Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.

Applicants

APPLICATION RECORD
OF THE APPLICANTS

March 9, 2021

OSLER, HOSKIN & HARCOURT LLP
100 King Street West, Suite 6200
Toronto ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Tel: 416.862.4908 / Email: mwasserman@osler.com

Michael De Lellis (LSO# 48038U)
Tel: 416.862.5997 / Email : mdelellis@oslelr.com

Jeremy Dacks (LSO# 41851R)
Tel: 416.862.4923 / Email: jdacks@osler.com

Fax: 416.862.6666

Lawyers to the Applicants

TO: SERVICE LIST

PARTY	CONTACT
OSLER, HOSKIN & HARCOURT LLP Box 50, 1 First Canadian Place 100 King Street West, Suite 6200 Toronto, ON M5X 1B8 Fax: 416.862.6666 Counsel to the Applicants	**Marc Wasserman** Tel: 416.862.4908 Email: MWasserman@osler.com **Michael De Lellis** Tel: 416.862.5997 Email: MDeLellis@osler.com **Jeremy Dacks** Tel: 416.862.4923 Email: JDacks@osler.com **Shawn Irving** Tel: 416.862.4733 Email: SIrving@osler.com
KIRKLAND & ELLIS LLP 601 Lexington Avenue New York, NY 10022 Fax: 212.446.4900 609 Main St, Houston TX 77002, United States Fax: 713.836.3601 U.S. Counsel to the Applicants	**Brian Schartz** Tel: 212.446.5932 / 713.836.3755 Email: brian.schartz@kirkland.com **Mary Kogut Brawley** Tel: 713.836.3650 Email: mary.kogut@kirkland.com **Neil Herman** Tel: 212.446.4522 Email: neil.herman@kirkland.com
FTI CONSULTING CANADA INC. P.O. Box 104, TD South Tower 79 Wellington Street West Toronto Dominion Centre, Suite 2010 Toronto, ON, M5K 1G8 Fax: 416.649.8101 Proposed Monitor	**Paul Bishop** Tel: 416.649.8053 Email: paul.bishop@fticonsulting.com **Jim Robinson** Tel: 416.649.8070 Email: jim.robinson@fticonsulting.com

THORNTON GROUT FINNIGAN LLP 100 Wellington St W, Suite 200 Toronto, ON M5K 1K7 Fax: 416.304.1313 Counsel to the Proposed Monitor	**Robert Thornton** Tel: 416.304.0560 Email: rthornton@tgf.ca **Rebecca Kennedy** Tel: 416.304.0603 Email: rkennedy@tgf.ca
TORYS LLP 79 Wellington Street West, 30th Floor Box 270, TD South Tower Toronto, ON M5K 1N2 Fax: 416.865.7380 Counsel to the Term Loan Lenders	**Tony DeMarinis** Tel: 416.865.8162 Email: tdemarinis@torys.com **Andrew Gray** Tel: 416.865.7630 Email: agray@torys.com
MCCARTHY TETRAULT LLP 66 Wellington Street West Suite 5300, TD Bank Tower Box 48 Toronto, ON M5K 1E6 Fax: 416.868.0673 Canadian Counsel to the Credit Facility Lenders	**Heather Meredith** Tel: 416.601.8342 Email: hmeredith@mccarthy.ca **James D. Gage** Tel: 416.601.7539 Email: jgage@mccarthy.ca **Justin Lapedus** Tel: 416.601.8289 Email: jlapedus@mccarthy.ca **D.J. Lynde** Tel: 416.601.8231 Email: dlynde@mccarthy.ca
CHAPMAN AND CUTLER LLP 111 West Monroe Street Chicago, IL 60603-4080 Fax: 312.701.2361 U.S. Counsel to Credit Facility Lenders	**Stephen R. Tetro II** Tel: 312.845.3859 Email: stetro@chapman.com **Michael Reed** Tel: 312.845.3458 Email: mmreed@chapman.com

CASSELS BROCK & BLACKWELL LLP Scotia Plaza, Suite 2100, 40 King St W, Toronto, ON M5H 3C2 Fax: 416.360.8877 Canadian Counsel to DIP Lender	**Ryan Jacobs** Tel: 416.860.6465 Email: rjacobs@cassels.com **Jane Dietrich** Tel: 416.860.5223 Email: jdietrich@cassels.com **Michael Wunder** Tel: 416.860.6484 Email: mwunder@cassels.com
HOLLAND & KNIGHT LLP 150 N. Riverside Plaza, Suite 2700 Chicago, IL 60606 Fax: 312.578.6666 Counsel to DIP Agent	**Daniel Sylvester** Tel: 312.715.5880 Email: daniel.sylvester@hklaw.com
AKIN GUMP STRAUSS HAUER & FELD LLP Bank of America Tower, 1 Bryant Park New York, NY 10036 Fax: 212.872.1002 111 Louisiana Street, 44th Floor Houston, TX 77002-5200 Fax: 713.236.0822 U.S. Counsel to DIP Lender	**David Botter** Tel: 212.872.1055 Email: dbotter@akingump.com **Abid Qureshi** Tel: 212.872.8027 Email: aqureshi@akingump.com **Zach Wittenberg** Tel: 212.872.1081 Email: zwittenberg@akingump.com **Chad Nichols** Tel: 713.250.2178 Email: cnichols@akingump.com
NORTON ROSE FULBRIGHT CANADA Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, AB T2P 4H2 Fax: 403.264.5973 Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201-7932 Fax: 214.855.8200 Counsel to Shell	**Howard Gorman** Tel: 403.267.8144 Email: howard.gorman@nortonrosefulbright.com **Ryan Manns** Tel: 214.855.8304 Email: ryan.manns@nortonrosefulbright.com

DENTONS CANADA LLP 77 King St W Suite 400 Toronto, ON M5K 0A1 Fax: 416.863.4592 Canadian Counsel to BP	**David Mann** Tel: 403.268.7097 Email: david.mann@dentons.com **Robert Kennedy** Tel: 416.367.6756 Email: robert.kennedy@dentons.com
HAYNES AND BOONE LLP 1221 McKinney Street Suite 4000 Houston, TX 77010 Fax: 713.547.2600 U.S. Counsel to BP	**Patrick L. Hughes** Tel: 303.382.6221 Email: patrick.hughes@haynesboone.com **Kelli Norfleet** Tel: 713.547.2630 Email: kelli.norfleet@haynesboone.com
EXELON GENERATION COMPANY 100 Constellation Way, Suite 500C Baltimore, Maryland 21202	**Stephen Rodocanachi** Email: Stephen.Rodocanachi@constellation.com **Patrick Woodhouse** Email: Patrick.Woodhouse@constellation.com
BRUCE POWER L.P. P.O. Box 1540, Building B10 177 Tie Road Municipality of Kincardine Tiverton, ON N0G 2T0 Fax: 519.361.1845	**Bill Schnurr** Email: Bill.SCHNURR@brucepower.com **Sandra Meyer** Email: Sandra.MEYER@brucepower.com

EDF TRADING NORTH AMERICA, LLC 4700 West Sam Houston Parkway North Suite 250 Houston, TX 77041 Fax: 281.653.1454	**Gerald Nemec** Email: Gerald.Nemec@edfenergyna.com **Frank Smejkal** Email: Frank.Smejkal@edfenergyna.com
NEXTERA ENERGY POWER MARKETING, LLC 700 Universe Blvd. Juno Beach, FL 33408 Fax: 561.625.7642	**Elliot Bonner** Email: ELLIOT.BONNER@nexteraenergy.com **Allison Ridder** Email: Allison.Ridder@nexteraenergy.com **Credit Manager** Email: TRADECREDIT@nexteraenergy.com
MACQUARIE BANK LIMITED 50 Martin Place Sydney, NSW 2000 Australia Fax: 61.2.8232.4540 Copy to: Macquarie Bank Limited Representative Office 500 Dallas Street, Suite 3300 Houston, TX 77002 Fax: 713.275.8978	**Executive Director, Legal Risk Management Division, Commodities and Financial Markets** Email: FICC.notices@macquarie.com Copy to: **Legal Risk Management, Commodities and Financial Markets** Email: FICClegalHouston@Macquarie.com
MACQUARIE ENERGY CANADA LTD. 500 Dallas Street, Suite 3300 Houston, TX 77002 Fax: 713.275.8978	**Legal Risk Management, Commodities and Financial Markets** Email: FICClegalHouston@Macquarie.com

MACQUARIE ENERGY LLC 500 Dallas Street, Suite 3300 Houston, TX 77002 Fax: 713.275.8978	**Legal Risk Management, Commodities and Financial Markets** Email: FICClegalHouston@Macquarie.com
MORGAN STANLEY CAPITAL GROUP Morgan Stanley & Co. LLC 1585 Broadway Avenue New York, NY 10036 Fax: 718.233.2140	Email: msloanservicing@morganstanley.com

Email List:

MWasserman@osler.com; MDeLellis@osler.com; JDacks@osler.com; SIrving@osler.com; drosenblat@osler.com; brian.schartz@kirkland.com; mary.kogut@kirkland.com; neil.herman@kirkland.com; paul.bishop@fticonsulting.com; jim.robinson@fticonsulting.com; rthornton@tgf.ca; rkennedy@tgf.ca; RBengino@tgf.ca; tdemarinis@torys.com; agray@torys.com; hmeredith@mccarthy.ca ; jgage@mccarthy.ca; jlapedus@mccarthy.ca; dlynde@mccarthy.ca; stetro@chapman.com; mmreed@chapman.com; rjacobs@cassels.com; jdietrich@cassels.com; mwunder@cassels.com; daniel.sylvester@hklaw.com ; dbotter@akingump.com ; aqureshi@akingump.com ; zwittenberg@akingump.com ; cnichols@akingump.com; howard.gorman@nortonrosefulbright.com; ryan.manns@nortonrosefulbright.com; david.mann@dentons.com; robert.kennedy@dentons.com; patrick.hughes@haynesboone.com; kelli.norfleet@haynesboone.com ; Stephen.Rodocanachi@constellation.com ; Patrick.Woodhouse@constellation.com ; Bill.SCHNURR@brucepower.com ; Sandra.MEYER@brucepower.com ; Gerald.Nemec@edfenergyna.com ; Frank.Smejkal@edfenergyna.com ; ELLIOT.BONNER@nexteraenergy.com ; Allison.Ridder@nexteraenergy.com; TRADECREDIT@nexteraenergy.com ; FICC.notices@macquarie.com ; FICClegalHouston@Macquarie.com ; FICClegalHouston@Macquarie.com ; FICClegalHouston@Macquarie.com ; msloanservicing@morganstanley.com

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.

Applicants

TABLE OF CONTENTS

Tab No.		Document
C.	Exhibit "C"	Article titled, "ERCOT fires CEO, following resignation of head utility regulator, board members", dated March 4, 2021
D.	Exhibit "D"	Article titled, "Texas Watchdog Says Power Grid Operator Made $16 Billion Error", dated March 4, 2021
E.	Exhibit "E"	Article titled, "Texas Opts Not to Fix $16 Billion Power Overcharge", dated March 5, 2021
F.	Exhibit "F"	Just Energy Group corporate chart as of November 10, 2020
G.	Exhibit "G"	Request from Manitoba market participant to the Provincial Regulator dated March 5, 2021
H.	Exhibit "H"	Chart including information concerning the Provincial Regulators and the actions they could potentially take against the Just Energy Group
I.	Exhibit "I"	Just Energy consolidated audited financial statements for the fiscal year ended March 31, 2020
J.	Exhibit "J"	Just Energy unaudited financial statements for the quarter ended December 31, 2020
K.	Exhibit "K"	Letter from BP to Just Energy dated March 4, 2021
L.	Exhibit "L"	Letter from Just Energy to BP dated March 5, 2021
M.	Exhibit "M"	Credit Agreement made as of September 28, 2020
N.	Exhibit "N"	Term Loan Agreement made as of September 28, 2020
O.	Exhibit "O"	Indenture for the Subordinated Notes dated as of September 28, 2020
P.	Exhibit "P"	Intercreditor Agreement made as of September 1, 2015 First Amending Agreement and Adhesion Agreement to Intercreditor Agreement made as of May 17, 2018 Supplement to Intercreditor Agreement dated September 28, 2020
Q.	Exhibit "Q"	Affidavit of James Brown sworn July 14, 2020 (for Interim Order)
R.	Exhibit "R"	Affidavit of James Brown sworn August 27, 2020 (for Final Order)

Tab No.		Document
S.	Exhibit "S"	Just Energy Group press release dated February 16, 2021
T.	Exhibit "T"	Just Energy Group press release dated February 22, 2021
U.	Exhibit "U"	Just Energy Group press release dated February 23, 2021
V.	Exhibit "V"	Just Energy Group press release dated February 26, 2021
W.	Exhibit "W"	Just Energy Group press release dated March 3, 2021
X.	Exhibit "X"	Article titled, "Amid Blackouts, Texas Scrapped Its Power Market and Raised Prices. It Didn't Work.", dated February 26, 2021
Y.	Exhibit "Y"	PUCT "Order Directing ERCOT to Take Action and Granting Exception to ERCOT Protocols", issued February 21, 2021
Z.	Exhibit "Z"	ERCOT Notice issued February 22, 2021
AA.	Exhibit "AA"	ERCOT Notice issued February 23, 2021
BB.	Exhibit "BB"	Just Energy Group submissions sent to ERCOT disputing invoices
CC.	Exhibit "CC"	Just Energy Group Petition for Emergency Relief filed with the PUCT on March 3, 2021
DD.	Exhibit "DD"	Commitment Letter in respect of DIP Facility dated March 9, 2021
EE.	Exhibit "EE"	Consent of the Monitor (FTI Consulting Canada Inc.) dated March 8, 2021
FF.	Exhibit "FF"	BMO Engagement Letter (Confidential)
GG.	Exhibit "GG"	Summary of the KERP (Confidential)
HH.	Exhibit "HH"	Commodity/ISO Supplier Support Agreement between the Just Energy Group and Shell dated March 9, 2021
II.	Exhibit "II"	Commodity/ISO Supplier Support Agreement between the Just Energy Group and BP dated March 9, 2021
JJ.	Exhibit "JJ"	Applicants' 13 week cash flow projections

TABLE OF CONTENTS

TAB 1

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.

Applicants

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING has been commenced by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing by videoconference before a Judge at 7:00 am on March 9, 2021, at Toronto, Ontario. A link to access the videoconference will be circulated to the Service List.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the rules of court, serve it on the applicants' lawyer or, where the applicants do not have a lawyer, serve it on the applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicants' lawyer or, where the applicants do not have a lawyer, serve it on the applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

If you wish to oppose this application but are unable to pay legal fees, legal aid may be available to you by contacting a local Legal Aid office.

Date: March 9, 2021

Issued by: _____

Local registrar

Address of court office:
330 University Ave.
Toronto, ON M5G 1E6

APPLICATION

THE APPLICANTS MAKE THIS APPLICATION FOR:

1. A first day initial order, substantially in the form attached as Schedule "A" hereto (the "**Initial Order**"), which will be sought by the Applicants at the "first day hearing" which will take place before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on Tuesday, March 9, 2021 (the "**Initial Hearing**"), among other things:

(a) Abridging the time for service of this notice of application and dispensing with service on any person other than those served;

(b) Declaring that the Applicants are parties to which the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**") applies;

(c) Declaring that the Just Energy LPs (as defined in the affidavit of Michael Carter sworn March 9, 2021 (the "**Carter Affidavit**"), and, with the Applicants, the "**Just Energy Entities**") shall enjoy the benefits of the protections and authorizations provided to the Applicants under the Initial Order;

(d) Appointing FTI Consulting Canada Inc. ("**FTI**") as an officer of this Honourable Court to monitor the business and financial affairs of the Applicants (in such capacity, the "**Monitor**");

(e) Staying all proceedings taken or that might be taken in respect of the Just Energy Entities, their directors or officers, the Monitor, or their respective employees and representatives acting in such capacities until and including March 19, 2021 (the "**Stay Period**"), subject to further Order of the Court;

(f) Staying and suspending all rights and remedies of provincial energy regulators and provincial regulators of consumer sales that have authority with respect to energy sales ("**Provincial Regulators**") against or in respect of the Just Energy Entities, or their respective employees and representatives acting in such capacities, or affecting their business or property, except with the written consent of the Just Energy Entities, the Monitor and on notice to the Service List, or leave of this Court;

(g) Authorizing the Just Energy Entities to use the Cash Management System (as defined in the Initial Order), and directing that no Cash Management Bank (as defined in the Initial Order), without leave of the Court, (i) exercise any sweep remedy under any applicable documentation; or (ii) exercise or claim any right of set-off against any account included in the Cash Management System;

(h) Approving Just Energy Group Inc.'s ("**Just Energy**", and, together with its subsidiaries, the "**Just Energy Group**") engagement of BMO Nesbitt Burns Inc. ("**BMO**") as the Just Energy Group's financial advisor;

(i) Authorizing the payment of, among other things, all outstanding and future wages (including, without limitation, the Q3 Bonuses (as defined below) and any other incentive compensation payable in the ordinary course of business), salaries, commissions, employee benefits, contributions in respect of retirement or other benefit arrangements, vacation pay and expenses payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(j) Authorizing the Applicants to obtain and borrow under a debtor-in-possession credit facility (the "**DIP Facility**") to finance their working capital requirements

and other general corporate purposes and post-filing expenses and costs, and otherwise to provide stability, during the ten-day Stay Period immediately following the granting of the Initial Order;

(k) Granting the following charges (the "**Charges**") over the present and future assets, property and undertakings of the Applicants (the "**Property**"), listed in order of priority:

(i) *First*, an "**Administration Charge**" in favour of the Monitor, counsel to the Monitor and counsel to the Just Energy Entities in the amount of $2.2 **million** and an "**FA Charge**" in favour of BMO up to a maximum amount of $1.8 million (during the initial Stay Period);

(ii) *Second*, a "**Directors' Charge**" in favour of the directors and officers of the Applicants up to a maximum amount of $30 million;

(iii) *Third*, a "**DIP Lender's Charge**" in favour of the lender of the DIP Facility (the "**DIP Lender**") up to a maximum amount of the Obligations (as defined in the DIP Term Sheet) owing at the relevant time and a "**Priority Commodity/ISO Charge**" in favour of each applicable Qualified Commodity/ISO Supplier (as defined below) in an amount equal to the value of the Priority Commodity/ISO Obligations;

(l) Authorizing Just Energy to act as the foreign representative in respect of the within proceedings for the purpose of having these CCAA proceedings recognized and approved in a jurisdiction outside of Canada, and authorizing Just Energy to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada, including the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Bankruptcy Code**");

(m) Directing that the engagement letter for BMO and the summary of the KERP (as defined in the Carter Affidavit), both of which are attached as a Confidential

Exhibits to the Carter Affidavit, be treated as confidential and sealed, and not form part of the public record, pending further order of this Court; and

(n) Such further and other relief as this Honourable Court may deem just;

THE GROUNDS FOR THIS APPLICATION ARE:

GENERAL

2. The Applicants are insolvent;

3. The Applicants are companies to which the CCAA applies;

4. The business and operations of the Applicants are heavily intertwined with those of the Just Energy LPs;

5. The claims against the Applicants exceed $5 million;

6. The Just Energy Group is a retail energy provider specializing in the delivery of electricity and natural gas to consumer and commercial customers as well as energy-efficient solutions and renewable energy options;

7. The Just Energy Group currently serves over 950,000 consumer and commercial customers, mostly in Canada and the United States;

8. Just Energy is incorporated under the *Canada Business Corporations Act*, RSC, 1985, c C-44 (the "**CBCA**") and is the ultimate parent company of the Just Energy Group. The other Applicants are all direct or indirect subsidiaries of Just Energy.

