.
- III. Pursuant to the integrated energy plan entitled *Energy for Generations: Ontario’s Integrated Plan to Power the Strongest Economy in the G7* and a directive released by the Minister of Energy and Mines (Ontario) dated June 12, 2025, the IESO was directed to support the next steps in the “Ontario New Nuclear Feasibility Study” and to work with the Recipient to continue evaluation and early planning for additional nuclear generation in Ontario.
- IV. The Parties intend for the IESO to provide funding pursuant to this Agreement to enable the Recipient to initiate and complete the Pre-development Work to be undertaken for the Project through the start of the Development Phase.
- V. The IESO received a directive dated December 11, 2025, from the Minister of Energy and Mines (Ontario) in which it asked the IESO to enter into this Agreement with the Recipient.
- VI. This is a new agreement between the Parties, although by virtue of the incorporation of certain terms herein and in respect of Sections 4(e) and 4(f) it may be linked to, but for certainty is entirely distinct from, the IA Funding Agreement and the Amended and Restated Bruce Power Refurbishment Implementation Agreement between the IESO and the Recipient dated December 3, 2015 (as previously amended and as may be hereafter amended from time to time, the “**ARBPRIA**”).

VII. The IESO and the Recipient have agreed that the Pre-development Work will be funded by the Parties as described in, and subject to, the terms and conditions set out in this Agreement and the Schedule attached hereto.

IN CONSIDERATION of the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

The following capitalized terms have the meanings stated below when used in this Agreement:

“Agreement” means this Bruce C Pre-development Funding Agreement, including all recitals and Schedules attached hereto, as may be amended, amended and restated or replaced from time to time.

“Alternate Funds” has the meaning given to it in Section 3(a)(v).

“Alternative Project Development Framework” has the meaning given to it in Section 7(h).

“Annual Report” has the meaning given to it in Section 11(b).

“Applicable Law” means any law, including any statute, legislation, treaty, regulation and any applicable guideline, directive, rule, code, standard, requirement, policy, order, judgment, injunction, award or decree of a Governmental Authority and any applicable Governmental Approvals, in each case having the force of law and that is applicable to the relevant person, event or circumstance.

“Arbitration Act” has the meaning give to it in Section 15(d).

“ARBPRIA” has the meaning given to it in the recitals of this Agreement.

“Base Operating Costs” has the meaning given to it in the ARBPRIA.

“Claim” means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative demand, allegation, action, suit, investigation or proceeding.

“CNSC” means the Canadian Nuclear Safety Commission established pursuant to the *Nuclear Safety and Control Act (Canada)*, including any replacement federal Governmental Authority responsible for regulation of nuclear power.

“Commercially Reasonable Efforts” means efforts which are designed to enable a Party, directly or indirectly, to perform its obligations under this Agreement and which do not require the performing Party to expend any funds or assume liabilities other than expenditures and liabilities which are reasonable in nature and amount in the context of the obligations to be performed.

“Confidential Information” means all information, whether written or oral, provided to the Receiving Party or its Representatives by the Disclosing Party or its Representatives relating to the Disclosing

Party, its business, affairs, financial position, assets, technology, operations, products, activities or proposed products or activities and prospects including any technical, commercial, legal, financial, strategic, tactical, regulatory or governmental information and any information relating to existing partners, reports, contracts, business plans, projections, forecasts or data, trade secrets and all other documents or information provided for inspection or review or pertaining in any way whatsoever to the Disclosing Party or this Agreement. Such information constitutes Confidential Information whether disclosed before or after the date hereof irrespective of whether it is labelled or otherwise identified as “confidential”. Confidential Information does not include, however, information that the Receiving Party is able to demonstrate to the Disclosing Party’s satisfaction, acting reasonably,

- a) was or becomes generally known to the public other than by a breach of the Receiving Party or any of its Representatives of this Agreement;
- b) as shown by written record, was specifically known by the Receiving Party prior to disclosure by the Disclosing Party hereunder and was not subject to any confidentiality obligation;
- c) as shown by written record, was independently developed by the Receiving Party without use of or reference to the Confidential Information; or
- d) was or becomes known to the Receiving Party on a non-confidential basis from a third party other than the Disclosing Party, so long as such source was not subject to any confidentiality obligation.

“**Costs**” means the costs and expenses incurred by the Recipient in connection with, arising from, or related to the Pre-development Work, including the fully-burdened costs and expenses incurred in respect of Project Dedicated Staff (including salary, overtime, benefits, pensions, post-employment benefits, allowances, and/or bonuses) and the costs and expenses of consultants and advisors retained by the Recipient to undertake the Pre-development Work in accordance with the terms herein; provided, however, “Costs” do not include Ineligible Expenses or Excluded Costs.

“**Deliverables**” has the meaning given to it in Section 2(a).

“**Development Phase**” means the phase of the Project comprising the development activities other than the Pre-development Work, which phase commences on, or in reasonable anticipation of, the issuance of a licence to prepare site by the CNSC and that is expected to lead to a final investment decision and the issuance of a licence to construct by the CNSC.

“**Disclosing Party**” has the meaning give to it in Section 12(a).

“**Dispute**” has the meaning given to it in Section 15(a).

“**Effective Date**” has the meaning given to it in the preamble of this Agreement.

“**Eligible Expenses**” has the meaning given to it in Section 4(a).

“**EPP Funding**” means funding from Natural Resources Canada under the Electricity Predevelopment Program.

“ETA” means Part IX of the *Excise Tax Act* (Canada).

“Excluded Costs” means, collectively, the costs and fees provided for in clauses (i) to (vi) of Section 4(c).

“Final Cost Statement” has the meaning given to it in Section 4(d).

“Force Majeure Event” has the meaning given to it in Section 17.

“Good Engineering Practices” means any of the practices, methods and activities adopted by a significant portion of the North American electric generating industry as good practices applicable to, as the context in this Agreement requires, the development, permitting or construction, or all of the foregoing, of nuclear generating facilities of similar design, size and capacity or any of the practices, methods or activities which, in the exercise of skill, diligence, prudence and judgment by a prudent nuclear electric generator in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition and Applicable Law. Good Engineering Practices are not intended: (i) to be limited to the optimum practices, methods or acts to the exclusion of all others, but rather are intended to delineate practices, methods or acts generally accepted in the North American electric generating industry; and (ii) notwithstanding the immediately preceding clause (i), to prevent or discourage innovation in the undertaking of such practices, methods or activities provided that such innovation incorporates the exercise of skill, diligence, prudence and judgment by a prudent nuclear electric generator in light of the facts known at the time.

“Governmental Approvals” means any declaration, filing or registration with, license, permit, certificate, registration, authorization, consent or approval of, any Governmental Authority pertaining to the Project.

“Governmental Authority” means any federal, provincial, or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including the IESO, but only in its capacity as the operator of the IESO-controlled grid, the Impact Assessment Agency of Canada, the CNSC, the Ontario Energy Board, the Electrical Safety Authority, the Office of the Auditor General of Ontario, and any person acting under the authority of any of the foregoing or their respective successor entities.