9. All of the Applicants are borrowers or guarantors under the Credit Facility (as defined in the Carter Affidavit);

10. Just Energy has two head offices: one in Mississauga, Ontario and one in Houston, Texas. Just Energy's registered office is in Toronto. As of March 1, 2021, the Just Energy Group employed 979 full-time employees and 5 part-time employees, and contracted with 23 independent contractors;

UNPRECEDENTED WINTER STORM AND REGULATORY RESPONSE IN TEXAS

11. Over the past few years, the Just Energy Group has taken steps to position itself for sustainable growth as an independent industry leader. In September 2020, Just Energy completed a balance sheet recapitalization transaction (the "**Recapitalization**") through a plan of arrangement under section 192 of the CBCA;

12. However, despite improving performance since the Recapitalization, the Just Energy Group is currently facing severe short-term liquidity challenges due to the recent unprecedented and catastrophic winter weather event in Texas (the Just Energy Group's largest market);

13. While the Just Energy Group hedges weather risk (and other risks) based on historical scenarios, the extreme weather event in Texas was colder than anything experienced in decades, causing higher than normal customer demand while also forcing significant supply offline. As a result, the Just Energy Group was forced to balance its demand through spot market purchases;

14. The negative financial impact of the Texas weather event was exacerbated by the actions of the Electric Reliability Council of Texas ("**ERCOT**") and the Texas Public Utility Commission ("**PUCT**"), which set the real time settlement price of power for the wholesale energy market at the high offer cap of U.S. $9,000 per megawatt hour ("**MWh**"). The price for wholesale electricity remained at U.S. $9,000/MWh for over 100 consecutive hours;

15. In addition to artificially high electricity costs during the Texas weather event, the Just Energy Group was also exposed to significantly increased ancillary service costs;

16. The Just Energy Group estimates that it may have incurred losses and additional costs of up to $312 million as a result of the actions of PUCT and ERCOT and the winter storm;

URGENT NEED FOR RELIEF UNDER THE CCAA

17. Due to the Texas weather event, the steps taken by ERCOT and PUCT in response, and additional demands from creditors, the Just Energy Group is facing significant liquidity challenges which threaten its ability to continue as a going concern;

18. On March 5, 2021, the Just Energy Group received three invoices for approximately U.S. $123.21 million from ERCOT, of which approximately U.S. $96.24 million must be paid by end of day on March 9, 2021. In addition, on March 8, 2021, the Just Energy Group received (i) a notice from ERCOT that it must post approximately U.S. $25.7 of additional collateral within two business days and (ii) three additional invoices from ERCOT for approximately U.S. $25.46 million, of which approximately U.S. $18.86 million is due by March 10, 2021;

19. The Just Energy Group does not have enough liquidity to pay these invoices without access to the DIP Facility. If the amounts due are not paid within 2 days of receipt, ERCOT can suspend the Just Energy Group's market participation in as little as 2 days and transfer the Just Energy Group's customers in Texas to a "Provider of Last Resort" ("**POLR**"), on 5 days' notice;

20. The Just Energy Group has disputed the artificially high prices and extraordinary ancillary costs charged by ERCOT and sought relief from ERCOT and PUCT to avoid paying these invoices while they are being disputed. The Just Energy Group's requests for relief have all been ignored to date;

21. The Just Energy Group has no option but to pay the invoices to avoid ERCOT transferring all of the Just Energy Group's customers in Texas to a POLR, which would be devastating for the Just Energy Group's business;

22. The Just Energy Group is facing additional liquidity pressures because of demands from other creditors following the Texas weather event and other amounts coming due in the near future, including a demand from bonding companies for $30 million in additional collateral (with over $20 million already provided and the rest expected by March 17, 2021), $270 million owing to counterparties under independent service operator ("**ISO**") services agreements coming due on March 22, 2021 and over $75 million in payables owing to Commodity Suppliers (as defined below) coming due on March 25, 2021;

23. As such, the Just Energy Group has significant liabilities coming due in the near future that it cannot currently pay. Just Energy is therefore insolvent;

24. The Applicants require immediate CCAA protection to ensure that they can continue as a going concern, service their significant customer base, maintain employment for approximately 1,000 employees, and preserve enterprise value;

STAY OF PROCEEDINGS

25. The Applicants are insolvent and require a stay of proceedings (a "**Stay**") and other protections provided by the CCAA in order to preserve the status quo and ensure that they can continue as a going concern;

26. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay be extended to the Just Energy LPs. The Just Energy LPs are highly integrated with the Applicants and are indispensable to the Applicants' business and their restructuring;

27. It is necessary and in the best interests of the Applicants and their stakeholders that all Provincial Regulators be subject to the Stay as a viable compromise or arrangement cannot be made otherwise and it is not contrary to the public interest;

28. The potential threat to the viability of the Applicants' business if steps are taken by Provincial Regulators during the Stay Period is so material that the Stay must be granted in the Initial Order;

29. In the proposed Initial Order, the Stay will apply to all persons, including foreign regulators. In order to give effect to the Stay as against parties in the United States, the Applicants intend to commence a proceeding to recognize this CCAA proceeding under Chapter 15 of the Bankruptcy Code;

STAY OF SET-OFF RIGHTS

30. It is necessary and in the best interests of the Applicants and their stakeholders that providers of the Cash Management System be prohibited from exercising any sweep remedy under any applicable documentation and exercising or claiming any right of set-off against any account included in the Cash Management System;

31. This relief is needed to ensure that any amounts borrowed under the DIP Facility and any receipts received during the Stay Period are used to facilitate the Just Energy Group's restructuring objectives and to maintain its going concern operations;

32. Any risk of prejudice to providers of the Cash Management System is mitigated by the fact that all outgoing wire or EFT direct deposits will need to be fully funded in advance;

ADMINISTRATION CHARGE

33. The Applicants seek a charge (the "**Administration Charge**") on their Property in the maximum amount of $2.2 million, as part of the proposed Initial Order, to secure the fees and disbursements incurred in connection with services rendered to the Just Energy Entities both before and after the commencement of the CCAA proceedings by the proposed Monitor, Canadian and U.S. counsel to the Monitor, and Canadian and U.S. counsel to the Applicants;

34. The Administration Charge is proposed to rank *pari passu* with the FA Charge and have first priority over all other charges;

FINANCIAL ADVISOR AND FA CHARGE

35. In the aftermath of the Texas weather event, the Just Energy Group engaged BMO as an independent financial advisor to assist the Just Energy Group in dealing with the liquidity challenges it was facing and to provide financial advisory services;

36. The Applicants are asking, as part of the proposed Initial Order, for the Court to approve the Just Energy Group's engagement of BMO as its financial advisor and a Court-ordered Charge in the initial amount of $1.8 million to secure BMO's post-filing fees, including any success fees in connection with finalizing a DIP loan transaction and the successful closing of a strategic transaction in accordance with the terms of BMO's engagement letter (the "**FA Charge**");

37. BMO's continued involvement will be critical to the successful completion of a going concern restructuring transaction as part of these CCAA proceedings that will maximize value for stakeholders;

38. The FA Charge is proposed to have first priority over all other Charges, and rank *pari passu* with the Administration Charge;

DIRECTORS' AND OFFICERS' PROTECTION

39. A successful restructuring of the Just Energy Group will only be possible with the continued participation of its directors and officers (the "**D&Os**");

40. In certain circumstances, D&Os of Canadian companies can be held liable for certain obligations of a company owing to its employees and governmental agencies, including unpaid accrued wages, unpaid accrued vacation pay, and unremitted sales, goods and services, and harmonized sales taxes. The Applicants estimate that these obligations may amount to as much as approximately $5.8 million;

41. In certain circumstances, D&Os of U.S. companies may be held liable for certain obligations of a company owing to its employees and governmental agencies, including sales and use taxes, employee withholding and certain payroll taxes, state income taxes, 401(k) obligations withheld from employees, and ERISA fiduciary obligations. The Applicants estimate that these obligations may amount to as much as approximately $30 million;

42. While the Applicants maintain directors' and officers' liability insurance (the "**D&O Insurance**"), the aggregate annual limit is approximately U.S. $38.5 million. The D&O Insurance has various exceptions, exclusions and carve-outs. In addition, such D&O Insurance is currently scheduled to expire on April 1, 2021. The Applicants are currently in the process of securing renewal or replacement insurance or purchasing a tail for the existing policy;

43. In light of the complexity and scope of the overall enterprise and potential D&O liability and the uncertainty surrounding the D&O Insurance, the D&Os have indicated that their continued

involvement in this proceeding is conditional upon the granting of a Court-ordered charge over the Property (the "**Directors' Charge**") in the amount of $30 million, as part of the Initial Order;

44. The Directors' Charge would be subordinate to the Administration Charge and the FA Charge but rank in priority to all the other charges;

45. Absent the approval by this Court of the Directors' Charge, the Applicants are concerned that one or more of the D&Os will be forced to resign, which would render the CCAA proceedings more challenging and costly, to the detriment of the Applicants and their stakeholders;

DIP FACILITY AND DIP LENDER'S CHARGE

46. The Applicants require interim financing to provide liquidity, continue going concern operations and to restructure their business as part of this CCAA proceeding;

47. The Applicants have entered into a debtor-in-possession facility (the "**DIP Facility**") in the amount of U.S. $125 million;

48. The DIP Facility is proposed to be secured by a Court-ordered charge on all of the Property (the "**DIP Lender's Charge**"). The DIP Lender's Charge will not secure any obligation that exists before the Initial Order is made;

49. In the proposed Initial Order, the Applicants are seeking authorization to request an initial draw of U.S. $100 million to enable them to pay specified amounts that are known to be due during the first 10 days of this CCAA proceeding, including amounts owed to ERCOT, professional fees and other costs and expenses in connection with the CCAA proceeding, and to ensure that the Applicants have flexibility to address additional unforeseen liquidity demands that may be made during the first 10 days of the CCAA proceeding, including receipt of future invoices from ERCOT

that must be paid within two business days. At the Comeback Hearing, the Applicants intend to request the authority to draw down the remainder of the DIP Facility in accordance with the Cash Flow Forecast;

50. Without the DIP Facility, the Just Energy Group will be unable to meet its financial obligations as they come due, and will be forced to cease operations in some or all of the jurisdictions it services;

51. The DIP Lender's Charge is proposed to rank subordinate to the Administration Charge, the FA Charge, the Directors' Charge, and *pari passu* with the Priority Commodity/ISO Charge;

PRIORITY COMMODITY/ISO CHARGE

52. To continue to operate as a going concern, the Just Energy Group requires its relationships with suppliers of gas and electricity products ("**Commodity Suppliers**") and counterparties to ISO services agreements ("**ISO Services Providers**") to remain uninterrupted;

53. The Applicants cannot rely on the Stay to prevent the Commodity Suppliers from terminating their existing contractual commitments or refraining from conducting new business with the Applicants, as the Commodity Agreements are covered by the eligible financial contract provisions in the CCAA;

54. The Applicants are therefore seeking a Court-ordered charge to incentivize Commodity Suppliers and ISO Services Providers to continue transacting with the Just Energy Group;

55. The Initial Order grants a charge (the "**Priority Commodity/ISO Charge**") to any counterparty to a Commodity Agreement or ISO Agreement (as defined in the Initial Order) as of

March 9, 2021 that has executed or executes a Qualified Support Agreement (as defined in the Initial Order) with a Just Energy Entity (each, a "**Qualified Commodity/ISO Supplier**");

56. The Initial Order provides that each Qualified Commodity/ISO Supplier shall be entitled a charge (the Priority Commodity/ISO Charge) in an amount equal to the value of the Priority Commodity/ISO Obligations (as defined in the Initial Order). The value of the Priority Commodity/ISO Obligations shall be determined in accordance with the terms of the existing agreements or arrangements between the applicable Just Energy Entity and the Qualified Commodity/ISO Supplier or, in the event of any dispute, by this Court. The Priority Commodity/ISO Supplier is proposed to rank subordinate to the Administration Charge, the FA Charge, the Directors' Charge, and *pari passu* with the DIP Lenders' Charge;

57. The Initial Order further provides that upon the occurrence of an event of default under a Qualified Support Agreement, the applicable Qualified Commodity/ISO Supplier may exercise the rights and remedies available to it under the Qualified Support Agreement or, upon 5 days' notice to the Just Energy Entities, the Monitor and the Service List, apply to the Court to seek the Court's authorization to exercise any and all of its other rights and remedies against the Just Energy Entities or the Property under or pursuant to its Commodity Agreement or ISO Agreement and the Priority Commodity/ISO Charge;

58. The Just Energy Group cannot continue going concern operations or successfully restructure if the Commodity Suppliers and ISO Services Providers do not enter into new transactions with it. The Priority Commodity/ISO Charge is necessary for a successful restructuring process;

59. Further, under the Qualified Support Agreements that the Just Energy Group has entered into with two of its most significant Commodity Suppliers, the suppliers' obligations to continue supplying services are conditional on the Court granting the Priority Commodity/ISO Charge;

AUTHORITY TO PAY CERTAIN PRE-FILING AMOUNTS

60. In order to ensure uninterrupted business operations during the CCAA proceeding, the Applicants are proposing in the Initial Order that they be authorized, with the consent of the Monitor, to make certain payments, including payments owing in arrears, to certain third parties that are critical to the Just Energy Group's business and ongoing operations;

61. In addition, the proposed Initial Order provides that the Applicants shall not grant credit or incur liabilities except in the ordinary course of business but are permitted to (i) reimburse the reasonable documented fees and disbursements of legal counsel and one financial advisor to the agent under the Credit Agreement (as defined in the Carter Affidavit), whether incurred before or after the date of the Order; (ii) pay all interest and fees to the agent and the lenders under the Credit Agreement in accordance with its terms; and (iii) repay advances under the Credit Agreement for the purpose of creating availability under the Revolving Facilities in order for the Just Energy Entities to request the issuance of letters of credit under the Revolving Facilities to continue to operate their business in the ordinary course during these proceedings, subject to (A) obtaining the consent of the Monitor with respect to the issuance of the letters of credit under the Revolving Facilities; and (B) receipt of written confirmation from the applicable lender(s) under the Credit Agreement that such lender(s) will issue a letter of credit of equal value within one business day;

62. The Just Energy Group is required to post collateral with regulators in various jurisdictions where it conducts business and so it is essential that the Just Energy Group have the ability to

obtain letters of credit to avoid any disruptions that would result from failing to post collateral when required;

PAYMENT OF Q3 BONUSES

63. Certain bonuses, earned and approved in the usual course of business, have been awarded to Just Energy Group employees for Q3 fiscal 2021 (the "**Q3 Bonuses**");

64. The Just Energy Group intends to pay the Q3 Bonuses when due on April 1, 2021, in accordance with the terms of the proposed Initial Order;

APPOINTMENT OF FTI AS MONITOR

65. FTI has consented to act as the Court-appointed Monitor of the Applicants, subject to Court approval;

66. FTI is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, as amended, and is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA;

67. FTI has extensive experience in matters of this nature, including in cross-border restructuring proceedings, and is therefore well-suited to this mandate;

CHAPTER 15 CASES

68. Because the Just Energy Group has operations in the U.S., and has assets in and valuable business and trade relationships with a number of parties in the U.S., contemporaneously with the commencement of the CCAA proceeding, Just Energy intends to initiate a case in the United States

Bankruptcy Court for the Southern District of Texas under Chapter 15 the United States Bankruptcy Code (the "**Chapter 15 Cases**");

69. In the proposed Initial Order, the Applicants are seeking to authorize Just Energy to act as the foreign representative in respect of the within proceedings and apply for foreign recognition of these proceedings in the Chapter 15 Cases;

OTHER GROUNDS

70. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

71. Rules 2.03, 3.02, 14.05(2) and 16 of the Ontario Rules of Civil Procedure, RRO 1990, Reg 194, as amended and sections 106 and 137 of the Ontario *Courts of Justice Act*, RSO 1990, c C-43 as amended; and

72. Such further and other grounds as counsel may advise and this Honourable Court may permit;

73. The following documentary evidence will be used at the hearing of the application:

(a) The Affidavit of Michael Carter sworn March 9, 2021 and the exhibits attached thereto;

(b) The Consent of FTI to act as Monitor;

(c) The Pre-Filing Report of the proposed Monitor; and

(d) Such further and other evidence as counsel may advise and this Honourable Court may permit.

March 9, 2021

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Tel: 416.862.4908
Email: mwasserman@osler.com

Michael De Lellis (LSO# 48038U)
Tel: 416.862.5997
Email: mdelellis@osler.com

Jeremy Dacks (LSO# 41851R)
Tel: 416.862.4923
Email: jdacks@osler.com

Lawyers to the Applicants

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C 36, AS AMENDED;

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC. ET AL.

Applicants

Court File No. CV-

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT Toronto

NOTICE OF APPLICATION

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Tel: 416.862.4908
Email: mwasserman@osler.com

Michael De Lellis (LSO# 48038U)
Tel: 416.862.5997
Email: mdelellis@osler.com

Jeremy Dacks (LSO# 41851R)
Tel: 416.862.4923
Email: jdacks@osler.com

Lawyers to the Applicants

TAB A

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	TUESDAY, THE 9TH
	)	
JUSTICE KOEHNEN	)	DAY OF MARCH, 2021

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **JUST ENERGY GROUP INC.**, JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.
(each, an "**Applicant**", and collectively, the "**Applicants**")

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of Michael Carter sworn March 9, 2021 and the Exhibits thereto (the "**Carter Affidavit**"), the pre-filing report of the proposed monitor, FTI Consulting

Canada Inc. ("**FTI**"), dated March 9, 2021 (the "**Pre-Filing Report**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and the partnerships listed in Schedule "A" hereto (the "**JE Partnerships**", and collectively with the Applicants, the "**Just Energy Entities**"), FTI, Alter Domus (US) LLC (the "**DIP Agent**"), as administrative agent for the lenders (the "**DIP Lenders**") under the DIP Term Sheet (as defined below) and such other counsel who were present, and on reading the consent of FTI to act as the monitor (the "**Monitor**"),

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms that are used in this Order shall have the meanings ascribed to them in Schedule "B" hereto or the Carter Affidavit, as applicable, if they are not otherwise defined herein.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not Applicants, the JE Partnerships shall enjoy the benefits of the protections and authorizations provided by this Order.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Just Energy Entities shall remain in possession and control of their respective current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Just Energy Entities shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Just Energy Entities shall each be authorized and empowered to continue to retain and employ the employees, contractors, staffing agencies, consultants, agents, experts, accountants, counsel and

such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that:

(a) the Just Energy Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Carter Affidavit or, with the consent of the DIP Agent, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System (a "**Cash Management Bank**") shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Just Energy Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Just Energy Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement with regard to Cash Management Obligations. All present and future indebtedness, liabilities and obligations of any and every kind, nature or description whatsoever to a Cash Management Bank under, in connection with, relating to or with respect to any and all agreements evidencing treasury facilities and cash management products (including, for greater certainty, all pre-authorized debit banking services, electronic funds transfer services and overdraft balances) provided by a Cash Management Bank to any Just Energy Entity, and any unpaid balance thereof, are collectively referred to herein as the "**Cash Management Obligations**";

(b) during the Stay Period (as defined below), no Cash Management Bank shall, without leave of this Court: (i) exercise any sweep remedy under any applicable documentation (provided, for greater certainty, that the cash pooling and zero-balancing account services provided with respect to the JPMorgan accounts held by the U.S. Bank

Account Holders (as defined in the Carter Affidavit) may continue in the ordinary course); or (ii) exercise or claim any right of set-off against any account included in the Cash Management System;

(c) any of the Cash Management Banks may rely on the representations of the applicable Just Energy Entities with respect to whether any cheques or other payment order drawn or issued by the applicable Just Energy Entity prior to the date of this Order should be honoured pursuant to this or any other order of this Court, and such Cash Management Bank shall not have any liability to any party for relying on such representations by the applicable Just Energy Entities as provided for herein; and

(d) (i) those certain existing deposit agreements between the Just Energy Entities and the Cash Management Banks shall continue to govern the post-filing cash management relationship between the Just Energy Entities and the Cash Management Banks, and that all of the provisions of such agreements shall remain in full force and effect, (ii) either any of the Just Energy Entities, with the consent of the Monitor, the DIP Agent and the Cash Management Banks may, without further Order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including, without limitation, the opening and closing of bank accounts, and (iii) all control agreements in existence prior to the date of this Order shall apply.

6. **THIS COURT ORDERS** that, except as specifically permitted herein, the Just Energy Entities are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any of the Just Energy Entities to any of their respective creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business; provided, however, that the Just Energy Entities, until further order of this Court, are hereby permitted, subject to the terms of the Definitive Documents: (i) to reimburse the reasonable documented fees and disbursements of legal counsel and one financial advisor to the agent under the Credit Agreement, whether incurred before or after the date of this Order; (ii) to pay all non-default interest and fees to the agent and the lenders under the Credit Agreement in accordance with its terms; and (iii) to repay advances under the Credit

Agreement for the purpose of creating availability under the Revolving Facilities in order for the Just Energy Entities to request the issuance of Letters of Credit under the Revolving Facilities to continue to operate the Business in the ordinary course during these proceedings, subject to: (A) obtaining the consent of the Monitor with respect to the issuance of the Letters of Credit under the Revolving Facilities; and (B) receipt of written confirmation from the applicable lender(s) under the Credit Agreement that such lender(s) will issue a Letter of Credit of equal value within one (1) Business Day thereafter. Capitalized terms used but not otherwise defined in this paragraph shall have the meanings ascribed thereto in the Credit Agreement.

7. **THIS COURT ORDERS** that, subject to the terms of the Definitive Documents (as hereinafter defined), the Just Energy Entities shall be entitled but not required to pay the following amounts whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages (including, without limitation, the Q3 bonus described in the Carter Affidavit and any other incentive compensation payable in the ordinary course of business), salaries, commissions, employee benefits, contributions in respect of retirement or other benefit arrangements, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) all outstanding and future amounts owing to or in respect of other workers providing services in connection with the Business and payable on or after the date of this Order, incurred in the ordinary course of business and consistent with existing arrangements;

(c) the fees and disbursements of any Assistants retained or employed by the Just Energy Entities in respect of these proceedings at their standard rates and charges, which, in the case of the Financial Advisor (as defined below) shall be the amounts payable in accordance with the Financial Advisor Agreement (as defined below);

(d) with the consent of the Monitor in consultation with the agent under the Credit Agreement (or its advisors), amounts owing for goods or services actually provided to any of the Just Energy Entities prior to the date of this Order by third parties, if, in the opinion of the Just Energy Entities, such third party is critical to the Business and ongoing operations of the Just Energy Entities;

(e) any taxes (including, without limitation, sales, use, withholding, unemployment, and excise) not covered by paragraph 9 of this Order, and whereby the nonpayment of which by any Just Energy Entity could result in a responsible person associated with a Just Energy Entity being held personally liable for such nonpayment; and

(f) taxes related to revenue, State income or operations incurred or collected by a Just Energy Entity in the ordinary course of business.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the Just Energy Entities shall be entitled but not required to pay all reasonable expenses incurred by the Just Energy Entities in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Just Energy Entities following the date of this Order.

9. **THIS COURT ORDERS** that the Just Energy Entities shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Just Energy Entities in connection with the sale of goods and services by the Just Energy Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or

collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Just Energy Entities.

RESTRUCTURING

10. **THIS COURT ORDERS** that the Just Energy Entities shall, subject to such requirements as are imposed by the CCAA and subject to the terms of the Definitive Documents, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their Business or operations; and

(b) pursue all avenues of refinancing, restructuring, selling and reorganizing the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing, restructuring, sale or reorganization,

all of the foregoing to permit the Just Energy Entities to proceed with an orderly restructuring of the Just Energy Entities and/or the Business (the "**Restructuring**").

NO PROCEEDINGS AGAINST THE JUST ENERGY ENTITIES, THE BUSINESS OR THE PROPERTY

11. **THIS COURT ORDERS** that until and including March 19, 2021 or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process before any court, tribunal, agency or other legal or, subject to paragraph 12, regulatory body (each, a "**Proceeding**") shall be commenced or continued against or in respect of any of the Just Energy Entities or the Monitor or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Just Energy Entities and

the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Just Energy Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, foreign regulatory body or agency or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Just Energy Entities or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Just Energy Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Just Energy Entities to carry on any business which the Just Energy Entities are not lawfully entitled to carry on, (ii) subject to paragraph 13, affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

13. **THIS COURT ORDERS** that notwithstanding Section 11.1 of the CCAA, all rights and remedies of provincial energy regulators and provincial regulators of consumer sales that have authority with respect to energy sales against or in respect of the Just Energy Entities or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended during the Stay Period except with the written consent of the Just Energy Entities and the Monitor, or leave of this Court on notice to the Service List.

NO INTERFERENCE WITH RIGHTS

14. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Just Energy Entities except with the written consent of the Just Energy Entities and the Monitor, leave of this Court or as permitted under any Commodity ISO/Supplier Support Agreement.

CONTINUATION OF SERVICES

15. **THIS COURT ORDERS** that during the Stay Period, except as permitted under any Commodity ISO/Supplier Support Agreement, all Persons having oral or written agreements with any Just Energy Entity or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Just Energy Entities or the Business, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Just Energy Entities, and that the Just Energy Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Just Energy Entities in accordance with normal payment practices of the Just Energy Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable Just Energy Entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

16. **THIS COURT ORDERS** that, subject to paragraph 20 but notwithstanding any other paragraphs of this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Just Energy Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

COMMODITY SUPPLIERS

17. **THIS COURT ORDERS** that each Qualified Commodity/ISO Supplier shall be entitled to the benefit of and is hereby granted a charge (together, the "**Priority Commodity/ISO Charge**") on the Property in an amount equal to the value of the Priority Commodity/ISO Obligations. The value of the Priority Commodity/ISO Obligations shall be determined in accordance with the terms of the existing agreements or arrangements between the applicable Just

Energy Entity and the Qualified Commodity/ISO Supplier or, in the event of any dispute, by the Court. The Priority Commodity/ISO Charge shall have the priority set out in paragraphs 43-45 herein.

18. **THIS COURT ORDERS** that the Commodity/ISO Supplier Support Agreements are hereby ratified, approved and deemed to be Qualified Support Agreements.

19. **THIS COURT ORDERS** that the Just Energy Entities are hereby authorized and empowered to execute and deliver Qualified Support Agreements with any counterparty to a Commodity Agreement.

20. **THIS COURT ORDERS** that upon the occurrence of an event of default under a Qualified Support Agreement, the applicable Qualified Commodity/ISO Supplier may exercise the rights and remedies available to it under its Qualified Support Agreement, or upon five (5) days' notice to the Just Energy Entities, the Monitor and the Service List, may apply to this Court to seek the Court's authorization to exercise any and all of its other rights and remedies against the Just Energy Entities or the Property under or pursuant to its Commodity Agreement or ISO Agreement and the Priority Commodity/ISO Charge, including without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Just Energy Entities and for the appointment of a trustee in bankruptcy of the Just Energy Entities.

21. **THIS COURT ORDERS** that the Monitor shall provide a report on the value of the Priority Commodity/ISO Obligations as of the last day of each calendar month by posting such report on the Monitor's Website (as defined below) within three (3) Business Days of such calendar month end.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Just Energy Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Just Energy Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Just Energy Entities, if one is

filed, is sanctioned by this Court or is refused by the creditors of the Just Energy Entities or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. **THIS COURT ORDERS** that each of the Just Energy Entities shall jointly and severally indemnify their respective directors and officers against obligations and liabilities that they may incur as directors or officers of the Just Energy Entities after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that the directors and officers of the Just Energy Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of C$30,000,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43-45 herein.

25. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (i) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (ii) the Just Energy Entities' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Just Energy Entities with the powers and obligations set out in the CCAA or set forth herein and that the Just Energy Entities and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Just Energy Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

27. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Just Energy Entities' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Just Energy Entities, to the extent required by the Just Energy Entities, in their dissemination to the DIP Agent, the DIP Lenders and their counsel of financial and other information in accordance with the Definitive Documents;

(d) advise the Just Energy Entities in their preparation of the Just Energy Entities' cash flow statements and reporting required by the DIP Agent and DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Agent and DIP Lenders and their counsel in accordance with the Definitive Documents;

(e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Just Energy Entities, wherever located and to the extent that is necessary to adequately assess the Just Energy Entities' business and financial affairs or to perform its duties arising under this Order;

(f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(g) perform such other duties as are required by this Order or by this Court from time to time.

28. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Just Energy Entities and the DIP Agent and the DIP Lenders with information provided by the Just Energy Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Just Energy Entities is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

31. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor (including both U.S. and Canadian counsel for all purposes of this Order), and counsel to the Just Energy Entities (including both U.S. and Canadian counsel for all purposes of this Order) shall be paid their

reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the date of this Order, by the Just Energy Entities as part of the costs of these proceedings. The Just Energy Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor, and the Just Energy Entities' counsel on a weekly basis.

33. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Just Energy Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of C$2,200,000 as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 43-45 herein.

DIP FINANCING

35. **THIS COURT ORDERS** that the Just Energy Entities are hereby authorized and empowered to obtain and borrow or guarantee, as applicable, pursuant a credit facility from the DIP Agent and the DIP Lenders in order to finance the Just Energy Entities' working capital requirements and other general corporate purposes, all in accordance with the Cash Flow Statements (as defined in the DIP Term Sheet, which term is defined below) and Definitive Documents, provided that borrowings under such credit facility shall not exceed US$125,000,000 unless permitted by further Order of this Court.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the CCAA Interim Debtor-in-Possession Financing Term Sheet between the Just Energy Entities, the DIP Agent and the DIP Lenders dated as of March 9, 2021 and attached as Appendix "DD" to the Carter Affidavit (as may be amended or amended and restated from time to time, the "**DIP Term Sheet**").

37. **THIS COURT ORDERS** that the Just Energy Entities are hereby authorized and empowered to execute and deliver such mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Term Sheet and the Cash Flow Statements, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Agent and the DIP Lenders pursuant to the terms thereof, and the Just Energy Entities are hereby authorized and directed to pay and perform all of the indebtedness, interest, fees, liabilities and obligations to the DIP Agent and the DIP Lenders under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order. Notwithstanding any other provision in this Order, all payments and other expenditures to be made by any of the Just Energy Entities to any Person (except the Monitor and its counsel) shall be in accordance with the terms of the Definitive Documents, including in respect of payments in satisfaction of Priority Commodity/ISO Obligations.

38. **THIS COURT ORDERS** that the DIP Agent and the DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Lenders' Charge**") on the Property, which DIP Lenders' Charge shall not secure an obligation that exists before this Order is made. The DIP Lenders' Charge shall have the priority set out in paragraphs 43-45 hereof.

39. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Agent on behalf of the DIP Lenders may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lenders' Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under any of the Definitive Documents or the DIP Lenders' Charge, the DIP Agent or the DIP Lenders, as applicable, may immediately cease making advances or providing any credit to the Just Energy Entities and shall be permitted to set off and/or consolidate any amounts owing by the DIP Agent or the DIP Lenders to the Just Energy Entities against the obligations of the Just Energy Entities to the DIP Agent and the DIP Lenders under the Definitive Documents or the DIP Lenders' Charge, make demand, accelerate payment and give other notices with respect to the obligations of the Just Energy Entities to the DIP Agent or the DIP Lenders under the Definitive Documents or the DIP Lenders' Charge, or to apply to

this Court on five (5) days' notice to the Just Energy Entities, the Monitor and the Service List to seek the Court's authorization to exercise any and all of its other rights and remedies against the Just Energy Entities or the Property under or pursuant to the Definitive Documents and the DIP Lenders' Charge, including without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Just Energy Entities and for the appointment of a trustee in bankruptcy of the Just Energy Entities; and

(c) the foregoing rights and remedies of the DIP Agent and the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Just Energy Entities or the Property.

40. **THIS COURT ORDERS AND DECLARES** that the DIP Agent, the DIP Lenders and the Qualified Commodity/ISO Suppliers shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants or any of them under the CCAA, or any proposal filed by the Applicants or any of them under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Definitive Documents.

APPROVAL OF FINANCIAL ADVISOR AGREEMENT

41. **THIS COURT ORDERS** that the agreement dated February 20, 2021 engaging BMO Nesbitt Burns Inc. (the "**Financial Advisor**") as financial advisor to the Just Energy Entities and attached as Confidential Appendix "FF" to the Carter Affidavit (the "**Financial Advisor Agreement**"), and the retention of the Financial Advisor under the terms thereof, is hereby ratified and approved and the Just Energy Entities are authorized and directed *nunc pro tunc* to make the payments contemplated thereunder in accordance with the terms and conditions of the Financial Advisor Agreement.

42. **THIS COURT ORDERS** that the Financial Advisor shall be entitled to the benefit of and is hereby granted a charge (the "**FA Charge**") on the Property, which charge shall not exceed an aggregate amount of C$1,800,000 as security for the fees and disbursements and other amounts payable under the Financial Advisor Agreement, both before and after the making of this Order in respect of these proceedings. The FA Charge shall have the priority set out in paragraphs 43-45 herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

43. **THIS COURT ORDERS** that the priorities of the Administration Charge, the FA Charge, the Directors' Charge, the DIP Lenders' Charge and the Priority Commodity/ISO Charge, as among them, shall be as follows:

> First – Administration Charge and FA Charge (to the maximum amount of C$2,200,000 and C$1,800,000, respectively), on a *pari passu* basis;
>
> Second – Directors' Charge (to the maximum amount of C$30,000,000); and
>
> Third – DIP Lenders' Charge (to the maximum amount of the Obligations (as defined in the DIP Term Sheet) owing thereunder at the relevant time) and the Priority Commodity/ISO Charge, on a *pari passu* basis.

44. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge, the FA Charge, the Directors' Charge, the DIP Lenders' Charge or the Priority Commodity/ISO Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

45. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person (including those commodity suppliers listed in Schedule "A" hereto), other than any Person with a properly perfected purchase money security interest under the *Personal Property Security Act* (Ontario) or such other applicable legislation that has not been served with notice of this Order.

46. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court on notice to parties in interest, the Just Energy Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Just Energy Entities also obtain the prior written consent of the Monitor, the DIP Agent on behalf of the DIP Lenders and the beneficiaries of the Administration Charge, the

FA Charge, the Directors' Charge and the Priority Commodity/ISO Charge, or further Order of this Court.

47. **THIS COURT ORDERS** that the Charges, the agreements and other documents governing or otherwise relating to the obligations secured by the Charges, and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Agent or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan document, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any of the Just Energy Entities and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or be deemed to constitute a breach by any Just Energy Entity of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Just Energy Entities entering into the DIP Term Sheet, the creation of the Charges or the execution, delivery or performance of any of the other Definitive Documents; and

(c) the payments made by the Just Energy Entities pursuant to this Order or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

48. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Just Energy Entities' interest in such real property leases.

SERVICE AND NOTICE

49. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in The Globe and Mail (National Edition) and the Wall Street Journal a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner or by electronic message to the e-mail addresses as last shown on the records of the Just Energy Entities, a notice to every known creditor who has a claim against the Just Energy Entities of more than $1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of the individuals who are creditors publicly available.

50. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor's website as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall haven o liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

51. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL - http://cfcanada.fticonsulting.com/justenergy (the "**Monitor's Website**").

52. **THIS COURT ORDERS** that the Just Energy Entities, the DIP Agent or the DIP Lenders and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any

other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal deliver, facsimile or other electronic transmission to the Just Energy Entities' creditors or other interested parties and their advisors and that any such service, distribution or notice shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof, (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered, and (c) if sent by ordinary mail, on the third business day after mailing. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

FOREIGN PROCEEDINGS

53. **THIS COURT ORDERS** that the Applicant, Just Energy Group Inc. ("**JEGI**") is hereby authorized and empowered, but not required, to act as the foreign representative (in such capacity, the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized and approved in a jurisdiction outside of Canada.

54. **THIS COURT ORDERS** that the Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada, including in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

GENERAL

55. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on a date to be set by this Court upon the granting of this Order (the "**Comeback Date**"), and any such interested party shall give not less than two (2) business days' notice to the Service List and any other party or parties likely to be affected by the Order sought in advance of the Comeback Date; provided, however, that the Chargees, the DIP Agent and the DIP Lenders shall be entitled to rely on this Order as issued and entered and on the Charges and priorities set out in paragraphs 43-45 hereof, including with respect to any fees, expenses and disbursements incurred and in respect of advances made under the Definitive Documents or pursuant to the Qualified Support Agreement, as applicable, until the

date this Order may be amended, varied or stayed. For the avoidance of doubt, no payment in respect of any obligations secured by the Priority Commodity/ISO Charge shall be subject to the terms of any intercreditor agreement, including any "turnover" or "waterfall" provision(s) therein.

56. **THIS COURT ORDERS** that, notwithstanding paragraph 55 of this Order, the Just Energy Entities or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties under this Order or in the interpretation or application of this Order.

57. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Just Energy Entities, the Business or the Property.

58. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body or agency having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Just Energy Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies and agencies are hereby respectfully requested to make such orders and to provide such assistance to the Just Energy Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to JEGI, in any foreign proceeding, or to assist the Just Energy Entities and the Monitor and their respective agents in carrying out the terms of this Order.

59. **THIS COURT ORDERS** that each of the Just Energy Entities and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body or agency, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that JEGI is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

60. **THIS COURT ORDERS** that Confidential Appendices "FF" and "GG" to the Carter Affidavit shall be and are hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

61. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

_____

SCHEDULE "A"

JE Partnerships

Partnerships:

- JUST ENERGY ONTARIO L.P.
- JUST ENERGY MANITOBA L.P.
- JUST ENERGY (B.C.) LIMITED PARTNERSHIP
- JUST ENERGY QUÉBEC L.P.
- JUST ENERGY TRADING L.P.
- JUST ENERGY ALBERTA L.P.
- JUST GREEN L.P.
- JUST ENERGY PRAIRIES L.P.
- JEBPO SERVICES LLP
- JUST ENERGY TEXAS LP

Commodity Suppliers:

- EXELON GENERATION COMPANY, LLC
- BRUCE POWER L.P.
- SOCIÉTÉ GÉNÉRALE
- EDF TRADING NORTH AMERICA, LLC
- NEXTERA ENERGY POWER MARKETING, LLC
- MACQUARIE BANK LIMITED
- MACQUARIE ENERGY CANADA LTD.
- MACQUARIE ENERGY LLC
- MORGAN STANLEY CAPITAL GROUP

SCHEDULE "B"

DEFINITIONS

"**Commodity Agreement**" means a gas supply agreement, electricity supply agreement or other agreement with any Just Energy Entity for the physical or financial purchase, sale, trading or hedging of natural gas, electricity or environmental derivative products.

"**ISO Agreement**" means an agreement pursuant to which a Just Energy Entity has reimbursement obligations to a counterparty for payments made by such counterparty on behalf of such Just Energy Entity to an independent system operator that coordinates, controls and monitors the operation of an electrical power system, and includes all agreements related thereto.

"**Priority Commodity/ISO Obligation**" amounts that are due and payable, at the applicable time, for: (i)(A) the physical supply of electricity or gas that has been delivered on or after March 9, 2021; (B) financial settlements on or after March 9, 2021; and (C) amounts owing under a confirmation or transaction that was executed on or after March 9, 2021 pursuant to a Commodity Agreement as a result of the termination thereof in accordance with the applicable Qualified Support Agreement; and (ii) for services actually delivered by a Qualified Commodity/ISO Supplier on or after March 9, 2021 pursuant to an ISO Agreement (but for greater certainty, excluding any amount owing for ISO services provided under an ISO Agreement on or before the date of this Order, whether or not yet due).

"**Qualified Commodity/ISO Supplier**" means any counterparty to a Commodity Agreement or ISO Agreement as of March 9, 2021 that has executed or executes a Qualfied Support Agreement with a Just Energy Entity and refrained from exercising termination rights under the Commodity Agreement as a result of the commencement of the Proceedings absent an event of default under such Qualfied Support Agreement.

"**Qualified Support Agreement**" means a support agreement between a Just Energy Entity and a counterparty to a Commodity Agreement, in form and substance satisfactory to the Just Energy Entities and the DIP Lenders, acting reasonably, which includes, among other things: (i) that such counterparty shall apply to the Court on five (5) days' notice to the Just Energy Entities, the Monitor and the Service List prior to exercising any termination rights under a Qualified Support Agreement; (ii) the obligation to supply physical and financial power and natural gas and other

related services pursuant to any confirmations or transactions executed pursuant to a Commodity Agreement; and (iii) an agreement to refrain from exercising termination rights as a result of the commencement of the Proceedings absent an event of default under such support agreement.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

Court File No: CV-19-

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., et al (collectively, the "**Applicants**")

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

OSLER, HOSKIN & HARCOURT, LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Michael De Lellis (LSO# 48038U)
Jeremy Dacks (LSO# 41851R)

Tel: (416) 362-2111
Fax: (416) 862-6666

Lawyers for the Applicants

TAB B

~~Revised: January 21, 2014~~

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ~~—~~MR.	)	~~WEEKDAY~~TUESDAY, THE ~~#~~9TH
JUSTICE ~~—~~KOEHNEN	)	DAY OF ~~MONTH~~MARCH, 20~~YR~~21

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ~~[APPLICANT'S NAME] (the "Applicant")~~**JUST ENERGY GROUP INC.,** JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.
(each, an "**Applicant**", and collectively, the "**Applicants**")

INITIAL ORDER

THIS APPLICATION, made by the ~~Applicant~~Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the ~~"~~"**CCAA**~~"~~"), was heard this

day ~~at 330 University Avenue,~~by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the affidavit of ~~[NAME]~~Michael Carter sworn ~~[DATE]~~March 9, 2021 and the Exhibits thereto (the "**Carter Affidavit**"), the pre-filing report of the proposed monitor, FTI Consulting Canada Inc. ("**FTI**"), dated March 9, 2021 (the "**Pre-Filing Report**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME][1] although duly served as appears from the affidavit of service of [NAME] sworn [DATE]~~the Applicants and the partnerships listed in Schedule "A" hereto (the "**JE Partnerships**", and collectively with the Applicants, the "**Just Energy Entities**"), FTI, Alter Domus (US) LLC (the "**DIP Agent**"), as administrative agent for the lenders (the "**DIP Lenders**") under the DIP Term Sheet (as defined below) and such other counsel who were present, and on reading the consent of ~~[MONITOR'S NAME]~~FTI to act as the monitor (the "**Monitor**"),

SERVICE

~~[1] Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated[2] so that this Application is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms that are used in this Order shall have the meanings ascribed to them in Schedule "B" hereto or the Carter Affidavit, as applicable, if they are not otherwise defined herein.

APPLICATION

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that the ~~Applicant is a company~~Applicants are companies to which the CCAA applies.

~~**PLAN OF ARRANGEMENT**~~

~~3. THIS COURT ORDERS that~~Although not Applicants, the ~~Applicant~~JE Partnerships shall ~~have~~enjoy the ~~authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan")~~benefits of the protections and authorizations provided by this Order.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the ~~Applicant~~Just Energy Entities shall remain in possession and control of ~~its~~their respective current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the ~~"~~"**Property**~~"~~"). Subject to further Order of this Court, the ~~Applicant~~Just Energy Entities shall continue to carry on business in a manner consistent with the preservation of ~~its~~their business (the ~~"~~"**Business**~~"~~") and Property. The ~~Applicant is~~Just Energy Entities shall each be authorized and empowered to continue to retain and employ the employees, contractors,

~~[2] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

staffing agencies, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by itthem, with liberty to retain such further Assistants as it deemsthey deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that :

(a) the ApplicantJust Energy Entities shall be entitled to continue to utilize the central cash management system[3] currently in place as described in the Carter Affidavit of [NAME] sworn [DATE] oror, with the consent of the DIP Agent, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System (a "**Cash Management Bank**") shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the ApplicantJust Energy Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the ApplicantJust Energy Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Planany plan of compromise or arrangement with regard to any claims or expenses it may suffer or incur in connection with the provision ofCash Management Obligations. All present and future indebtedness, liabilities and obligations of any and every kind, nature or description whatsoever to a Cash Management Bank under, in connection with, relating to or with respect to any and all agreements evidencing treasury facilities and cash management products (including, for greater certainty, all pre-authorized debit

[3] This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.

banking services, electronic funds transfer services and overdraft balances) provided by a Cash Management Bank to any Just Energy Entity, and any unpaid balance thereof, are collectively referred to herein as the "**Cash Management Obligations**";

(b) during the Stay Period (as defined below), no Cash Management Bank shall, without leave of this Court: (i) exercise any sweep remedy under any applicable documentation (provided, for greater certainty, that the cash pooling and zero-balancing account services provided with respect to the JPMorgan accounts held by the U.S. Bank Account Holders (as defined in the Carter Affidavit) may continue in the ordinary course); or (ii) exercise or claim any right of set-off against any account included in the Cash Management System.~~]~~;

(c) any of the Cash Management Banks may rely on the representations of the applicable Just Energy Entities with respect to whether any cheques or other payment order drawn or issued by the applicable Just Energy Entity prior to the date of this Order should be honoured pursuant to this or any other order of this Court, and such Cash Management Bank shall not have any liability to any party for relying on such representations by the applicable Just Energy Entities as provided for herein; and

(d) (i) those certain existing deposit agreements between the Just Energy Entities and the Cash Management Banks shall continue to govern the post-filing cash management relationship between the Just Energy Entities and the Cash Management Banks, and that all of the provisions of such agreements shall remain in full force and effect, (ii) either any of the Just Energy Entities, with the consent of the Monitor, the DIP Agent and the Cash Management Banks may, without further Order of this Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including, without limitation, the opening and closing of bank accounts, and (iii) all control agreements in existence prior to the date of this Order shall apply.

6. **THIS COURT ORDERS** that, except as specifically permitted herein, the Just Energy Entities are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any of the Just Energy

Entities to any of their respective creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business; provided, however, that the Just Energy Entities, until further order of this Court, are hereby permitted, subject to the terms of the Definitive Documents: (i) to reimburse the reasonable documented fees and disbursements of legal counsel and one financial advisor to the agent under the Credit Agreement, whether incurred before or after the date of this Order; (ii) to pay all non-default interest and fees to the agent and the lenders under the Credit Agreement in accordance with its terms; and (iii) to repay advances under the Credit Agreement for the purpose of creating availability under the Revolving Facilities in order for the Just Energy Entities to request the issuance of Letters of Credit under the Revolving Facilities to continue to operate the Business in the ordinary course during these proceedings, subject to: (A) obtaining the consent of the Monitor with respect to the issuance of the Letters of Credit under the Revolving Facilities; and (B) receipt of written confirmation from the applicable lender(s) under the Credit Agreement that such lender(s) will issue a Letter of Credit of equal value within one (1) Business Day thereafter. Capitalized terms used but not otherwise defined in this paragraph shall have the meanings ascribed thereto in the Credit Agreement.

7. ~~6.~~ **THIS COURT ORDERS** that, subject to the ~~Applicant~~terms of the Definitive Documents (as hereinafter defined), the Just Energy Entities shall be entitled but not required to pay the following ~~expenses~~amounts whether incurred prior to, on or after the date of this Order:

(a) all outstanding and future wages (including, without limitation, the Q3 bonus described in the Carter Affidavit and any other incentive compensation payable in the ordinary course of business), salaries, commissions, employee ~~and pension~~ benefits, contributions in respect of retirement or other benefit arrangements, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; ~~and~~

(b) all outstanding and future amounts owing to or in respect of other workers providing services in connection with the Business and payable on or after the date of this

Order, incurred in the ordinary course of business and consistent with existing arrangements;

(c) ~~(b)~~ the fees and disbursements of any Assistants retained or employed by the ~~Applicant~~Just Energy Entities in respect of these proceedings~~,~~ at their standard rates and charges, which, in the case of the Financial Advisor (as defined below) shall be the amounts payable in accordance with the Financial Advisor Agreement (as defined below);

(d) with the consent of the Monitor in consultation with the agent under the Credit Agreement (or its advisors), amounts owing for goods or services actually provided to any of the Just Energy Entities prior to the date of this Order by third parties, if, in the opinion of the Just Energy Entities, such third party is critical to the Business and ongoing operations of the Just Energy Entities;

(e) any taxes (including, without limitation, sales, use, withholding, unemployment, and excise) not covered by paragraph 9 of this Order, and whereby the nonpayment of which by any Just Energy Entity could result in a responsible person associated with a Just Energy Entity being held personally liable for such nonpayment; and

(f) taxes related to revenue, State income or operations incurred or collected by a Just Energy Entity in the ordinary course of business.

8. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the ~~Applicant~~Just Energy Entities shall be entitled but not required to pay all reasonable expenses incurred by the ~~Applicant~~Just Energy Entities in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the ~~Applicant~~Just Energy Entities following the date of this Order.

9. ~~8.~~ **THIS COURT ORDERS** that the ~~Applicant~~Just Energy Entities shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees~~'~~' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, ~~"~~"**Sales Taxes**~~"~~") required to be remitted by the ~~Applicant~~Just Energy Entities in connection with the sale of goods and services by the ~~Applicant~~Just Energy Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order~~,~~; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the ~~Applicant.~~

~~9. THIS COURT ORDERS that until a real property lease is disclaimed **[or resiliated]**[4] in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease)~~

[4] ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

~~or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.~~

~~10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business~~Just Energy Entities.

RESTRUCTURING

10. ~~11.~~ **THIS COURT ORDERS** that the ~~Applicant~~Just Energy Entities shall, subject to such requirements as are imposed by the CCAA and ~~such covenants as may be contained in~~subject to the terms of the Definitive Documents ~~(as hereinafter defined)~~, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of ~~its business~~their Business or operations~~, [and to dispose of redundant or non-material assets not exceeding $● in any one transaction or $● in the aggregate]~~[5]

~~(b) [terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]~~; and

~~[5] Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

(b) ~~(c)~~ pursue all avenues of refinancing ~~of its~~, restructuring, selling and reorganizing the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing, restructuring, sale or reorganization,

all of the foregoing to permit the ~~Applicant~~Just Energy Entities to proceed with an orderly restructuring of the Just Energy Entities and/or the Business (the ~~"~~"**Restructuring**~~"~~")~~.~~

~~12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims **[or resiliates]** the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer **[or resiliation]** of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

~~13. THIS COURT ORDERS that if a notice of disclaimer **[or resiliation]** is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer **[or resiliation]**, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer **[or resiliation]**, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith~~.