“Group” means (i) in reference to the Recipient: (A) its general partner and any of its Affiliates and each of the Limited Partners and any of their Affiliates; (B) its lenders or potential lenders and any bona fide potential investors in the Recipient, in any Limited Partner or in ProjectCo; and (C) when created, ProjectCo; and (ii) in reference to the IESO, members or staff of the Province of Ontario, including its ministries and agencies, or the Province of Ontario’s Executive Council. **“Affiliate”** in this definition of **“Group”** has the meaning ascribed to it in the ARBPRIA.

“**HST**” has the meaning given to it in Section 6(b).

“**IA Approval**” has the meaning given to it in the IA Funding Agreement.

“**IA Funding Agreement**” has the meaning given to it in the recitals of this Agreement.

“**IESO**” has the meaning given to it on the recital page of this Agreement.

“**Impact Assessment**” or “**IA**” has the meaning given to it in the IA Funding Agreement.

“**Ineligible Expenses**” means: (i) general corporate overhead, mark-ups, or indirect administrative expenses incurred by the Recipient; and (ii) the cost of any Recipient employee who is not Project Dedicated Staff.

“**Invoice**” has the meaning given to it in Section 6(a).

“**Limited Partners**” means the limited partners, from time to time, of the Recipient.

“**Material Scope Change**” has the meaning given to it in Section 7(e).

“**No Go Election**” has the meaning given to it in Section 7(h)(i).

“**O&M Efficiency Amount**” has the meaning given to it in the ARBPRIA.

“**OPG**” means Ontario Power Generation Inc., or its successors and permitted assigns as party to the OPG Lease.

“**OPG Lease**” means the Second Amended and Restated Bruce Lease relating to the Bruce Nuclear Generating Station dated as of October 11, 2016 between OPG, the Recipient, certain subsidiaries of OPG, TransCanada Pipelines Limited, and OMERS Administration Corporation, as amended pursuant to a first amending agreement made as of March 31, 2021, and a second amending agreement dated March 1, 2024, together with any amendment, change supplement, restatement, extension, renewal or modification thereof.

“**Party**” or “**Parties**” means one or both of the IESO and the Recipient, as the context requires.

“**Payment Period**” means the first six-month period commencing on the first day of the calendar month immediately following the Effective Date (or the Effective Date if it is the first day of a calendar month) and each subsequent six-month period thereafter until the last day of the Term; provided, however, the first Payment Period will include all days from and including the Reimbursement Start Date and up to the first day of the calendar month immediately following the Effective Date (or the Effective Date if it is the first day of a calendar month) and the last Payment Period may be less than six months.

“**Pre-development Work**” means the pre-development activities and undertakings to be carried out by the Recipient in respect of the Project which the Parties have agreed are reasonably necessary to

advance the Project through the start of the Development Phase, as more particularly described in Schedule "A".

"Project" has the meaning given to it in the recitals of this Agreement.

"ProjectCo" means an entity associated with the Recipient that is expected to be created to undertake the Project.

"Project Dedicated Staff" means employees, or individuals who are independent contractors, of the Recipient for whom all or substantially all of their duties are dedicated to the performance of the Pre-development Work or a combination of the Pre-development Work, the work related to the IA Approval and/or work related to the Development Phase. For greater certainty: (i) performance of the Pre-development Work includes activities necessarily ancillary to such performance, including safety training, orientation and qualification; and (ii) "Project Dedicated Staff" may include permanent part-time employees or independent contractors of the Recipient who work less than thirty-five hours per week.

"Receiving Party" has the meaning give to it in Section 12(a).

"Recipient" has the meaning given to it on the recitals page of this Agreement.

"Recipient's Share" has the meaning given to it in Section 4(a).

"Recoverable Costs Cap" means \$300 million.

"Reimbursement Start Date" means November 1, 2025.

"Representatives" means the directors, officers, employees or advisors (including a financial advisor, legal counsel or accountant) of a Party or a Party's Group.

"Restricted Deliverable" means a Deliverable that is: (i) a contract or agreement relating to or that amends or replaces the OPG Lease or that otherwise relates to the access or use of the Bruce Power nuclear site or any part thereof, including any sub-leasehold interest or other real property interest; (ii) any agreement with the SON; (iii) a contract or agreement with any financier, lender, investor, agent or underwriter with respect to any debt or equity financing of the Project; (iv) a constating document of ProjectCo, including any shareholders agreement or partnership agreement; (v) subject to legal privilege; or (vi) otherwise agreed by the Parties, each acting in a commercially reasonable manner, to be treated as a Restricted Deliverable.

"SON" means Saugeen Ojibway Nation.

"Term" has the meaning given to it in Section 7.

2. WORK AND AMENDMENTS TO WORK

- (a) The Pre-development Work will be undertaken and performed by or on behalf of the Recipient in accordance with the provisions of this Agreement and is intended to result in the

deliverables set out in the column under the heading “Deliverables” in Schedule “A” – Pre-development Work (the “**Deliverables**”).

- (b) If either Party determines during the Term of this Agreement that it is desirable to make changes to the scope of the Pre-Development Work and/or the Deliverables, the Parties will negotiate in good faith to amend the scope of the Pre-development Work and/or Deliverables, as applicable. Any amendments to the scope of the Pre-development Work and/or the Deliverables will require the consent of both Parties and any additional scope of the Pre-development Work must be accomplished within the Recoverable Costs Cap unless the Recipient first agrees to be solely responsible for any Costs that exceed the Recoverable Costs Cap.
- (c) If a Party wishes to amend the scope of the Pre-development Work and/or Deliverables, such Party shall notify the other Party of the proposed amendment together with:
 - (i) a brief explanation of the proposed amendment, including a description of the reason therefor and a proposed replacement Schedule “A” in respect of such proposed amendment; and
 - (ii) reasonable evidence that the proposed amendment has been formulated in a manner that meets the Recoverable Costs Cap unless the Recipient first agrees to be solely responsible for any Costs that exceed the Recoverable Costs Cap.

If the Parties agree upon the proposed replacement Schedule “A” (as it may be further revised by the agreement of the Parties), the Party requesting the amendment shall provide the other Party with a letter signed by an officer of the requesting Party attaching the agreed upon replacement Schedule “A”, and upon delivery of such letter counter-signed by an officer of the other Party, this Agreement shall be deemed to have been amended as of such delivery date to incorporate the amended Schedule “A” in the place of the then current Schedule “A”.