NO PROCEEDINGS AGAINST THE ~~APPLICANT~~JUST ENERGY ENTITIES, THE BUSINESS OR THE PROPERTY

11. ~~14.~~ **THIS COURT ORDERS** that until and including ~~[DATE – MAX. 30 DAYS],~~March 19, 2021 or such later date as this Court may order (the ~~"~~"**Stay Period**~~"~~"), no proceeding or enforcement process ~~in~~before any court ~~or~~, tribunal, agency or other legal or, subject to paragraph 12, regulatory body (each, a ~~"~~"**Proceeding**~~"~~") shall be commenced or continued against or in respect of any of the ~~Applicant~~Just Energy Entities or the Monitor or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the ~~Applicant~~Just Energy Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the ~~Applicant~~Just Energy Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, foreign regulatory body or agency or any other entities (all of the foregoing, collectively being ~~"~~"**Persons**~~"~~" and each being a ~~"~~"**Person**~~"~~") against or in respect of the ~~Applicant~~Just Energy Entities or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the ~~Applicant~~Just Energy Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the ~~Applicant~~Just Energy Entities to carry on any business which the ~~Applicant is~~Just Energy Entities are not lawfully entitled to carry on, (ii) subject to paragraph 13, affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

13. **THIS COURT ORDERS** that notwithstanding Section 11.1 of the CCAA, all rights and remedies of provincial energy regulators and provincial regulators of consumer sales that have authority with respect to energy sales against or in respect of the Just Energy Entities or their respective employees and representatives acting in such capacities, or affecting the Business or

the Property, are hereby stayed and suspended during the Stay Period except with the written consent of the Just Energy Entities and the Monitor, or leave of this Court on notice to the Service List.

NO INTERFERENCE WITH RIGHTS

14. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Applicant,~~Just Energy Entities except with the written consent of the ~~Applicant~~Just Energy Entities and the Monitor, ~~or~~ leave of this Court or as permitted under any Commodity ISO/Supplier Support Agreement.

CONTINUATION OF SERVICES

15. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, except as permitted under any Commodity ISO/Supplier Support Agreement, all Persons having oral or written agreements with ~~the Applicant~~any Just Energy Entity or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Just Energy Entities or the Business ~~or the Applicant~~, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the ~~Applicant~~Just Energy Entities, and that the ~~Applicant~~Just Energy Entities shall be entitled to the continued use of ~~its~~their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the date of this Order are paid by the ~~Applicant~~Just Energy Entities in accordance with normal payment practices of the ~~Applicant~~Just Energy Entities or such other practices as may be agreed upon by the supplier or service provider and ~~each of~~ the ~~Applicant~~applicable Just Energy Entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

16. ~~18.~~ **THIS COURT ORDERS** that, subject to paragraph 20 but notwithstanding ~~anything else in~~any other paragraphs of this Order, no Person shall be prohibited from requiring

immediate payment for goods, services, use of ~~lease~~leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the ~~Applicant~~Just Energy Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.[6]

COMMODITY SUPPLIERS

17. **THIS COURT ORDERS** that each Qualified Commodity/ISO Supplier shall be entitled to the benefit of and is hereby granted a charge (together, the "**Priority Commodity/ISO Charge**") on the Property in an amount equal to the value of the Priority Commodity/ISO Obligations. The value of the Priority Commodity/ISO Obligations shall be determined in accordance with the terms of the existing agreements or arrangements between the applicable Just Energy Entity and the Qualified Commodity/ISO Supplier or, in the event of any dispute, by the Court. The Priority Commodity/ISO Charge shall have the priority set out in paragraphs 43-45 herein.

18. **THIS COURT ORDERS** that the Commodity/ISO Supplier Support Agreements are hereby ratified, approved and deemed to be Qualified Support Agreements.

19. **THIS COURT ORDERS** that the Just Energy Entities are hereby authorized and empowered to execute and deliver Qualified Support Agreements with any counterparty to a Commodity Agreement.

20. **THIS COURT ORDERS** that upon the occurrence of an event of default under a Qualified Support Agreement, the applicable Qualified Commodity/ISO Supplier may exercise the rights and remedies available to it under its Qualified Support Agreement, or upon five (5) days' notice to the Just Energy Entities, the Monitor and the Service List, may apply to this Court to seek the Court's authorization to exercise any and all of its other rights and remedies against the Just Energy Entities or the Property under or pursuant to its Commodity Agreement or ISO

[6] ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

Agreement and the Priority Commodity/ISO Charge, including without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Just Energy Entities and for the appointment of a trustee in bankruptcy of the Just Energy Entities.

21. **THIS COURT ORDERS** that the Monitor shall provide a report on the value of the Priority Commodity/ISO Obligations as of the last day of each calendar month by posting such report on the Monitor's Website (as defined below) within three (3) Business Days of such calendar month end.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the ~~Applicant~~Just Energy Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the ~~Applicant~~Just Energy Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the ~~Applicant~~Just Energy Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Just Energy Entities or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. ~~20.~~ **THIS COURT ORDERS** that each of the ~~Applicant~~Just Energy Entities shall jointly and severally indemnify ~~its~~their respective directors and officers against obligations and liabilities that they may incur as directors or officers of the ~~Applicant~~Just Energy Entities after the commencement of the within proceedings,[7] except to the extent that, with respect to any

[7] ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the ~~Applicant~~Just Energy Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of C$~~●~~30,000,000, as security for the indemnity provided in paragraph ~~[~~2~~0]~~3 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~[~~43~~8] and [~~-40~~0]~~5 herein.

25. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (~~a~~i) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (~~b~~ii) the ~~Applicant's~~Just Energy Entities' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[20] of this Order~~3.

APPOINTMENT OF MONITOR

26. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the ~~Applicant~~Just Energy Entities with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~Just Energy Entities and ~~its~~their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~Just Energy Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

~~[8] Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

27. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the ~~Applicant's~~Just Energy Entities' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the ~~Applicant~~Just Energy Entities, to the extent required by the ~~Applicant~~Just Energy Entities, in ~~its~~their dissemination~~,~~ to the DIP ~~Lender~~Agent, the DIP Lenders and ~~its~~their counsel ~~on a [TIME INTERVAL] basis~~ of financial and other information ~~as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed~~in accordance with the ~~DIP Lender~~Definitive Documents;

(d) advise the ~~Applicant~~Just Energy Entities in ~~its~~their preparation of the ~~Applicant~~Just Energy Entities'~~s~~ cash flow statements and reporting required by the DIP ~~Lender~~Agent and DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP ~~Lender~~Agent and ~~its~~DIP Lenders and their counsel ~~on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender~~in accordance with the Definitive Documents;

~~(e) advise the Applicant in its development of the Plan and any amendments to the Plan;~~

~~(f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;~~

(e) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the ~~Applicant,~~Just Energy Entities, wherever located and to the extent that is necessary to adequately assess the ~~Applicant's~~Just Energy Entities' business and financial affairs or to perform its duties arising under this Order;

(f) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(g) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

28. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~"**Possession**~~"~~") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the ~~"~~"**Environmental Legislation**~~"~~"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. ~~27.~~ **THIS COURT ORDERS** that ~~that~~ the Monitor shall provide any creditor of the ~~Applicant~~Just Energy Entities and the DIP ~~Lender~~Agent and the DIP Lenders with information provided by the ~~Applicant~~Just Energy Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this

paragraph. In the case of information that the Monitor has been advised by the ~~Applicant~~Just Energy Entities is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

31. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

32. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor (including both U.S. and Canadian counsel for all purposes of this Order), and counsel to the ~~Applicant~~Just Energy Entities (including both U.S. and Canadian counsel for all purposes of this Order) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the date of this Order, by the ~~Applicant~~Just Energy Entities as part of the costs of these proceedings. The ~~Applicant is~~Just Energy Entities are hereby authorized and directed to pay the accounts of ~~the Monitor, counsel for the Monitor and counsel for the Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to~~ the Monitor, counsel to the Monitor, and the Just Energy Entities' counsel ~~to the Applicant, retainers in the amount[s] of $● [, respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~on a weekly basis.

33. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

34. ~~31.~~ **THIS COURT ORDERS** that the Monitor~~, if any,~~ and ~~the Applicant's~~ counsel to the Just Energy Entities shall be entitled to the benefit of and are hereby granted a charge (the ~~"~~"**Administration Charge**~~"~~") on the Property, which charge shall not exceed an aggregate amount of C$~~●~~2, 200,000 as security for their professional fees and disbursements incurred at ~~the~~their standard rates and charges ~~of the Monitor and such counsel~~,

both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[~~ 43~~8] and [40] hereof~~-45 herein.

DIP FINANCING

35. ~~32.~~ **THIS COURT ORDERS** that the ~~Applicant is~~Just Energy Entities are hereby authorized and empowered to obtain and borrow ~~under~~or guarantee, as applicable, pursuant a credit facility from ~~[~~the DIP ~~LENDER'S NAME] (~~Agent and the ~~"~~DIP ~~Lender")~~Lenders in order to finance the ~~Applicant's~~Just Energy Entities' working capital requirements and other general corporate purposes, all in accordance with the Cash Flow Statements (as defined in the DIP Term Sheet, which term is defined below) and ~~capital expenditures~~Definitive Documents, provided that borrowings under such credit facility shall not exceed US$●125,000,000 unless permitted by further Order of this Court.

36. ~~33.~~ **THIS COURT ORDERS** ~~THAT~~that such credit facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter~~CCAA Interim Debtor-in-Possession Financing Term Sheet between the ~~Applicant~~Just Energy Entities, the DIP Agent and the DIP ~~Lender~~Lenders dated as of ~~[DATE] (the "Commitment Letter"), filed~~March 9, 2021 and attached as Appendix "DD" to the Carter Affidavit (as may be amended or amended and restated from time to time, the "**DIP Term Sheet**").

37. ~~34.~~ **THIS COURT ORDERS** that the ~~Applicant is~~Just Energy Entities are hereby authorized and empowered to execute and deliver such ~~credit agreements,~~ mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Term Sheet and the Cash Flow Statements, the ~~"~~"**Definitive Documents**~~"~~"), as are contemplated by the ~~Commitment Letter~~DIP Term Sheet or as may be reasonably required by the DIP ~~Lender~~Agent and the DIP Lenders pursuant to the terms thereof, and the ~~Applicant is~~Just Energy Entities are hereby authorized and directed to pay and perform all of ~~its~~the indebtedness, interest, fees, liabilities and obligations to the DIP ~~Lender~~Agent and the DIP Lenders under and pursuant to ~~the Commitment Letter and~~ the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order. Notwithstanding any other provision in this Order, all payments and other expenditures to be made by any of the

Just Energy Entities to any Person (except the Monitor and its counsel) shall be in accordance with the terms of the Definitive Documents, including in respect of payments in satisfaction of Priority Commodity/ISO Obligations.

38. ~~35.~~ **THIS COURT ORDERS** that the DIP ~~Lender~~Agent and the DIP Lenders shall be entitled to the benefit of and ~~is~~are hereby granted a charge (the ~~"~~"**DIP ~~Lender~~Lenders'~~s~~ Charge**~~"~~") on the Property, which DIP ~~Lender's~~Lenders' Charge shall not secure an obligation that exists before this Order is made. The DIP ~~Lender~~Lenders'~~s~~ Charge shall have the priority set out in paragraphs ~~[~~ 43~~8] and [~~-4~~0]~~5 hereof.

39. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP ~~Lender~~Agent on behalf of the DIP Lenders may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP ~~Lender~~Lenders'~~s~~ Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under any of the Definitive Documents or the DIP ~~Lender~~Lenders'~~s~~ Charge, the DIP ~~Lender, upon ● days notice to the Applicant and the Monitor, may~~ exercise any and all of its rights and remedies against ~~the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to~~Agent or the DIP Lenders, as applicable, may immediately cease making advances or providing any credit to the ~~Applicant and~~Just Energy Entities and shall be permitted to set off and/or consolidate any amounts owing by the DIP ~~Lender~~Agent or the DIP Lenders to the ~~Applicant~~Just Energy Entities against the obligations of the ~~Applicant~~Just Energy Entities to the DIP ~~Lender~~Agent and the DIP Lenders under the ~~Commitment Letter, the~~ Definitive Documents or the DIP ~~Lender~~Lenders'~~s~~ Charge, ~~to~~ make demand, accelerate payment and give other notices with respect to the obligations of the Just Energy Entities to the DIP Agent or the DIP Lenders under the Definitive Documents or the DIP Lenders' Charge, or to apply to this Court on five (5) days' notice to the Just Energy Entities, the Monitor and the Service List to seek the Court's authorization to exercise any and all of its other rights and remedies against the Just Energy Entities or the Property under or pursuant to the Definitive Documents and the

DIP Lenders' Charge, including without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the ~~Applicant~~Just Energy Entities and for the appointment of a trustee in bankruptcy of the ~~Applicant~~Just Energy Entities; and

(c) the foregoing rights and remedies of the DIP ~~Lender~~Agent and the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the ~~Applicant~~Just Energy Entities or the Property.

40. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP ~~Lender~~Agent, the DIP Lenders and the Qualified Commodity/ISO Suppliers shall be treated as unaffected in any plan of arrangement or compromise filed by the ~~Applicant~~Applicants or any of them under the CCAA, or any proposal filed by the ~~Applicant~~Applicants or any of them under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), with respect to any advances made under the Definitive Documents.

APPROVAL OF FINANCIAL ADVISOR AGREEMENT

41. **THIS COURT ORDERS** that the agreement dated February 20, 2021 engaging BMO Nesbitt Burns Inc. (the "**Financial Advisor**") as financial advisor to the Just Energy Entities and attached as Confidential Appendix "FF" to the Carter Affidavit (the "**Financial Advisor Agreement**"), and the retention of the Financial Advisor under the terms thereof, is hereby ratified and approved and the Just Energy Entities are authorized and directed *nunc pro tunc* to make the payments contemplated thereunder in accordance with the terms and conditions of the Financial Advisor Agreement.

42. **THIS COURT ORDERS** that the Financial Advisor shall be entitled to the benefit of and is hereby granted a charge (the "**FA Charge**") on the Property, which charge shall not exceed an aggregate amount of C$1,800,000 as security for the fees and disbursements and other amounts payable under the Financial Advisor Agreement, both before and after the making of this Order in respect of these proceedings. The FA Charge shall have the priority set out in paragraphs 43-45 herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

43. ~~38.~~ **THIS COURT ORDERS** that the priorities of the Administration Charge, the FA Charge, the Directors' Charge, the ~~Administration~~DIP Lenders' Charge and the ~~DIP Lender's~~Priority Commodity/ISO Charge, as among them, shall be as follows[9]:

First ~~–~~ Administration Charge and FA Charge (to the maximum amount of C$~~●~~)2,200,000 and C$1,800,000, respectively), on a *pari passu* basis;

Second ~~DIP Lender~~ Directors'~~s~~ Charge (to the maximum amount of C$30,000,000); and

Third ~~Directors~~ DIP Lenders' Charge (to the maximum amount of ~~$●~~)the Obligations (as defined in the DIP Term Sheet) owing thereunder at the relevant time) and the Priority Commodity/ISO Charge, on a *pari passu* basis.

44. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge, the FA Charge, the Directors' Charge, the ~~Administration~~DIP Lenders' Charge or the ~~DIP Lender's~~Priority Commodity/ISO Charge (collectively, the ~~"~~"**Charges**~~"~~") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

45. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, ~~"~~"**Encumbrances**~~"~~") in favour of any Person (including those commodity suppliers listed in Schedule "A" hereto), other than any Person with a properly

~~[9] The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

perfected purchase money security interest under the *Personal Property Security Act* (Ontario) or such other applicable legislation that has not been served with notice of this Order.

46. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court on notice to parties in interest, the ~~Applicant~~Just Energy Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge,~~Charges unless the ~~Applicant~~Just Energy Entities also ~~obtains~~obtain the prior written consent of the Monitor, the DIP ~~Lender~~Agent on behalf of the DIP Lenders and the beneficiaries of the Administration Charge, the FA Charge, the Directors' Charge and the ~~Administration~~Priority Commodity/ISO Charge, or further Order of this Court.

47. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge~~Charges, the ~~Administration Charge, the Commitment Letter~~agreements and other documents governing or otherwise relating to the obligations secured by the Charges, and the Definitive Documents ~~and the DIP Lender's Charge~~ shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the ~~"~~"**Chargees**~~"~~") and/or the DIP ~~Lender~~Agent or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan ~~documents~~document, lease, sublease, offer to lease or other agreement (collectively, an ~~"~~"**Agreement**~~"~~") which binds any of the ~~Applicant,~~Just Energy Entities and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of ~~the Commitment Letter or~~ the Definitive Documents shall create or be deemed to constitute a breach by ~~the Applicant~~any Just Energy Entity of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the ~~Applicant~~Just Energy Entities entering into the ~~Commitment Letter~~DIP Term Sheet, the creation of the Charges~~,~~ or the execution, delivery or performance of any of the other Definitive Documents; and

(c) the payments made by the ~~Applicant~~Just Energy Entities pursuant to this Order~~, the Commitment Letter~~ or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

48. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the ~~Applicant's~~Just Energy Entities' interest in such real property leases.

SERVICE AND NOTICE

49. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~The Globe and Mail (National Edition) and the Wall Street Journal a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner or by electronic message to the e-mail addresses as last shown on the records of the Just Energy Entities, a notice to every known creditor who has a claim against the ~~Applicant~~Just Energy Entities of more than $1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of the individuals who are creditors publicly available.

50. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time,

on the Monitor's website as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall haven o liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

51. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~'<@>'~~ http://cfcanada.fticonsulting.com/justenergy (the "**Monitor's Website**").