3. OBLIGATIONS OF THE RECIPIENT AND THE IESO

- (a) The Recipient will implement and undertake the Pre-development Work in accordance with the provisions of this Agreement. In implementing and undertaking the Pre-development Work, the Recipient will:
 - (i) use Commercially Reasonable Efforts to cost effectively implement and undertake the Pre-development Work and complete the Deliverables in accordance with Good Engineering Practices and this Agreement;
 - (ii) utilize the services of external professional advisors and consultants, including engineering, financial, environmental and legal, where such expertise is necessary to supplement existing resources or the Project Dedicated Staff;

- (iii) utilize existing internal resources in accordance with Good Engineering Practices in an effort to reduce Costs;
 - (iv) use Commercially Reasonable Efforts to work collaboratively with OPG in order to minimize any duplication of Pre-development Work and thereby reduce the aggregate of Costs and costs incurred by OPG in respect of its nuclear generation projects;
 - (v) use Commercially Reasonable Efforts to settle, and where appropriate, enter into, agreements with third parties that comprise Deliverables;
 - (vi) use Commercially Reasonable Efforts to seek out and obtain all available sources of alternative funding, including any applicable tax credits, available from any Governmental Authority to offset the Recipient's costs of completing the Pre-development Work, including any funding available from Natural Resources Canada (including EPP Funding) and other federal or provincial government sources, for which the Recipient is eligible and that is directly related to the Pre-development Work ("**Alternate Funds**"). For certainty, any funds that (A) the IESO receives directly or indirectly related to the Pre-development Work from the Province of Ontario or its ratepayers, or (B) except as provided in Section 5(c), the Recipient receives and that are not directly related to the Pre-development Work, are in either case not Alternate Funds for purposes of this Agreement; and
 - (vii) comply in all material respects with all Applicable Laws, including any privacy obligations under Applicable Laws.
- (b) The IESO will provide funding to the Recipient in accordance with Section 4 below to facilitate the implementation and undertaking of the Pre-development Work.

4. COST ALLOCATION

- (a) In order for the Recipient to implement and undertake the Pre-development Work, the IESO will reimburse the Recipient effective from and after the Reimbursement Start Date as follows:
- (i) For 100% of Costs up to and including \$100 million;
 - (ii) For 85% of Costs over \$100 million and up to and including \$200 million; and
 - (iii) For 75% of Costs over \$200 million and up to and including the Recoverable Costs Cap.

Amounts reimbursable to the Recipient pursuant to (i), (ii) and (iii) are collectively referred to herein as the "**Eligible Expenses**", and any Costs not reimbursable pursuant to (i), (ii) and (iii),

including for greater certainty Costs not reimbursable because they exceed the Recoverable Costs Cap, are collectively referred to herein as the “**Recipient’s Share**”.

- (b) By the date 30 days after the date that the Recipient has incurred Costs of \$270 million, the Parties will convene a meeting to discuss any remaining Pre-development Work to be completed during the Term and the estimated Costs thereof. On the basis of such estimate, the Parties will agree, acting reasonably and in good faith, on the Pre-development Work and the Deliverables to be undertaken during the remainder of the Term, all subject to the Recoverable Costs Cap.
- (c) The Recipient will not be entitled to reimbursement by the IESO hereunder for any of the following, all of which are “**Excluded Costs**”:
 - (i) costs related to land and equipment purchases for construction of the Project, including options, deposits and/or downpayments related to such land or equipment purchases, but excluding (A) equipment that is necessary to undertake the Pre-development Work, including computers and office furniture, (B) negotiations with respect to interests in land that are necessary or ancillary to the Pre-development Work and (C) consultant and legal fees incurred in connection with the assessment or negotiation of any agreements related to the matters identified in (A) or (B);
 - (ii) costs related to government relations and lobbying activities;
 - (iii) costs related to hospitality, sponsorships, and community events;
 - (iv) costs related to any activities directly relating to the financing of, or equity investments in, the Project, excluding structuring costs associated with any government investment and/or funding;
 - (v) legal fees incurred in connection with the negotiation of this Agreement and any off-take or contract for differences agreements related to the Project that may be entered into between the IESO and either of the Recipient or ProjectCo in the future; or
 - (vi) any costs recoverable by, or reimbursable to, the Recipient from the IESO pursuant to either of the IA Funding Agreement or the ARBPRIA.
- (d) Within 60 days following the expiry of the Term or the earlier termination of this Agreement, the Recipient will prepare and deliver to the IESO a detailed accounting (the “**Final Cost Statement**”) of all Costs incurred by the Recipient, all amounts reimbursed by the IESO in connection therewith, and all Alternate Funds received or receivable.
- (e) The Recipient’s Share and Excluded Costs: (i) will be treated as “Excluded Business” under the ARBPRIA and, accordingly, will not be included in Base Operating Costs or the calculation of

the O&M Efficiency Amount pursuant to the ARBPRIA; and (ii) are intended by the Parties to form part of the Recipient's overall investment in the Project from the time such Costs are incurred. If there are any future off-take arrangements that may be entered into between the IESO and the Recipient or ProjectCo with respect to the Project, the Parties acknowledge that it is their intention that the Recipient or ProjectCo, as applicable, will be entitled to a return of and a commercially reasonable return on such investment.

- (f) The Recipient shall not charge or recover any Ineligible Expenses under this Agreement. Ineligible Expenses will be considered "non passthrough costs" for the purposes of this Agreement but will be included in Base Operating Costs and the calculation of the O&M Efficiency Amount pursuant to the ARBPRIA.
- (g) Notwithstanding the definition of "IA Dedicated Staff" and the provisions of section 27 of the IA Funding Agreement, the Parties agree that "Project Dedicated Staff" may include employees or independent contractors of the Recipient who are IA Dedicated Staff pursuant to the IA Funding Agreement.

5. ALTERNATE FUNDS

- (a) Any Alternate Funds received in connection with the Project's federal Impact Assessment and the Work (as such term is defined in the IA Funding Agreement), that are not used by the Recipient to either offset "Regulatory Fees" or "Incremental Costs" under the IA Funding Agreement or in respect of other expenditures related to the Project, and that are available to offset Costs under this Agreement shall also be considered Alternate Funds for purposes of this Agreement. To the extent Alternate Funds are available that may be used for both the IA Funding Agreement and this Agreement, the Parties will, acting reasonably, allocate such funds as between the IA Funding Agreement and this Agreement.
- (b) In the event that any Alternate Funds are received or receivable by the Recipient in the period from and after the Reimbursement Start Date up to the last day of the Term, subject to Section 5(c), the IESO is to be the beneficiary of the proceeds of any Alternate Funds received by the Recipient in order to offset any Costs to be reimbursed to the Recipient pursuant to Section 4.
- (c) The Recipient is entitled to receive its proportionate share of any Alternate Funds received or receivable. Such proportionate share will be derived as a fraction, the numerator of which is the total amount of the Recipient's Share and the denominator of which is the total Costs incurred. The Recipient's proportionate share of any Alternate Funds received shall be clearly set out in the Final Cost Statement.
- (d) For greater certainty:

- (i) subject to Section 5(e), any funding or benefits received by the Recipient from Governmental Authorities not directly related to the Pre-development Work will be for the Recipient's account and retained 100% by the Recipient; and
 - (ii) the Recipient may seek funding with respect to the Project but not directly related to the Pre-development Work or used to pay Costs from any sources in its discretion.
- (e) In the event that the Recipient's use of any Alternate Funds is time limited and the Recipient (i) cannot obtain an extension to use the Alternate Funds by a later date, (ii) cannot reasonably spend the Alternate Funds on the Pre-development Work within the required time, and (iii) is otherwise entitled to use the Alternate Funds for other activities which, while not directly related to the Pre-development Work contemplated in this Agreement, are in furtherance of the Project, then, provided the Recipient has provided the IESO with reasonable written notice of its intended use of such Alternate Funds, the Recipient may use the Alternate Funds for such other use described in (iii).