52. ~~46.~~ **THIS COURT ORDERS** that ~~if~~ the ~~service or distribution of documents in accordance with the Protocol is not practicable, the Applicant~~Just Energy Entities, the DIP Agent or the DIP Lenders and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal ~~delivery or~~deliver, facsimile or other electronic transmission to the ~~Applicant's~~Just Energy Entities' creditors or other interested parties ~~at~~and their ~~respective addresses as last shown on the records of the Applicant~~advisors and that any such service ~~or~~, distribution ~~by courier, personal delivery or facsimile transmission~~or notice shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof, ~~or~~(b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered, and (c) if sent by ordinary mail, on the third business day after mailing. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of

clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

FOREIGN PROCEEDINGS

53. **THIS COURT ORDERS** that the Applicant, Just Energy Group Inc. ("**JEGI**") is hereby authorized and empowered, but not required, to act as the foreign representative (in such capacity, the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized and approved in a jurisdiction outside of Canada.

54. **THIS COURT ORDERS** that the Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada, including in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532.

GENERAL

55. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on a date to be set by this Court upon the granting of this Order (the "**Comeback Date**"), and any such interested party shall give not less than two (2) business days' notice to the Service List and any other party or parties likely to be affected by the Order sought in advance of the Comeback Date; provided, however, that the Chargees, the DIP Agent and the DIP Lenders shall be entitled to rely on this Order as issued and entered and on the Charges and priorities set out in paragraphs 43-45 hereof, including with respect to any fees, expenses and disbursements incurred and in respect of advances made under the Definitive Documents or pursuant to the Qualified Support Agreement, as applicable, until the date this Order may be amended, varied or stayed. For the avoidance of doubt, no payment in respect of any obligations secured by the Priority Commodity/ISO Charge shall be subject to the terms of any intercreditor agreement, including any "turnover" or "waterfall" provision(s) therein.

56. ~~47.~~ **THIS COURT ORDERS** that ~~the Applicant~~, notwithstanding paragraph 55 of this Order, the Just Energy Entities or the Monitor may from time to time apply to this Court to

amend, vary or supplement this Order or for advice and directions in the discharge of ~~its~~their powers and duties ~~hereunder~~under this Order or in the interpretation or application of this Order.

57. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the ~~Applicant~~Just Energy Entities, the Business or the Property.

58. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body or agency having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the ~~Applicant~~Just Energy Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies and agencies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~Just Energy Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to ~~the Monitor~~JEGI, in any foreign proceeding, or to assist the ~~Applicant~~Just Energy Entities and the Monitor and their respective agents in carrying out the terms of this Order.

59. ~~50.~~ **THIS COURT ORDERS** that each of the ~~Applicant~~Just Energy Entities and the Monitor be at liberty and ~~is~~are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body or agency, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that ~~the Monitor~~JEGI is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

~~51. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.~~

60. **THIS COURT ORDERS** that Confidential Appendices "FF" and "GG" to the Carter Affidavit shall be and are hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

61. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

SCHEDULE "A"

JE Partnerships

Partnerships:

- JUST ENERGY ONTARIO L.P.
- JUST ENERGY MANITOBA L.P.
- JUST ENERGY (B.C.) LIMITED PARTNERSHIP
- JUST ENERGY QUÉBEC L.P.
- JUST ENERGY TRADING L.P.
- JUST ENERGY ALBERTA L.P.
- JUST GREEN L.P.
- JUST ENERGY PRAIRIES L.P.
- JEBPO SERVICES LLP
- JUST ENERGY TEXAS LP

Commodity Suppliers:

- EXELON GENERATION COMPANY, LLC
- BRUCE POWER L.P.
- SOCIÉTÉ GÉNÉRALE
- EDF TRADING NORTH AMERICA, LLC
- NEXTERA ENERGY POWER MARKETING, LLC
- MACQUARIE BANK LIMITED
- MACQUARIE ENERGY CANADA LTD.
- MACQUARIE ENERGY LLC

SCHEDULE "B"

DEFINITIONS

"**Commodity Agreement**" means a gas supply agreement, electricity supply agreement or other agreement with any Just Energy Entity for the physical or financial purchase, sale, trading or hedging of natural gas, electricity or environmental derivative products.

"**ISO Agreement**" means an agreement pursuant to which a Just Energy Entity has reimbursement obligations to a counterparty for payments made by such counterparty on behalf of such Just Energy Entity to an independent system operator that coordinates, controls and monitors the operation of an electrical power system, and includes all agreements related thereto.

"**Priority Commodity/ISO Obligation**" amounts that are due and payable, at the applicable time, for: (i)(A) the physical supply of electricity or gas that has been delivered on or after March 9, 2021; (B) financial settlements on or after March 9, 2021; and (C) amounts owing under a confirmation or transaction that was executed on or after March 9, 2021 pursuant to a Commodity Agreement as a result of the termination thereof in accordance with the applicable Qualified Support Agreement; and (ii) for services actually delivered by a Qualified Commodity/ISO Supplier on or after March 9, 2021 pursuant to an ISO Agreement (but for greater certainty, excluding any amount owing for ISO services provided under an ISO Agreement on or before the date of this Order, whether or not yet due).

"**Qualified Commodity/ISO Supplier**" means any counterparty to a Commodity Agreement or ISO Agreement as of March 9, 2021 that has executed or executes a Qualfied Support Agreement with a Just Energy Entity and refrained from exercising termination rights under the Commodity Agreement as a result of the commencement of the Proceedings absent an event of default under such Qualfied Support Agreement.

"**Qualified Support Agreement**" means a support agreement between a Just Energy Entity and a counterparty to a Commodity Agreement, in form and substance satisfactory to the Just Energy Entities and the DIP Lenders, acting reasonably, which includes, among other things: (i) that such counterparty shall apply to the Court on five (5) days' notice to the Just Energy Entities, the Monitor and the Service List prior to exercising any termination rights under a Qualified Support Agreement; (ii) the obligation to supply physical and financial power and natural gas and other

related services pursuant to any confirmations or transactions executed pursuant to a Commodity Agreement; and (iii) an agreement to refrain from exercising termination rights as a result of the commencement of the Proceedings absent an event of default under such support agreement.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

Court File No: CV-19-

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., et al (collectively, the "**Applicants**")

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

OSLER, HOSKIN & HARCOURT, LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Michael De Lellis (LSO# 48038U)
Jeremy Dacks (LSO# 41851R)

Tel: (416) 362-2111
Fax: (416) 862-6666

Lawyers for the Applicants

TAB 2

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC., JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS LLC, FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP. AND JUST ENERGY (FINANCE) HUNGARY ZRT.

Applicants

AFFIDAVIT OF MICHAEL CARTER

I, Michael Carter, of the Town of Flower Mound, in the State of Texas, MAKE OATH AND SAY:

1. This affidavit is made in support of an application by Just Energy Group Inc. ("**Just Energy**") and the other applicant companies listed in the style of cause above (collectively, the "**Applicants**") for an Initial Order and related relief under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**").

2. I have been Just Energy's Chief Financial Officer since September 2020. In that role, I am responsible for all financial-related aspects of Just Energy's business. As such, I have personal knowledge of the matters deposed to in this affidavit, including the business and financial affairs of Just Energy and its subsidiaries. Where I have relied on other sources for information, I have stated the source of my information and I believe such information to be true.

3. All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

A. Overview

4. Just Energy and its subsidiaries (collectively, the "**Just Energy Group**") are retail energy providers specializing in delivering electricity and natural gas to consumer and commercial customers as well as energy-efficient solutions and renewable energy options. The Just Energy Group currently serves over 950,000 consumer and commercial customers, mostly in the United States and Canada.

5. Over the past few years, the Just Energy Group has taken steps to position itself for sustainable growth as an independent industry leader. Most notably, on September 28, 2020, Just Energy completed a balance sheet recapitalization transaction (the "**Recapitalization**") through a plan of arrangement (the "**Arrangement**") under section 192 of the *Canada Business Corporations Act* (the "**CBCA**"). The Arrangement was approved by a Final Order of the Ontario

Superior Court of Justice (Commercial List) dated September 2, 2020 and the Recapitalization closed on September 28, 2020. The Recapitalization was the culmination of a year-long strategic review process and reflected a comprehensive plan to strengthen Just Energy's business.

6. However, despite continued improving performance since the closing of the Recapitalization, the Just Energy Group is facing severe short-term liquidity challenges due to the recent unprecedented and catastrophic winter storm in Texas (the Just Energy Group's largest market). While the Just Energy Group employs a comprehensive hedging strategy to manage weather risk, the weather conditions in Texas were colder than anything experienced in decades, causing significantly higher than normal customer demand while also forcing significant electricity market supply offline. As a result, the Just Energy Group was forced to balance its demand through real time purchases through ERCOT (defined below).

7. While Texas was already experiencing extreme market pricing, the negative financial impact of the storm was exacerbated by the actions of Texas regulators. Texas's electricity grid, the Texas Interconnection, is one of the three main grids in the United States and largely operates independently with limited export and import capability. Unlike most other electricity markets in the United States, the Texas Interconnection is not subject to regulation by the Federal Energy Regulatory Commission ("**FERC**"). Instead, an independent system operator ("**ISO**") called Electric Reliability Council of Texas ("**ERCOT**") is solely responsible for managing the Texas Interconnection and ERCOT is only subject to regulation by the Texas Public Utility Commission ("**PUCT**").

8. In response to the winter storm, on February 15, 2021, the PUCT issued an order instructing ERCOT to set the real time settlement price of power at the high offer cap of U.S. $9,000 per

megawatt hour ("**MWh"**) for over 100 consecutive hours (in contrast, the real time electricity price did not hit U.S. $9,000 per MWh for even one 15-minute interval in 2020). As a result, the Just Energy Group was forced to balance its power supply through ERCOT at artificially high electricity prices and significantly increased ancillary service costs. The Just Energy Group estimates that it may have incurred losses and additional costs currently totaling over $315 million as a result of PUCT and ERCOT's actions and the winter storm.

9. The winter storm and the regulatory response has been devastating for other participants in the Texas electricity market as well. The largest power generation and transmission cooperative in Texas, Brazos Electric Power Cooperative, filed for Chapter 11 bankruptcy protection on March 1, 2021 after incurring an estimated U.S. $2.1 billion in charges over seven days as reported in an article titled *Texas Power Firm Hit With $2.1 Billion Bill Files for Bankruptcy*, attached as **Exhibit** "**A**". In addition, ERCOT has already barred two electricity sellers, Entrust Energy Inc. and Griddy Energy LLC, from the Texas power market for failing to make payments after last month's energy crisis as reported in an article titled *A Second Power Provider Defaults After Texas Energy Crisis*, attached as **Exhibit** "**B**". The ERCOT wholesale market incurred charges of U.S. $55 billion over a seven-day period, an amount equal to what it ordinarily incurs over four years.

10. ERCOT and PUCT have faced sustained criticism for their response to the winter storm. In recent weeks, both PUCT's chair and several ERCOT board members have resigned and the ERCOT board voted to oust its CEO as reported in the article titled *ERCOT fires CEO, following resignation of head utility regulator, board members*, attached as **Exhibit** "**C**". Potomac Economics, an independent market monitor hired by the state of Texas to assess ERCOT's performance, concluded that ERCOT overpriced electricity for almost two days, resulting in U.S. $16 billion in overcharges as noted in the article titled *Texas Watchdog Says Power Grid Operator*

Made $16 Billion Error, a copy of which is attached as **Exhibit** "**D**". In response, PUCT has indicated that it will not be reversing these overcharges despite its independent market monitor recommending that the charges be reversed, as reported in the article titled *Texas Opts Not to Fix $16 Billion Power Overcharge*, a copy of which is attached as **Exhibit** "**E**".

11. The Just Energy Group has disputed both the artificially high prices and the extraordinary ancillary costs charged by ERCOT. However, under ERCOT's protocols, the Just Energy Group must pay any invoices within two days of receipt, even if it is disputing them. Otherwise, ERCOT can suspend the Just Energy Group's market participation in as little as 2 days and transfer the Just Energy Group's customers to another energy provider, called a Provider of Last Resort ("**POLR**"), on 5 days' notice. The Texas market accounts for approximately 47% of the Just Energy Group's embedded gross margin ("**EGM**")[1] and is essential for the Just Energy Group maintaining going concern operations.

12. Despite the historic nature of the winter storm and the unprecedented resulting costs incurred by energy retailers, both ERCOT and PUCT have, to date, ignored the Just Energy Group's requests to suspend ERCOT's usual protocols. Therefore, the Just Energy Group had no option other than to pay its ERCOT invoices in Texas.

13. On March 5, 2021, the Just Energy Group received three invoices for approximately U.S. $123.21 million from ERCOT, of which approximately U.S. $96.24 million must be paid by end of day on March 9, 2021. On March 8, 2021, the Just Energy Group received from ERCOT (i) a notice that it must post approximately U.S. $25.7 million of additional collateral within two

[1] EGM is a rolling five-year measure of management's estimate of future contracted energy and product gross margin.

business days; and (ii) three invoices for approximately U.S. $ 25.46 million, of which approximately U.S. $18.86 million is due by March 10, 2021. The Just Energy Group does not have enough liquidity to pay that amount without access to the DIP Facility (defined below). If the amount due is not paid, ERCOT can transfer all of the Just Energy Group's customers in Texas to a POLR, which would be devastating to the Just Energy Group's business.

14. The Just Energy Group's financial challenges have been exacerbated by the reaction of certain creditors and other stakeholders to the extreme weather event and significant amounts coming due in the near future. Bonding companies that issued surety bonds have demanded that the Just Energy Group provide more than $30 million in additional collateral (with over $20 million already provided and the rest expected by March 17). The bonding companies had either threatened to start the process of cancelling bonds issued by them if the Just Energy Group did not post additional collateral or had already started the process of cancelling the bonds they had issued and agreed to issue rescission notices upon receipt of the additional collateral. The cancellation of the bonds may have resulted in the revocation of licenses necessary for the Just Energy Group to carry on business in certain jurisdictions.

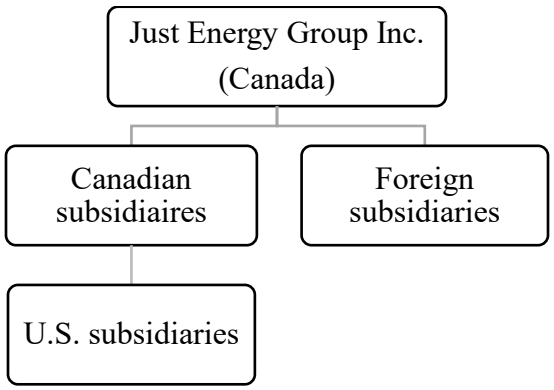
15. The Just Energy Group also has significant payables coming due in the next few weeks. On March 22, 2021, approximately $270 million owing to counterparties under the ISO Services Agreements (defined below) will come due. In addition, over $75 million owing to Commodity Suppliers (defined below) will be coming due by March 25, 2021. As such, the Just Energy Group has significant liabilities coming due that it cannot currently pay and are therefore insolvent. In these circumstances, the Applicants require immediate CCAA protection to ensure that they can continue as a going concern, service their significant customer base, maintain employment for almost 1,000 employees, and preserve enterprise value.

B. Corporate Structure

16. Just Energy is the ultimate parent company of the Just Energy Group and the other Applicants are all direct or indirect subsidiaries of Just Energy. All of the Applicants are either borrowers under the Credit Facility (defined below) or have provided secured guarantees in respect of the Credit Facility.

17. While the limited partnerships listed in Schedule "A" (the "**Just Energy LPs**") are not applicants in this proceeding, the Applicants seek to have a stay of proceedings and other provisions of an Initial Order under the CCAA extended to the Just Energy LPs in order to maintain stability and business operations through this restructuring process. The business and operations of the Applicants are heavily intertwined with that of the Just Energy LPs. In particular, certain of the Just Energy LPs hold most of the gas and electricity licenses granted by Canadian regulators pursuant to which the Just Energy Group conducts business in Canada.

18. A corporate chart showing the structure of the Just Energy Group as of November 10, 2020 is attached as **Exhibit** "**F**". A simplified version of the corporate chart is below:



(a) Just Energy Group Inc.

19. Just Energy is a CBCA corporation. It has two head offices: one in Mississauga, Ontario and one in Houston, Texas. Just Energy's registered office is First Canadian Place, 100 King Street

West, Suite 2630, Toronto, Ontario. Its common shares (the "**Common Shares**") are listed on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange (the "**NYSE**").

(b) Canadian Subsidiaries

20. The Canadian subsidiaries are corporations, limited partnerships, and unlimited liability companies that are directly or indirectly wholly owned by Just Energy. The material Canadian subsidiaries are set out below:

(a) *Just Energy Corp.:* Just Energy Corp. is a direct subsidiary of Just Energy. It employs almost all of the Just Energy Group's employees in Canada and is the general partner for all of the Just Energy operating subsidiaries listed below that are limited partnerships.

(b) *Just Energy Ontario L.P. (Ontario), Just Energy Alberta L.P. (Alberta), Just Green L.P. (Alberta), Just Energy Manitoba L.P. (Manitoba), Just Energy B.C. Limited Partnership (British Columbia), Just Energy Québec L.P. (Quebec), Just Energy Prairies L.P. (Manitoba), Hudson Energy Canada Corp. (Canada), and Filter Group Inc.*: These are the Canadian operating entities for the Just Energy Group's business.

(c) *Just Energy Trading L.P. (Ontario)*: This entity is used to procure supply of energy commodities.

21. Just Energy also indirectly holds an approximate 8% fully diluted interest in ecobee Inc., a manufacturer and distributor of smart thermostats, located in Toronto, Ontario.