6. INVOICING REQUIREMENTS AND AUDIT RIGHTS

- (a) The Recipient will prepare and deliver to the IESO an invoice (the "**Invoice**") within 30 days after the end of each Payment Period. Each Invoice will set out the actual Eligible Expenses incurred during the immediately preceding Payment Period, any Alternate Funds received in such Payment Period and will include reasonably detailed back-up data and information to support or establish the amounts set forth therein, which will form part of such Invoice and if the Recipient fails to provide such reasonably detailed back-up information and data in the Invoice, the IESO may send notice to the Recipient requesting same and the Recipient will promptly and in any event within 10 days thereafter, provide same to the IESO.
- (b) The Eligible Expenses reimbursable by the IESO are exclusive of Harmonized Sales Tax ("**HST**") and all other applicable taxes. Where applicable, HST and other taxes will be shown separately on all Invoices. The Recipient will deduct all recoverable HST from Eligible Expenses before calculating HST on amounts to be invoiced to the IESO. For greater certainty, recoverable HST means HST paid by the Recipient on its own account and that is recoverable to it by way of input tax credit, rebate or similar mechanism.
- (c) Any Alternate Funds received in a Payment Period will be used to reduce the amount payable by the IESO to the Recipient on the basis described in Section 5 of this Agreement.
- (d) Each Invoice will be payable by the IESO within 60 days of the later of (i) receipt of the Invoice and (ii) receipt of any additional reasonably detailed back-up information and data requested pursuant to Section 6(a). If the IESO disputes an Invoice or any portion thereof in good faith, the IESO will, notwithstanding such dispute, pay any amount not in dispute in such Invoice to the Recipient.

- (e) At any time during the Term and for a period of two years thereafter and in connection with and for the purposes of verifying Invoices and back-up data and information or to conduct an audit of Costs incurred, or Alternate Funds received, by the Recipient that are submitted for reimbursement hereunder, the Recipient will, in a timely manner, provide the IESO and its representatives with access during normal business hours to any and all information relating to the Pre-development Work, the Deliverables, the Costs, Alternate Funds, as well as any other relevant information relating to the Project that the IESO may request, acting reasonably.

7. TERM AND TERMINATION

- (a) The term of this Agreement will commence upon the Effective Date and will terminate on the earlier of (i) January 1, 2031, or (ii) the completion of the Pre-development Work (the “**Term**”).
- (b) The IESO may, in its sole and absolute discretion, terminate this Agreement at any time on the date following 30 days’ prior written notice of termination to the Recipient.
- (c) The Recipient may terminate this Agreement at any time if there has been a material breach or failure to perform any material covenant or material agreement made by the IESO under this Agreement that has not been cured by the IESO within 30 days of the IESO’s receipt of written notice of such breach or failure by the Recipient, or if such breach or failure to perform cannot reasonably be cured within such 30-day period, such reasonably longer period not to exceed 90 days.
- (d) Where the IESO exercises its termination right under Section 7(b), and Section 8(f) does not apply, upon receipt of an Invoice from the Recipient to be provided no later than 90 days following such termination, the IESO will reimburse the Recipient for all Eligible Expenses incurred and committed to be incurred by the Recipient, net of the IESO’s proportion of the Alternate Funds received or receivable by the Recipient and not previously credited to the IESO pursuant to Section 5(b), in accordance with Section 4 and in each case up to and including the date of termination of this Agreement.
- (e) The Recipient may terminate this Agreement on the date following 30 days’ prior written notice of termination to the IESO in the event that:
 - (i) the Recipient, acting reasonably, has determined that it does not intend to proceed with either (x) the development of the Project, or (y) the completion of the Pre-development Work; or
 - (ii) (x) there has been a material change to the scope of the Pre-development Work that is reasonably expected to increase Costs by more than \$50 Million (a “**Material Scope Change**”), and (y) such Material Scope Change is reasonably expected to cause the total cost-to-complete Costs to exceed the Recoverable Costs Cap.
- (f) Where the Recipient exercises its termination right under Section 7(e):

- (i) upon receipt of an Invoice from the Recipient to be provided no later than 90 days following such termination, the IESO will reimburse the Recipient for all Eligible Expenses incurred and committed to be incurred by the Recipient, net of the IESO's proportion of the Alternate Funds received or receivable by the Recipient and not previously credited to the IESO pursuant to Section 5(b), in accordance with Section 4 and in each case up to and including the date of termination of this Agreement; and
 - (ii) the Recipient will transfer to the IESO ownership of all rights, title and interest it has in the Deliverables other than the Restricted Deliverables in accordance with Section 8 and the IESO will reserve the right to proceed with the Pre-development Work on the IESO's own accord and at its own expense, independent of the Recipient.
- (g) The IESO, in its sole and absolute discretion, reserves the right to extend the Term of this Agreement, without limitation.
- (h) If the Recipient delivers a notice of termination under Section 7(e), or after completion of the Pre-development Work and exhausting Commercially Reasonable Efforts (including spending a reasonable amount of time to evaluate the impacts of the Pre-development Work and the next steps required for the Project) the Parties cannot agree to the next steps necessary to develop the Project, (either of the foregoing occurrences being a "**No Go Election**") then:
 - (i) at the request of the IESO (which request must be provided within 120 days after the No Go Election), the Parties shall promptly, and in any event within 30 business days after the IESO's request, commence good faith negotiations with a view to agreeing upon a commercially reasonable structure to allow the Project to proceed with or without the continued participation of the Recipient, including one or more of the following frameworks (each, an "**Alternative Project Development Framework**"):
 1. a framework under which the IESO proceeds with the Project but engages the Recipient, on commercially reasonable terms, to (A) oversee development and construction activities as the IESO's representative, construction manager, or a similar role, and/or (B) serve as the operator of the completed Project; or
 2. a framework under which the IESO, its designate, or a third party engaged by the IESO undertakes, manages and/or completes the development, construction and operation of the Project on the Bruce Power nuclear site and decommissions the Project, with the Recipient providing site access, cooperation and interface support on commercially reasonable terms.