(c) U.S. Subsidiaries

22. The U.S. subsidiaries are corporations, limited liability companies and limited partnerships indirectly wholly owned by Just Energy. The material U.S. subsidiaries are noted below (all of which are formed under the laws of the State of Delaware, unless otherwise noted):

(a) *Just Energy (U.S.) Corp.; Just Energy Illinois Corp.; Just Energy Indiana Corp.; Just Energy Massachusetts Corp.; Just Energy New York Corp.; Just Energy Texas I Corp.; Just Energy Texas LP (Texas); Just Energy Pennsylvania Corp.; Just Energy Solutions Inc. (California); Just Energy Michigan Corp.; Hudson Energy Services LLC (New Jersey); Just Energy Limited; Fulcrum Retail Energy LLC d/b/a Amigo Energy (Texas); Tara Energy, LLC (Texas); Interactive Energy Group LLC; and Filter Group USA Inc:* These are the U.S. operating entities for the Just Energy Group's business.

(d) Foreign Subsidiaries

23. Until recently, the Just Energy Group had operations in several countries outside North America. In 2019, Just Energy made a strategic decision to focus on its North American operations. The Just Energy Group has completed sales of its U.K., Irish, and Japanese operations. On February 4, 2021, the Just Energy Group entered into an agreement to sell its German operations for nominal consideration. However, due to the current circumstances resulting from the Texas weather event, the preconditions for closing this sale may no longer be achievable and the German operations will likely be wound down instead. The Just Energy Group still has an Indian subsidiary and has employees in India that support the Just Energy Group's operations in North America.

C. The Just Energy Group's Business

(a) Products and Services Offered by the Just Energy Group

24. The Just Energy Group primarily supplies electricity and natural gas commodities to both consumer and commercial customers. These sales are made under various arrangements, mainly under long-term fixed price contracts with some customers remaining on month-to-month variable-price after their long-term contract expired. As of December 31, 2020, the Just Energy Group had a total of 956,000 customers (859,000 consumer and 97,000 commercial customers).

25. The Just Energy Group also provides various green products. Customers can choose an appropriate JustGreen program to supplement their natural gas and electricity contracts and offset their carbon footprint. In addition, through terrapass (a Just Energy subsidiary), customers can offset their environmental impact by purchasing high quality environmental products. Terrapass supports projects throughout North America that destroy greenhouse gases, produce renewable energy, and restore freshwater ecosystems through the purchase of renewable energy credits and carbon offsets.

26. The Just Energy Group also offers water filtration systems through Filter Group Inc. ("**Filter Group**") in Canada and through its subsidiary Filter Group US Inc. in the United States.

27. The Just Energy Group's business is divided into two main segments, a consumer segment and a commercial segment.

(i) Consumer Segment

28. The consumer segment sells gas and electricity to customers with annual consumption equal to or less than 15 residential customer equivalents ("**RCEs**").[2] Consumer customers made up 36% of the Just Energy Group's RCE base and accounted for approximately 60% of sales in the quarter ended December 31, 2020. Products are marketed to consumer customers primarily through digital and retail sales channels.

29. For its retail sales channels, in the United States, the Just Energy Group enters into contracts with (i) retail establishments to obtain access to their premises to market to and sign-up new customers, and (ii) staffing companies which provide sales agents who carry out the marketing activities to attract and sign-up customers and who are paid on commission.

30. The retail sales channel is a competitive space, and the Just Energy Group's relationships with the retailers and staffing companies are critical for its ability to attract customers directly and maintain and grow its consumer business. The Just Energy Group experiences some attrition of customers on an ongoing basis (approximately 2 percent a month), and so marketing to and signing up new customers is essential for sustaining and growing the business.

31. For certain retailers, the Just Energy Group has exclusive relationships pursuant to which only the Just Energy Group is permitted to market in some or all of that retailer's stores, including certain retailers where the Just Energy Group is able to target a more lucrative clientele. The Just Energy Group has long-standing relationships with certain staffing companies, which provide sales representatives to enroll consumer customers, and train sales agents and ensure that sales agents

---

[2] A unit of measurement equivalent to a customer using 2,815 m3 (or 106 GJs or 1,000 Therms or 1,025 CCFs) of natural gas on an annual basis or 10 MWh (or 10,000 kWh) of electricity on an annual basis, which represents the approximate amount of gas and electricity used by a typical household in Ontario, Canada.

act in accordance with standards and codes of conduct set by both the staffing agencies and the retailers.

(ii) Commercial Segment

32. The commercial segment sells gas and electricity to customers with annual consumption over 15 RCEs. Commercial customers made up 64% of the Just Energy Group's RCE base and accounted for approximately 40% of sales in the quarter ended December 31, 2020. Sales to commercial customers are made through three main channels: brokers, door-to-door commercial independent contractors, and inside commercial sales representatives.

33. Brokers and independent contractors are the two most significant channels through which the Just Energy Group attracts and renews commercial customers. Independent contractors directly market the Just Energy Group to potential commercial customers whereas brokers are contacted by potential customers and then reach out to energy sellers to bid on the opportunity. Both brokers and independent contractors are paid solely on commission.

34. The Just Energy Group's relationship with brokers and independent contractors is critical for its ability to attract and renew commercial customers. As noted above, in light of ongoing customer attrition, marketing to and signing up new customers is essential for sustaining and growing the Just Energy Group's business.

35. There is significant competition for commercial customers and the Just Energy Group attracts and renews the vast majority of its commercial customers through these channels. The brokers and independent contractors have direct relationships with customers and could easily divert the customers elsewhere. Moreover, if the Just Energy Group does not pay outstanding

amounts owing to brokers, those brokers may conclude that the Just Energy Group is not financially reliable and choose to refer customers to other retailers.

(b) Just Energy Group operates in heavily regulated markets

36. The natural gas and electricity markets that the Just Energy Group operates in are highly regulated. I am advised by Richard King of Osler, Hoskin & Harcourt LLP ("**Osler**"), Canadian counsel for the Applicants, and believe that the fundamental purpose of the regulatory regime governing energy (gas and electricity) retailers can be traced back to energy sector reforms across much of North America that began in the 1980s and 1990s. Through these reforms, non-utility power generators and retailers/marketers gained access to many North American energy markets, which were previously monopolized by traditional public utilities. These regulatory regimes were reformed to facilitate and encourage companies like the Just Energy Group to enter energy markets.

37. I am further advised by Mr. King and believe that the rationale for opening the energy commodity market to competition was to provide gas and electricity to consumers at lower cost, through price competition, as well as offering greater choice for customers. As a corollary to opening the market to greater competition for gas or electricity retailers like the Just Energy Group, the regulatory regime encompasses two important public interest goals:

(a) to provide for consumer protection in the marketing of gas or electricity at the retail level; and

(b) to establish standard contractual terms and conditions governing the relationship between energy retailers and the incumbent utilities, largely to ensure that utilities

do not utilize their dominant monopoly position to impair retailers from selling and contracting with retail customers.[3]

38. In most jurisdictions where it operates, the Just Energy Group is subject to oversight from public utility commissions or independent electricity system operators responsible for ensuring the financial stability of market participants and continued supply to customers. These regulators could take various steps if they are concerned about the Just Energy Group's financial stability or ability to continue as a going concern, including requiring the Just Energy Group to post additional collateral (or provide other financial security) or taking steps to suspend or revoke the Just Energy Group's licenses.

39. In Canada, certain of the Just Energy LPs (the "**Licensed Entities**") have received gas and electricity licenses from regulators in British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario. I am advised by Mr. King and believe that the licences and registrations are granted by provincial regulatory bodies (the "**Provincial Regulators**") and are necessary to permit the Licensed Applicants to market and sell natural gas and/or electricity to consumers in the particular province.

40. In addition, I am advised by Mr. King and believe, Hudson Energy Canada Corp. (an Applicant) is registered as a market participant with the Alberta Electricity System Operator (the "**ISO Regulator**"). This registration allows the purchase and sale of electricity in the wholesale electricity market in Alberta and the import/export of electricity with neighbouring jurisdictions. Participation in the wholesale electricity market is essential to the Just Energy Group's ability to

---

[3] These licensing, code of conduct, and mandatory contractual terms are set out in legislation as well as Rules, Codes and decisions issued by the Provincial Regulators.

supply electricity to retail customers in Alberta and neighbouring jurisdictions. I am advised by Mr. King and believe that an insolvency event constitutes an event of default under the applicable Market Rules, which permit the ISO Regulator to suspend trades and participation in the market, and then terminate the market registration. In relation to the ISO Regulator, the Just Energy Group has posted all required collateral.

41. I am further advised by Mr. King and believe the Licensed Entities are under certain obligations to the Provincial Regulators, including to notify some of the Provincial Regulators of any "material change" in their businesses. It is likely that a CCAA filing would constitute such a material change. At least two Provincial Regulators have expressed concern about the Just Energy Group's ongoing viability. The queries were prompted by media reports arising from Just Energy's public disclosure about its current financial challenges. In addition, a market participant in Manitoba has requested that the Provincial Regulator authorize the utility to no longer permit the Licensed Entity to enroll new customers in Manitoba. A copy of the request is attached as **Exhibit** "**G**".

42. I am advised by Mr. King and believe that, absent the Regulatory Stay (defined below), these regulators could respond to the Applicants' CCAA filing by terminating the licenses they have granted or imposing other conditions, and that these measures may result in the Just Energy Group losing its ability to conduct business with its customers in the applicable provinces. Without the stable of customer contracts that the Licensed Entities have invested many years developing, the Applicants will instantly lose vital revenue streams. A chart including information concerning the Provincial Regulators and the actions they could potentially take against the Just Energy Group is attached as **Exhibit** "**H**".

43. As part of the proposed Initial Order, the Applicants are seeking to stay the Provincial Regulators from, among other things, terminating the licenses granted to the Licensed Entities. With the benefit of the DIP Facility, the Applicants intend to continue paying amounts owing to its contractual counterparties (primarily its ISOs and utilities) in the ordinary course, which is reflected in the Cash Flow Forecast. Despite continuing to make such payments, the Provincial Regulators may still attempt to take steps to terminate the Licensed Entities in Canada or impose other conditions. Accordingly, unless the Provincial Regulators are stayed, the Just Energy Group may not be able to continue business in the applicable provinces and present a viable restructuring plan.

44. The Just Energy Group is also subject to regulation by the Federal Energy Regulatory Commission ("**FERC**") and by regulators in the following U.S. states: Texas, Connecticut, California, Delaware, Georgia, Illinois, Maine, Maryland, Massachusetts, Michigan, Nevada, New Jersey, New York, Ohio, Pennsylvania, and Virginia.

45. I am advised by Kirkland & Ellis LLP ("**Kirland**"), U.S. counsel for the Applicants, that the Applicants' entities that have been issued gas and electricity licenses (the "**U.S. Licensed Entities**") by regulators in the United States (the "**U.S. Regulators**") are susceptible to similar concerns as those applicable to the Licensed Entities regarding the risk that such licenses can be terminated or have other conditions imposed on them, which may result in the Just Energy Group losing its ability to conduct business with its customers in the United States. With the benefit of the DIP Facility, the Applicants intend to continue making payments to the ISOs and utilities in the ordinary course, which is reflected in the Cash Flow Forecast. Despite continuing to make such payments, the U.S. Regulators may still attempt to take steps to terminate the U.S. Licensed Entities' licenses in the United States or impose other conditions. Accordingly, in conjunction with

the Chapter 15 Case (defined below), the Applicants are also seeking to stay the U.S. Regulators from, among other things, terminating the licenses granted to the U.S. Licensed Entities.

(c) Employees and Employee Benefits

46. As of March 1, 2021, the Just Energy Group employed approximately 979 full-time employees and 5 part-time employees. The geographic distribution of the Just Energy Group's employees is as follows:

Province / Territory	Number of Employees
Canada	
Ontario	324
Alberta	6
British Columbia	1
New Brunswick	1
Saskatchewan	1
Total (Canada)	333
United States	
Texas	351
Other states	30
Total (United States)	381
Other	
India	265
Total (overall)	**979**

47. In addition, as of March 1, 2021, the Just Energy Group contracts with 23 independent contractors. The Just Energy Group's employees are all non-unionized and there are no applicable collective agreements.

(i) Stock-Based Compensation Plans

48. The following sections describe certain stock-based compensation plans currently maintained by the Just Energy Group.

(A) Employee Share Purchase Plan

49. Certain employees of the Just Energy Group are eligible to participate in the Employee Share Purchase Plan ("**ESPP**") that awards Common Shares, subject to the terms and conditions of the ESPP. There are separate ESPPs for Canadian and U.S. employees:

(a) The *Canadian ESPP* is maintained for employees of Just Energy Corp. and its subsidiaries, subject to certain eligibility criteria. Eligible employees can have 2 percent of their salaries deducted for the program, which amount is matched by their employer. Employee and employer contributions are used by the administrative agent, Solium Capital Inc., to purchase Common Shares through normal market purchases. Awards of the Common Shares generally vest after two years from the date on which the employee first joins the Canadian ESPP. During the vesting period, all unvested Common Shares and all dividends from such unvested units are held in trust (the "**Canadian ESPP Trust**"). As of February 28, 2021, there are 144 current employees and 99 former employees participating in the Canadian ESPP. The share value of the Canadian ESPP Trust is approximately $156,236.

(b) The *U.S. ESPP* is maintained for employees of U.S. subsidiaries of Just Energy, subject to certain eligibility criteria. Eligible employees can have 3 percent of their salaries deducted for the program, which amount is matched by their employer. Employee and employer contributions are used by the administrative agent, Computershare Trust Company of Canada ("**Computershare**"), to acquire Common Shares. Awards of shares generally vest after six months of participation in the program. During the vesting period, all unvested shares and all dividends

from such unvested shares are held in trust (the "**U.S. ESPP Trust**"). As of February 28, 2021, there are 120 current employees and 49 former employees participating in the US ESPP and the share value of the U.S. ESPP Trust is approximately U.S. $143,421.

(B) Equity Compensation Plan

50. Just Energy's 2020 Equity Compensation Plan, which was approved as part of the Recapitalization, provides for the issuance of Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Options, and Deferred Share Units ("**DSUs**"). Currently, there are no RSUs or PSUs issued and outstanding. There is an aggregate of 190,983 DSUs issued to 7 directors and an aggregate of 650,000 options issued to 9 executives with an exercise price of $8.46 each.

(C) Retirement Savings Plans

51. Certain full-time employees are entitled to participate in (a) the group registered retirement savings plan for Canadian resident employees ("**RRSP**") maintained by Just Energy Corp., (b) the profit sharing/401(k) plan for U.S. resident employees ("**401(k)**") maintained by Just Energy (U.S.) Corp., and (c) the deferred profit sharing plan ("**DPS Plan**") maintained by Just Energy Corp.

52. The RRSP is offered by Just Energy Corp. and is available to all full-time Canadian resident employees of Just Energy Corp. Just Energy Group does not make contributions to the RRSP.

53. The 401(k) is offered by Just Energy (U.S.) Corp. and is available to employees of Just Energy (U.S.) Corp., Just Energy Marketing Corp., and Just Energy Limited, I.E.G. Just Energy (U.S.) Corp. may make discretionary contributions to the 401(k). In 2020, the Just Energy Group contributed U.S. $929,721 to the 401(k).

54. Full time employees who have materially and significantly contributed to the prosperity and profits of Just Energy Corp., as determined by the Board of Directors of Just Energy Corp., are entitled to participate in the DPS Plan. Just Energy Corp. contributes to the DPS Plan in the amount of two percent of any DPS Plan registered-employee's yearly salary, excluding overtime and bonuses. DPS Plan funds are held in trust and administered by a trustee. Upon retirement or death, the value of the DPS Plan registered-employee's account is paid out in the form of a cash refund. If the DPS Plan-registered employee is terminated prior to retirement after two years of continuous membership in the DPS Plan, he or she is entitled to receive a cash refund equal to the value of his or her account. Just Energy Corp. contributed approximately $352,532 to the DPS Plan in 2020.

(ii) Health and Welfare Benefits

55. Just Energy (U.S.) Corp. offers group medical, prescription, dental, vision and disability benefits as well as basic life insurance to its full-time employees ("**U.S. Health and Welfare Benefits**"). U.S. Health and Welfare Benefits are effective following 30 days of continuous employment. Just Energy (U.S.) Corp. made total contributions of approximately U.S. $3,102,330 in 2020 in respect of the U.S. Health and Welfare Benefits.

56. Just Energy Corp. offers group disability, prescription, dental, and health benefits as well as basic life insurance to its full-time and certain part-time employees ("**Canadian Health and Welfare Benefits**"). Canadian Health and Welfare Benefits are effective for full time salaried employees from the first day of employment. Canadian Health and Welfare Benefits are effective for full-time hourly and eligible part-time employees effective following 3 months of employment. Just Energy Corp. made total contributions of approximately $2,520,370 in respect of the Canadian Health and Welfare Benefits in 2020.

(d) Suppliers

57. The Just Energy Group transacts with various suppliers to purchase gas and electricity (the "**Commodity Suppliers**"). The Just Energy Group typically purchases gas and electricity for larger commercial customers when it executes the contract for that customer. For remaining customers, supplies are purchased based on forecasted consumption. Commodity and volume forecasts are developed using historical data and current market conditions.

58. In addition to agreements for the physical supply of gas and electricity, the Just Energy Group also enters into hedge contracts with Commodity Suppliers in order to minimize commodity and volume risk. These include derivative instruments such as physical forward contracts and options and financial swap contracts and options that are designed to fix the price of supply for estimated customer commodity demand. The Just Energy Group also purchases various weather derivatives to mitigate its exposure to variances in customer requirements that are driven by changes in expected weather conditions.

59. The Just Energy Group evaluates and manages weather-related risks by analyzing historically observed weather and commodity scarcity scenarios in its various markets. The Just Energy Group's current portfolio and forecasts are stress tested against multiple scenarios to estimate a range of revenue and supply outcomes. Scenarios are constructed using historical consumption, weather, load, and price patterns adjusted for known and expected market changes. Scenarios include events such as a polar vortex, the Texas 2011 heat wave, El-Nino winters, and other severe weather events. Based on the forecasts, the Just Energy Group will then layer in its hedging strategy under its risk management policy. In its planning for the current winter season (November 2020 – March 2021), the Just Energy Group had positioned its portfolio under all

known historical weather and commodity scarcity scenarios to not have its exposure exceed $10 million in the aggregate.