- (ii) The Parties acknowledge that the Alternative Project Development Framework outlined in Section 7(h)(i)1 above is the preferred option and that either Alternative Project Development Framework will require that agreements be put in place to address the unique characteristics of the Bruce Power nuclear site, the Recipient's existing operations and various regulatory requirements, the terms of which agreements may include, without limitation:
1. a site access licence and, if appropriate, the creation of a sub-leasehold or other real property interest sufficient to permit construction, commissioning and operations of the Project, together with associated easements, rights-of-way and utility corridors;
 2. safety, security and interface protocols and procedures, including work-face coordination, outage and access planning, emergency preparedness, and compliance with Applicable Law and Good Engineering Practices;
 3. indemnities in favour of the Recipient for third-party activities conducted on or within the site and for any losses which the Recipient may suffer as a result of the construction and operation of the Project;
 4. corresponding indemnities in favour of the IESO for Recipient-caused losses; and
 5. such consents, approvals and accommodations as may be required from OPG under the OPG Lease, from the CNSC and other Governmental Authorities, from the SON and from other relevant third parties.
- (iii) The Parties shall negotiate the Alternative Project Development Framework in good faith for a period of up to 180 days following the request of the IESO (if any) pursuant to Section 7(h)(i) (or such longer period as the Parties may agree, acting reasonably). Neither Party will be obligated to agree to any such arrangement, and a Party's decision to enter or not to enter into such an arrangement shall be subject to that Party's sole, absolute and unfettered discretion. No matter relating to a dispute or disagreement regarding the negotiations or the obligations provided for in this Section 7(h), other than the failure to negotiate in good faith, may be the subject of dispute resolution. If the Parties are not able to agree on an Alternative Project Development Framework within such time period, then: (A) the provisions of Section 8 shall apply; and (B) upon receipt of an Invoice from the Recipient to be provided no later than 120 days following the termination of such time period, the IESO will reimburse the Recipient for reasonable consultant and legal fees incurred in connection with such negotiations.

8. TRANSFERABILITY & RIGHTS TO DELIVERABLES

- (a) In the event (i) this Agreement is terminated by either Party pursuant to Section 7, except for the termination by the Recipient for a default pursuant to Section 7(c), or (ii) the Parties cannot agree on an Alternative Project Development Framework as provided in Section 7(h):
- (i) the IESO reserves the right to (x) require the Recipient to transfer to the IESO ownership of all rights, title and interest the Recipient has in the Deliverables other than the Restricted Deliverables up to and including the date of termination, in accordance with Applicable Law and as not otherwise prohibited by the OPG Lease, and subject to any requirements or restrictions contained in the OPG Lease, as the OPG Lease is in effect on the Effective Date, and (y) transfer such ownership in the Deliverables other than the Restricted Deliverables to another entity as directed by the IESO in its sole and absolute discretion, all at no additional cost to the IESO except as may be payable in Section 8(f); and
 - (ii) solely in the event that the Recipient does not have ownership of a Deliverable other than a Restricted Deliverable and is therefore prohibited from transferring ownership of such Deliverable, the IESO reserves the right to (x) require the Recipient to grant to the IESO a non-exclusive, irrevocable, royalty-free, sublicensable, transferable licence to use such Deliverable to the same extent that the Recipient is able to do so, and (y) transfer such non-exclusive licence to another entity as directed by the IESO in its sole and absolute discretion, all at no additional cost to the IESO except as may be payable in Section 8(f).
- (b) The Recipient shall use Commercially Reasonable Efforts to ensure that the Deliverables other than the Restricted Deliverables are capable of being transferred to, and relied upon by, the IESO without restriction, whether by way of (i) transfer of ownership, (ii) grant of license, or (iii) both, in each case as contemplated under Section 8(a). Without limiting the generality of the foregoing, the Recipient shall use Commercially Reasonable Efforts to ensure that any agreements entered into with consultants, vendors, subcontractors, or other third parties in connection with the Deliverables other than the Restricted Deliverables include provisions that:
- (i) grant the Recipient sufficient rights, title, and interest in such Deliverables to enable the transfer or licensing of such Deliverables to the IESO as contemplated herein;
 - (ii) do not impose any restrictions, conditions, or obligations, including confidentiality or intellectual property terms, that would prohibit the IESO's use, reliance upon, or further transfer of such Deliverables to the same extent that the Recipient is able to do so; and

- (iii) include express provisions permitting assignment or sublicensing of rights to the IESO without requiring further consent from such third parties upon the assumption by the IESO of the obligations of the Recipient under the applicable Deliverables.
- (c) In the event the Recipient cannot satisfy the obligations set forth in Section 8(b) in respect of a particular Deliverable other than the Restricted Deliverables, the Recipient will promptly notify the IESO of same.
- (d) The Recipient shall post on a virtual data room to which the IESO has access documentation reasonably evidencing the progression of the Deliverables so that the IESO may monitor the Recipient's compliance with the obligations set forth in Section 8(b), which documentation shall include drafts of relevant third party agreements, subject to any applicable confidentiality obligations. The Recipient shall, upon written request by the IESO, promptly provide the IESO with copies of any and all Deliverables other than those subject to legal privilege obtained, developed, or otherwise acquired under this Agreement, in the format in which such Deliverables were originally created or received by the Recipient, subject to any applicable confidentiality obligations.
- (e) In the event that the IESO takes ownership in such Deliverables as a result of Section 8(a)(i), is granted a non-exclusive licence to use such Deliverables as a result of Section 8(a)(ii), or both: (i) the IESO acknowledges and agrees that it will obtain no better ownership or use rights to such Deliverables than the Recipient has as at such time and the IESO will take any such ownership or non-exclusive licence subject to the rights of others, if any; (ii) the Recipient will use Commercially Reasonable Efforts to obtain, at the expense of the IESO, reliance letters from any professional consultants hired by the Recipient to complete the Pre-development Work that permit the IESO to rely on any Deliverables other than the Restricted Deliverables prepared by such consultant; and (iii) the IESO will, and will cause any of its transferees to, grant to the Recipient non-exclusive, irrevocable, royalty-free, licensable, transferable, worldwide intellectual property rights to use such Deliverables.
- (f) In the event that: (i) the IESO terminates this Agreement pursuant to Section 7(b) or the Pre-development Work is completed but the Parties cannot either agree to the next steps for developing the Project or, after a request (if any) has been provided by the IESO, agree on an Alternative Project Development Framework as provided in Section 7(h); and (ii) the IESO takes ownership in the Deliverables other than the Restricted Deliverables or is granted a non-exclusive licence to use the Deliverables other than the Restricted Deliverables as a result of Section 8(a), and then uses such Deliverables for the development of a nuclear power project or transfers such Deliverables to a third party for the development of a nuclear power project; (iii) then the IESO shall pay to the Recipient the full amount of the Recipient's Share of the total Costs incurred or committed to be incurred by the Recipient up to and including the date of termination upon receipt of an Invoice in respect of same. For certainty, in the event the Recipient terminates this Agreement pursuant to Section 7(e), the Recipient will only be reimbursed for Costs as contemplated in Section 7(f) above.

9. REPRESENTATIONS AND WARRANTIES OF THE RECIPIENT

The Recipient represents, warrants and covenants to the IESO as follows, and acknowledges that the IESO is relying on such representations and warranties in entering into this Agreement:

- (a) the Recipient is duly organized and validly existing as a limited partnership under the laws of the Province of Ontario, is registered or otherwise qualified to carry on business in the Province of Ontario, and has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (b) this Agreement has been duly authorized, validly executed, will constitute a binding obligation of the Recipient in accordance with its terms, and will not result in a breach or violation of, constitute a default under, or cause a termination, cancellation or acceleration of any other material obligation of the Recipient;
- (c) the Recipient has, or will retain at the applicable time, the necessary experienced and skilled personnel to perform its obligations hereunder;
- (d) the Recipient is registered for HST purposes under the ETA and its HST registration number is 86482 9635; and
- (e) there are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against or being contemplated against the Recipient.

10. REPRESENTATIONS AND WARRANTIES OF THE IESO

The IESO represents, warrants and covenants to the Recipient as follows, and acknowledges that the Recipient is relying on such representations and warranties in entering into this Agreement:

- (a) the IESO is a corporation without share capital existing under the *Electricity Act, 1998* (Ontario) and has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (b) this Agreement has been duly authorized, validly executed, will constitute a binding obligation of the IESO in accordance with its terms, and will not result in a breach or violation of, constitute a default under, or cause a termination, cancellation or acceleration of any other material obligation of the IESO;
- (c) the IESO is registered for HST purposes under the ETA and its HST registration number is 870513959RT-0002; and
- (d) there are no bankruptcy, insolvency, reorganization, receivership, seizure, realization, arrangement or other similar proceedings pending against or being contemplated against the IESO.

11. REPORTING AND MEETINGS

- (a) The Recipient will deliver to the IESO, upon execution of this Agreement and then no later than October 31 of each year thereafter, a plan for the following calendar year that includes a summary of the planned Deliverables, activities, estimated costs associated with the planned Pre-development Work for such calendar year, and an estimated cost and duration of the remaining Pre-development Work to be completed.
- (b) Within 90 days following each calendar year, the Recipient will deliver to the IESO a report summarizing the Deliverables, activities, Alternate Funds received or applied for, a full reconciliation documenting how all Alternate Funds received have been allocated between the Parties in accordance with Section 5, actual Costs associated with the actual Pre-development Work completed in the previous calendar year, and an estimated cost and duration of the remaining Pre-development Work to be completed (an “**Annual Report**”).
- (c) As part of the Pre-development Work, the Recipient will also deliver periodic reports with respect to the Pre-development Work upon the reasonable request of the IESO, including reports as to the status or progress of the Pre-development Work, barriers and impediments to the advancement of the Pre-development Work, outcomes of the Pre-development Work and lessons learned from the implementation of the Pre-development Work (the “**Other Reports**”). The Other Reports will be in a form and content to be agreed upon by the Parties acting reasonably.
- (d) At any time during the Term, should the Recipient become aware of either (i) any matter or circumstance that would reasonably be expected to have a material adverse effect on the completion or timing of the Pre-development Work in accordance with this Agreement, or (ii) any Material Scope Change, the Recipient will provide a reasonably detailed notice to the IESO regarding such event within 30 days of the Recipient becoming aware of it.
- (e) All Annual Reports and any Other Reports delivered under this Agreement will be subject to Section 12.

12. CONFIDENTIALITY

- (a) In connection with its performance under this Agreement, either Party (each a “**Disclosing Party**” as the context requires) may, subject to the terms of this Agreement, disclose to the other Party (each a “**Receiving Party**” as the context requires) certain information (including applications of that information) which is confidential to the Disclosing Party.
- (b) All Confidential Information remains, at all times, the exclusive property of the Disclosing Party. Neither the Receiving Party nor any of its Representatives has any licence or other right to use or disclose any Confidential Information for any purpose whatsoever other than to use the Confidential Information to exercise its rights or comply with its obligations under this Agreement.

(c) The Receiving Party agrees, with respect to the Disclosing Party's Confidential Information:

- (i) to hold the Confidential Information secure and in confidence using the same degree of care and security to safeguard such Confidential Information as it uses to protect its own information of like character, but in no event less than a reasonable degree of care and security;
- (ii) to use all appropriate security measures to prevent any unauthorized disclosure or use of, or access to, the Confidential Information;
- (iii) to limit disclosure of and access to the Confidential Information to those of its Representatives having a need to know the Confidential Information for the purpose of this Agreement;
- (iv) to use the Confidential Information solely to exercise its rights or comply with its obligations under this Agreement; and
- (v) not to remove or obscure proprietary rights or confidentiality notices that appear on Confidential Information and copies thereof.

In addition to the foregoing, the Parties acknowledge that the Pre-development Work and the Deliverables will be Confidential Information of the Recipient and that the Recipient has and will have obligations of confidentiality to third parties whose confidential information is included in such Pre-development Work or Deliverables. From time to time at the request of the Recipient, the IESO will enter into adhesion agreements whereby the IESO will agree with the Recipient to be bound by and to comply with the confidentiality, non-disclosure and restriction of use obligations that the Recipient has negotiated and agreed to in good faith with such third parties as if the IESO were itself a party to such obligations.

(d) The Receiving Party will inform its Representatives to whom it may be permitted to disclose or provide any such Confidential Information hereunder of the confidential nature of the Confidential Information and will cause such Representatives to comply with the provisions of this Agreement. The Receiving Party will notify the Disclosing Party of any unauthorized disclosure or use of, or access to, the Confidential Information within a reasonable period of time after becoming aware of such a breach and will be responsible for any breaches of this Agreement by any of its Representatives, as if such Representatives were a Party to this Agreement.

(e) If the Receiving Party or any of its Representatives are required by Applicable Law, or are required or requested in any judicial or administrative proceeding or by any Governmental Authority, to disclose any Confidential Information, the Receiving Party will, and will cause its Representatives, to the extent legally permissible, to:

- (i) provide prompt notice of the existence, terms and circumstances of such requirement or request to the Disclosing Party so that the Disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement;
 - (ii) consult with the Disclosing Party on the advisability of taking legally available steps to resist or narrow such requirement or request; and
 - (iii) disclose, if disclosure of such information is required, only such information as is required by Applicable Law and use the Receiving Party's best efforts, and cause its Representatives to use their best efforts, to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the disclosed information as the Disclosing Party designates.
- (f) The Recipient acknowledges that all Confidential Information provided by or to the IESO may be subject to the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended, the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, as amended and the *Electricity Act, 1998*, S.O. 1998, c. 15, as amended, and agrees to comply, and cause its Representatives to comply, at all times with applicable privacy laws in connection with the collection and use of personal information. For greater certainty, the Parties will follow the provisions of Section 12(e) of this Agreement with respect to requests and disclosures under these statutes.
- (g) Unless otherwise agreed to in writing by the Parties, at any time, at the Disclosing Party's request, the Receiving Party will destroy or deliver to the Disclosing Party all, or a Disclosing Party-specified portion of, the Confidential Information, together with all copies, extracts or other reproductions in whole or in part of such Confidential Information, provided that the Receiving Party may retain any copies of Confidential Information (a) required to comply with the requirements of any applicable legislation, other legal requirement, internal record retention policies or procedures or good governance, and (b) automatically created on the Receiving Party's or Representative's computer systems by its normal back-up procedures for the period it normally archives backed-up computer records; however, such Confidential Information referred to in (a) and (b) remains confidential and subject to the terms of this Agreement. Promptly following delivery or destruction, as the case may be, on the request of the Disclosing Party, the Receiving Party will provide the Disclosing Party with written confirmation of completion. Notwithstanding the return or destruction of Confidential Information, the Receiving Party and its Representatives will continue to be bound by the obligations of confidentiality and all other obligations hereunder for the Term and a period of two years thereafter.

13. PUBLICITY

- (a) Each Party must receive the other Party's prior written approval, such approval not to be unreasonably withheld, before making any public acknowledgment or communication relating to this Agreement.
- (b) Notwithstanding Section 13(a), the IESO may make general reference to the Pre-development Work, the Project and to the fact that the IESO is providing a financial contribution to the Recipient in any publicity or publication. For greater certainty, in such publicity or publication the IESO will not disclose the amount or timing of such financial contribution.

14. LIMITATION OF LIABILITY AND INDEMNIFICATION

- (a) Notwithstanding anything contained herein to the contrary, neither Party will be liable under this Agreement for any Claims of the other Party for loss of profits, loss of power capacity or supply, cost of procuring alternative or replacement electricity, consequential, special, incidental, indirect, collateral, exemplary or punitive damages.
- (b) Without limiting any other terms or conditions of this Agreement, each Party agrees to defend, indemnify and hold harmless the other Party and its officers, directors, employees, agents and representatives from and against any Claim, threatened or actual, arising out of or relating to:
 - (i) the first Party's breach of any provision of this Agreement; or
 - (ii) where the IESO and its officers, directors, employees, agents and representatives are the indemnitees and to the extent none of the foregoing persons has caused or contributed to any of the following: any injury to persons (including injuries resulting in death) or loss of or damage to property of others which may be or be alleged to be caused or suffered as a result of or in connection with the performance by the Recipient or any of its employees or subcontractors of the Pre-development Work, of all or any part of the Recipient's obligations under this Agreement or as a result of, or in connection with, the Project.
- (c) The Recipient makes no representation or warranty in respect of or related to the Recipient's ability to obtain any amount of Alternate Funds.

15. DISPUTE RESOLUTION

- (a) Any controversy, dispute, difference, question or claim (collectively a "**Dispute**") arising between the Parties in connection with the interpretation, performance, construction or implementation of this Agreement that cannot be resolved within 10 days after the Dispute has arisen will be settled in accordance with this Section 15.

- (b) Either Party may provide the other Party written notice identifying the Dispute, the amount involved, if any, and the remedy sought, and invoking the procedures of this section. Within five business days following delivery of any such notice, a senior executive (Senior Vice-President or higher of the Recipient and Vice-President or higher of the IESO) from each Party shall meet, either in person or by telephone (the “**Senior Conference**”), to attempt to resolve the dispute. Each senior executive shall be prepared to propose a solution to the dispute. If, following the Senior Conference, the dispute is not resolved, then either Party may refer the Dispute to be resolved by arbitration in accordance with the following provisions of this Section 15.
- (c) The Parties will submit any arbitration under this Agreement to a single arbitrator agreed upon by both Parties. If the Parties cannot agree upon a single arbitrator within 10 days after the Dispute is referred to arbitration, either Party may make an application to a court of competent jurisdiction for appointment of an arbitrator. Any arbitrator selected to act under this Agreement will be qualified by education, training and experience to pass on the particular question in Dispute and will have had no business, financial relationship or connection to either of the Parties currently or within the past five years other than acting in previous arbitrations.
- (d) The arbitrator will provide each of the Parties an opportunity to be heard and will conduct the arbitration hearing in accordance with the *Arbitration Act, 1991* (Ontario) (the “**Arbitration Act**”) and pursuant to such procedures as the arbitrator shall determine appropriate in their sole discretion. Unless otherwise agreed by the Parties, the arbitrator will render a decision within 90 days after the end of the arbitration hearing and will notify the Parties in writing of such decision with reasons.
- (e) The decision of the arbitrator will be conclusive, final and binding on the Parties, and there shall be no appeal therefrom, including any appeal to a court on a question of law, a question of fact or a question of mixed fact and law, with the sole exception that the decision of the arbitrator may be appealed on the grounds that the conduct of the arbitrator, or the decision itself, violated the Arbitration Act.
- (f) The arbitration hearing will be conducted in the City of Toronto in the Province of Ontario at the location determined from time to time by the arbitrator.
- (g) The Arbitration Act will govern the procedures to apply in the enforcement of any award made. If it is necessary to enforce such award, all costs of enforcement will be payable and paid on a full indemnity basis by the Party against whom such award is enforced.
- (h) In determining the allocation between the Parties of the costs of the arbitration hearing, including the compensation of the arbitrator and the costs associated with the arbitration hearing, the arbitrator may invite submissions as to costs and may consider, among other things, an offer of settlement made by a Party to the other Party prior to or during the course of an arbitration. Unless otherwise directed by the arbitrator, all costs of the arbitrator will

be paid equally by the Parties. If it is necessary to enforce such award, all costs of enforcement will be payable and paid by the Party against whom such award is enforced.

- (i) All information disclosed, including all statements made and documents produced, in the course of the arbitration hearing will be held in confidence and neither Party will rely on, or introduce as evidence in any subsequent proceeding, any admission, view, suggestion, notice, response, discussion or position of either Party or any acceptance of a settlement proposal or recommendation for settlement made during the course of the arbitration process, except (i) as required by Applicable Law or (ii) to the extent that disclosure is reasonably necessary for the establishment or protection of a Party's legal rights against a third party or to enforce the award of the arbitrator or to otherwise protect a Party's rights under this Section 15.

16. RECORD KEEPING

The Recipient will maintain proper books, records, contracts, accounts, invoices and all other information relating to the Pre-development Work, the Deliverables and the Alternate Funds during the Term and for a period of seven years thereafter. During that period, the Recipient will provide the IESO, its agents, the Government of Ontario and the Ontario Energy Board (and any of their respective successor entities) with reasonable access to such information for any reasonable purpose, including for audit examination, process audit or evaluation, measurement and verification of Project results and impacts. For certainty, if the IESO reasonably requests any information or documentation relating to the Pre-development Work or the Deliverables, the Recipient will deliver it within 30 days.

17. FORCE MAJEURE

Any delay or failure of either Party to perform or comply with its obligations (other than payment obligations) under this Agreement, in whole or in part, will be excused to the extent that the delay or failure was caused directly by an event, cause or condition beyond such Party's reasonable control, without such Party's fault or negligence and that by its nature (i) could not have been prevented by such Party using Commercially Reasonable Efforts and (ii) could not reasonably have been anticipated as at the Effective Date (which events, causes or conditions may include acts of God, natural disasters, pandemics, embargoes, explosions, riots, wars or acts of terrorism) (each, a "**Force Majeure Event**"). A Party's financial inability to perform, changes in cost or availability of materials, components or services, market conditions or supplier actions or contract disputes will not excuse performance by such Party under this Section 17. Each Party shall give the other Party prompt written notice of any occurrence of a Force Majeure Event, and the anticipated duration of such Force Majeure Event. Such Party shall use Commercially Reasonable Efforts to end or remedy the Force Majeure Event, minimize the effects of any Force Majeure Event, and resume full performance under this Agreement. In the event that a Force Majeure Event is the sole reason that the Recipient is unable to complete the Pre-development Work on or before January 1, 2031, then, notwithstanding anything to the contrary in Section 7, the Parties agree that the Term of this Agreement will be extended by the duration of the delay directly resulting from such Force Majeure Event.

18. AMENDMENTS

This Agreement may be amended or altered or modified only by a written document signed by both the Recipient and the IESO.

19. ASSIGNMENT

This Agreement may not be assigned, in whole or in part, by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld, delayed or conditioned, provided, however, that upon not less than 30 days prior written notice to the IESO the Recipient may assign the Agreement to ProjectCo provided that ProjectCo is Controlled (as such concept is defined in the ARBPRIA) by the Recipient or by either or both of the Recipient's principal Limited Partners or their respective affiliates.

20. NO PARTNERSHIP

The IESO and the Recipient are independent operators and (a) nothing in this Agreement will be construed as creating a partnership, joint venture, or agency relationship between the Parties; (b) neither Party has any authority whatsoever to enter into legally binding obligations on behalf of the other; and (c) neither Party will make any representation to the contrary.

21. SURVIVAL

Terms, provisions, covenants and conditions contained in this Agreement which, by their nature or terms, require their performance by the Parties after the expiration or termination of this Agreement will continue in full force and effect following such expiry or termination, including Sections 12 and 13, which will continue in full force and effect for a period of two years following the expiration or termination of this Agreement, and Section 16, which will continue in full force and effect for a period of seven years following the expiration or termination of this Agreement, and Section 14, which will continue in full force and effect without limitation following the expiration or termination of this Agreement.

22. INTERPRETATION

- (a) In the event of any inconsistency between the provisions of this Agreement and any schedule to the Agreement, the Agreement will prevail.
- (b) In this Agreement, unless the context otherwise requires:
 - (i) where words denoting inclusion (e.g., "including") are followed by a list of specific matters or items, such lists will not restrict the generality of such provision;
 - (ii) a reference to any dollar amounts is a reference to Canadian dollars;
 - (iii) words importing the singular include the plural and vice versa and words importing gender include all genders.

- (iv) the words “hereof”, “hereto”, “hereunder”, “herein” and similar expressions mean and refer to this Agreement and not any particular section;
- (v) the expression “Section” followed by a letter or a number means and refers to the specified section of this Agreement; and
- (vi) unless otherwise specified, any reference in this Agreement to any Applicable Law will be a reference to such Applicable Law as amended, re-enacted or replaced from time to time.

23. GOVERNING LAW AND ATTORNMENT

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. For the purpose of all legal proceedings, this Agreement will be deemed to have been made and performed in the Province of Ontario. The IESO and the Recipient each hereby attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

24. NOTICES

For all purposes of this Agreement, notice to a Party will be delivered in writing or electronically to the addresses set out below. Notices will be deemed to be received on the earlier of the time of actual receipt or two clear days (excluding Saturdays, Sundays and civic holidays in the Province of Ontario) after the sending thereof. Addresses for notices to a Party are as follows:

For the IESO:

Organization	Independent Electricity System Operator
Address	120 Adelaide Street West, Suite 1600 Toronto, Ontario M5H 1T1
Attention:	General Counsel
Email:	general.counsel@ieso.ca

and a mandatory copy to:

Organization	Independent Electricity System Operator
Address	120 Adelaide Street West, Suite 1600 Toronto, Ontario M5H 1T1
Attention:	Director, Contract Management
Email:	contract.management@ieso.ca

For the Recipient:

Organization Bruce Power L.P.
Address Building B10
177 Tie Road
Municipality of Kincardine
R.R #2
Tiverton, Ontario
N0G 2T0

Attention: James Scongack
Executive Vice President, Operational Services & Chief
Development Officer

Email: James.Scongack@brucepower.com

and a mandatory copy to:

Organization Bruce Power L.P.
Address Building B10
177 Tie Road
Municipality of Kincardine
R.R #2
Tiverton, Ontario
N0G 2T0

Attention: Jack Tasker
Executive Director, Tax, Treasury and Insurance

Email: Jack.Tasker@brucepower.com

Attention: General Counsel
Email: generalcounsel@brucepower.com

25. EFFECTIVENESS OF AGREEMENT

This Agreement will become effective when executed and delivered by the Parties and after that time will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

26. THIRD PARTY BENEFICIARIES

Each of the Parties hereby acknowledges and agrees that the indemnitees contemplate herein are third party beneficiaries of the rights of indemnification provided for under this Agreement. It is further acknowledged and agreed that the IESO is acting as agent and trustee for the IESO indemnitees as regards the covenants of the Recipient under this Agreement with respect to indemnification of the IESO indemnitees, and the Recipient is acting as agent and trustee for its respective Recipient indemnitees as regards the covenants of the IESO under this Agreement with respect to indemnification of the Recipient indemnitees.

27. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement. There are no warranties, conditions or representations (including any that may be implied by statute) and there are no agreements in connection with the subject matter of this Agreement except as specifically set forth or referred to in this Agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made, prior to the date hereof, by either Party to this Agreement, or its Representatives, to the other Party or its Representatives, except to the extent that the same has been reduced to writing and included as a written term of this Agreement.

28. COUNTERPARTS

This Agreement may be executed in two or more counterparts (including counterparts by facsimile, PDF email or other electronic transmission), and both such counterparts will together constitute one and the same Agreement. It will not be necessary in making proof of the contents of this Agreement to produce or account for more than one such counterpart.

[Remainder of page left intentionally blank – signature page follows]

The duly authorized representatives of each Party are signing this Agreement on the date stated beneath that Party's signature.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____
Name:
Title:
Date:

BRUCE POWER L.P., by its general partner, BRUCE POWER INC.

By: _____
Name:
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