60. In addition to supply agreements, the Just Energy Group is also party to ISO services agreements (the "**ISO Services Agreements**") with certain Commodity Suppliers (in such capacity, the "**ISO Services Providers**"). The most significant is an Independent Electricity System Operator Scheduling Agreement (the "**BP Agreement**") with BP Energy Company ("**BP**") pursuant to which BP provides a variety of services as well as working capital and credit support:

(a) BP provides all services and takes all actions required for the scheduling and arranging for the delivery of all physical sales of energy by Hudson Energy Services, LLC.

(b) BP makes certain payments to ISOs monitoring the electrical power system in certain jurisdictions on behalf of the Just Energy Group. The payments to the ISOs must be made daily but BP provides the Just Energy Group on average 35 days to repay these amounts as the amounts due from the current month are due on the 20th day after month end or the first business day thereafter.

(c) BP posts collateral and provides credit support for the Just Energy Group with ISOs, which relieves the Just Energy Group of the obligation to post the collateral related to its load requirements.

61. The services provided under the BP Agreement are critical to the delivery of energy to the Just Energy Group's commercial customers. Absent this agreement, the Just Energy Group would

be obligated to provide these services itself and would be subject to shorter payment terms for amounts owing to the ISOs.

(e) Distribution Arrangements

62. The Just Energy Group transacts with various third-party local distribution companies ("**LDCs**") to distribute electricity and natural gas to both commercial and consumer customers. The Just Energy Group also receives certain customer billing and customer collection services from LDCs in various markets, as described in greater detail below. These LDC agreements are critical to the delivery of electricity and natural gas in the Just Energy Group's markets.

63. The Canadian counterparties to the LDC Agreements are incumbent public utilities in all of the Canadian provinces where the Licence-holders carry on business. They include both privately-owned entities (such as Enbridge Gas, Fortis BC, and ATCO Gas) and publicly-owned entities (such as Toronto Hydro, SaskEnergy, and Cit of Lethbridge). I am advised by Mr. King and believe that, whether these counterparties may be public or private, they are themselves regulated entities and that, in most cases, the terms of the LDC Agreements with the Licensed Entity are established and approved by the Provincial Regulators.

64. In respect of the Just Energy Group's electricity retail services, LDCs provide customer billing services in all electricity markets except Alberta and Texas. The LDCs also provide collection services, including the collection and remittance to the Just Energy Group of the commodity portion of each customer's account for a small monthly fee, except in Alberta and Texas, and with respect to some Ohio utilities. In the case of some Ohio utilities, the LDCs provide collection services only until the account is delinquent. In Alberta and Texas, the Just Energy Group conducts billing and collection directly. In Ontario, Massachusetts, Delaware, New York,

Pennsylvania, New Jersey, Illinois, Maryland, and Michigan, and in the case of some Ohio utilities, LDCs assume 100% of the risk associated with default in payment by customers.

65. In respect of the Just Energy Group's natural gas retail services, customers purchase gas supply directly from Just Energy's operating entities, which is distributed by the LDCs. With the exception of Alberta, the LDCs provide customer billing services. In all markets except Alberta, Illinois and California, the LDCs provide collection services, including the collection and remittance to the Just Energy Group of the commodity portion of each customer's account for a small monthly fee. In Illinois and California, the LDCs provide collection services only until the account is delinquent. In Ontario, British Columbia, Manitoba, Quebec, New York, Saskatchewan, Ohio, Maryland, New Jersey, New York, Pennsylvania, Indiana, and Michigan, each LDC assumes 100% of the credit (receivable) risk associated with default in payment by consumer and commercial customers. In all Canadian markets except for Alberta, the LDCs bill and collect from end-use customers (including the Just Energy Group's customers) and remit the commodity component of the bill to the Just Energy Group (less a small charge). In Alberta and Texas, the Just Energy Group bills and collects from end-use customers and pays the LDCs for providing transmission and distribution services for the customer.

(f) Surety Bonds

66. Pursuant to arrangements with several bonding companies, such bonding companies have issued surety bonds to various counterparties including states, regulatory bodies, utilities (including LDCs), and various other surety bond holders in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required to operate in certain states or markets. As at December 31, 2020, the total surety bonds issued were $46.3 million.

67. Most bonding companies can require collateral on demand at any time, whereas one is required to give 30 days' notice. If the Just Energy Group does not discharge the liability or post the required collateral, the bonding companies have the right to cancel the underlying bond within as early as 10 days. Just Energy and various other members of the Just Energy Group have entered into indemnity agreements with the bonding companies with respect to such surety bonds. The bonding companies have already demanded that the Just Energy Group post approximately $34 million in additional collateral.

68. The cancellation of certain bonds may trigger the suspension or cancellation of licenses necessary to operate, and the suspension or cancellation of all services including commodity delivery services provided by LDCs to consumers that would force the transfer of Just Energy's customers back to the utilities or regulated energy providers by the various utility commissions. This would affect the Just Energy Group's business in many significant markets making up a vast majority of its customer base, including Texas, Alberta, Saskatchewan, Illinois, Pennsylvania, Ohio, Michigan, New York, California, New Jersey, and British Columbia.

(g) Banking and Cash Management System

69. Just Energy maintains a centralized cash management system to consolidate and track funds generated by the operations of Just Energy and its subsidiaries.

70. Just Energy and certain subsidiaries have accounts at each of Canadian Imperial Bank of Commerce ("**CIBC**"), JPMorgan Chase and its affiliates ("**JPMorgan**"), Royal Bank of Canada ("**RBC**"), TD Canada Trust ("**TD**"), FirstCaribbean International Bank ("**CIBC First Caribbean**"), Allied Irish Banks ("**AIB**"), and Erste Bank Hungary Zrt. ("**Erste Bank**").

71. Just Energy and a number of other Just Energy Group companies[4] (collectively, the "**Bank Account Holders**") maintain accounts at one or more of the above banks. Collectively, the Bank Account Holders maintain 36 accounts at CIBC, 60 accounts at JPMorgan, 3 accounts at TD, 2 accounts at AIB, and 1 account at each of RBC, CIBC First Caribbean and Erste Bank (the "**Bank Accounts**"). The Bank Accounts are either CAD, USD, EUR, GBP, or INR denominated. While most Bank Accounts are domiciled within Canada or the United States, a small number are domiciled outside of North America in Ireland, the United Kingdom, and Germany. These accounts in Ireland and Germany pertain to non-core businesses that the Just Energy Group is in the process of divesting or winding down.

72. For accounts held by Canadian Bank Account Holders, the Just Energy Group is in the process of decentralizing its cash management system with CIBC. Upon completion, it is expected that all account activity for outgoing wire or electronic funds transfer ("**EFT**") direct deposits will need to be fully funded in advance. Pre-authorized debits from customer accounts will be subject to a daily limit.

73. For accounts held by U.S. Bank Account Holders, Just Energy has in place a cash pooling mechanism and zero-balance account service among most of the JPMorgan accounts that

---

[4] 11929747 Canada Inc., Filter Group Inc., Filter Group USA Inc., Fulcrum Retail Energy LLC, Fulcrum Retail Holdings LLC, Just Energy Corp., Just Energy Group Inc., Just Management Corp.;; Just Energy Finance Holding Inc.; Just Energy Foundation Canada; Just Energy Trading L.P.; Ontario Energy Commodities Inc.; Just Energy Advanced Solutions Corp.; Just Energy Advanced Solutions LLC; Just Energy Prairies L.P.; Just Energy (Québec) L.P.; Just Energy (B.C.) Limited Partnership; Just Green L.P.; Just Energy Ontario L.P.; Just Energy Manitoba L.P.; JE Services Holdco I Inc.; Just Energy Alberta L.P.; JE Services Holdco II Inc.; Just Energy Finance Canada ULC; Momentis Canada Corp.; Universal Energy Corporation; Hudson Energy Canada Corp;; 8704104 Canada Inc; Tara Energy LLC; Just Energy Foundation USA, Inc.; Just Energy (U.S.) Corp.; Just Energy Marketing Corp.; Just Energy Illinois Corp.; Just Energy New York Corp.; Just Energy Indiana Corp.; Just Energy Texas I Corp.; Just Energy Michigan Corp.; Just Energy Massachusetts Corp.; Just Energy Solutions Inc.; Just Energy Pennsylvania Corp.; Just Solar Holdings Corp.; Interactive Energy Group LLC; Just Energy Services Limited; Just Energy (U.K.) Limited; Just Energy (Ireland) Limited; Just Energy Germany GmbH; Just Energy Deutschland GmbH; Just Energy (Finance) Hungary Zrt; and JEBPO Services LLP.

automatically conducts transfers to ensure a zero-balance is achieved in U.S. accounts on a daily basis. Just Energy has a master account (the "**Master Account**") used to sweep and replenish the zero balanced accounts. Upon business close on a daily basis, positive cash balances from zero-balanced accounts are automatically swept into the Master Account on a daily basis. Negative cash balances are likewise replenished daily from the Master Account.

74. The Just Energy Group maintains ISDA Master Agreements with HSBC Bank Canada ("**HSBC**"), National Bank of Canada, ATB Financial and the Bank of Nova Scotia, specifically to transact foreign exchange hedge transactions ("**FX hedges**"). As of March 1, 2021, the Just Energy Group held approximately U.S. $105 million in FX hedges.

D. The Financial Position of the Just Energy Group

75. A copy of Just Energy's consolidated audited financial statements for the fiscal year ended March 31, 2020 are attached as **Exhibit** "**I**" and a copy of Just Energy unaudited financial statements for the quarter ended December 31, 2020 are attached as **Exhibit** "**J**". These are Just Energy's most recent publicly disclosed annual and quarterly financial statements respectively and have been prepared on a consolidated basis for the Just Energy Group. Certain information contained in Just Energy's latest quarterly financials is summarized below.

76. The latest quarterly financial statements include a going concern note explaining that, following the recent extreme cold weather event in Texas, the Just Energy Group's ability to continue as a going concern for the next 12 months is dependent on the company meeting the potential liquidity challenges and potential non-compliance with debt covenants from this event. The note further explained that there can be no assurance that Just Energy will be able to address these challenges with its stakeholders or otherwise, and any inability or failure of the company to

appropriately address such challenges could materially and adversely impact the business, operations, financial condition and operating results of the Just Energy Group and that these material uncertainties may cast significant doubt upon Just Energy's ability to continue as a going concern.

(a) Assets

77. As at December 31, 2020, the total assets of the Just Energy Group had a book value of approximately $1,069,042,000 and consisted of the following (which figures are in thousands of dollars):

Current assets: $606,947	
Cash and cash equivalent	$66,635
Restricted cash	$207
Trade and other receivables, net	$344,080
Gas in storage	$16,185
Fair value of derivative financial assets	$29,196
Income taxes recoverable	$4,928
Other current assets	$143,145
Assets classified as held for sale	$2,571
Non-current assets: $462,095	
Investments	$32,889
Property and equipment, net	$20,638
Intangible assets, net	$86,618
Goodwill	$264,651
Fair value of derivative financial assets	$20,071

Deferred income tax assets	$3,414
Other non-current assets	$33,814
Total Assets	**$1,069,042**

(b) Liabilities

78. As at December 31, 2020, the total liabilities of the Just Energy Group had a book value of approximately $1,284,885,000 and consisted of the following (which figures are in thousands of dollars):

Current liabilities: $607,464	
Trade and other payables	$472,763
Deferred revenue	$8,909
Income taxes payable	$3,434
Fair value of derivative financial liabilities	$110,166
Provisions	$5,945
Current portion of long-term debt	$3,535
Liabilities associated with assets classified as held for sale	$2,712
Non-current liabilities: $677,421	
Long-term debt	$515,233
Fair value of derivative financial liabilities	$136,329
Deferred income tax liabilities	$2,715
Other non-current liabilities	$23,144
Total liabilities	$1,284,885

(c) Stockholder's Deficit

79. As at December 31, 2020, the shareholders deficit in the Just Energy Group was $215,843,000 and consisted of the following (which figures are in thousands of dollars):

Shareholders' capital	$1,537,863
Contributed deficit	$(12,469)
Accumulated deficit	$(1,829,210)
Accumulated other comprehensive income	$88,388
Non-controlling interest	$(415)
Total shareholders' deficit	**$(215,843)**

(d) Capital Structure

80. The Just Energy Group's capital structure includes trade debt, the Credit Facility, the Term Loan, the Subordinated Notes, and Common Shares, each of which is defined and described below. Below is a table setting out the priority of payment of the significant debt owed by the Just Energy Group:

Tier	Items	Date	Approximate Amount
Tier 1	Secured Suppliers AP	March 31, 2021[5]	$244 million
Tier 2	Credit Facility Lenders	March 5, 2021	$331.82 million
	Suppliers MTM (Liability Only)	March 1, 2021	$146.17 million

[5] This amount is an estimate based on a forecast of Secured Supplier AP estimated at March 31, 2021. An estimate has been included to give an indication of the expected quantum of this category following the impact of the Texas weather event. As of January 31, 2021, the Just Energy Group owed its Secured Suppliers approximately $198.96 million.

	ISO Service Obligations (Subject to Cap)	March 5, 2021	$94.5 million
Tier 3	ISO Service Obligations (In Excess of Cap)	March 5, 2021	$177.66 million
Tier 4	Term Loan	December 31, 2020	$273.48 million
Tier 5	Subordinated Notes	December 31, 2020	$13.2 million

81. Attached as **Exhibit** "**K**" is a letter dated March 4, 2021 that Just Energy received from BP in the context of ongoing discussions regarding the effect of the Texas weather event on Just Energy. The letter advises that BP disagrees with the characterization of amounts due from Just Energy as Tier 2 and Tier 3 obligations and that such amounts are Tier 1 obligations. On March 5, 2021, Just Energy responded to the BP letter stating that Just Energy was happy to look into the matter but believed it is largely an intercreditor issue that will be resolved over time. The Applicants do not intend to take a position on this intercreditor issue as part of this proceeding or otherwise. Attached as **Exhibit** "**L**" is a copy of Just Energy's responding letter.

82. As at March 5, 2021, the Just Energy Group had cash and cash equivalents of $81.6 million and available borrowing capacity of $2.9 million under the Credit Facility.

(i) Trade Debt

83. The Just Energy Group's financial obligations to its primary Commodity Suppliers in North America, which include Shell, BP, Exelon Generation Company LLC, Bruce Power L.P., EDF Trading North America, LLC, Nextera Energy Marketing, LLC, Macquarie and Morgan Stanley Capital Group Inc. (collectively, the "**Secured Suppliers**"), are secured by security granted by Just Energy and other members of the Just Energy Group pursuant to general security

agreements, pledges of securities, and other security documents. As of January 31, 2021, the Just Energy Group owed its Secured Suppliers approximately $198.96 million. The Just Energy Group currently estimates this amount will increase to approximately $244 million as at March 31, 2021.

84. The Just Energy Group has also posted letters of credit to secure its obligations to certain Commodity Suppliers other than the Secured Suppliers.

85. In addition, Filter Group is the borrower under an outstanding loan from Home Trust Company to finance the cost of rental equipment over a period of three to five years (the "**Filter Group Loan**"). Payments on the loan are made monthly as Filter Group receives payment from the customer and continue up to the end date of the customer contract term on the factored receivable. As of December 31, 2020, there was approximately $5.5 million outstanding under the Filter Group Loan.

(ii) Non-Trade Debt

86. The following table summarizes the Just Energy Group's significant non-trade debt, which is described in greater detail below. The debts are listed by priority of payment in the table below.

	Type	**Borrower(s)**	**Maturity Date**	**Approximate Outstanding Amount as of December 31, 2020**
Credit Facility	Revolving credit facilities on borrowing base	Just Energy Ontario L.P. and Just Energy (U.S.) Corp.	December 31, 2023	$232.62 million in principal[6] $77.8 million in letters of credit[7]

[6] $227.86 million as at March 5, 2021.

[7] $103.96 million as at March 5, 2021.

Term Loan	Non-revolving, senior unsecured term loan facility	Just Energy Group Inc.	March 31, 2024	$273.48 million
Subordinated Notes	Unsecured subordinated notes	Just Energy Group Inc.	September 27, 2026	$13.2 million

(A) Credit Facility

87. Just Energy Ontario L.P. and Just Energy (U.S.) Corp. (collectively, the "**Credit Facility Borrowers**") are borrowers under a ninth amended and restated credit agreement (as amended from time to time, the "**Credit Agreement**") made as of September 28, 2020 with a syndicate of lenders that includes CIBC, National Bank of Canada, HSBC, JPMorgan, Alberta Treasury Branches, Canadian Western Bank, and Morgan Stanley Senior Funding, Inc., a subsidiary of Morgan Stanley Bank N.A. (the "**Credit Facility Lenders**"). A copy of the Credit Agreement is attached as **Exhibit** "**M**".

88. Under the Credit Agreement, the Credit Facility Lenders agreed to extend a credit facility of $335 million, with scheduled mandatory commitment reductions during the term of the Credit Agreement (the "**Credit Facility**").

89. As at March 5, 2021, there was approximately $227.86 million in principal outstanding under the Credit Agreement, plus outstanding letters of credit amounting to $103.96 million. The letters of credit are issued to various counterparties. primarily utilities and suppliers. Interest is payable on outstanding loans at rates that vary with bankers' acceptance rates, London Interbank Offered Rate, Canadian bank prime rate or U.S. prime rate. Interest rates are adjusted quarterly based on certain financial performance indicators.

90. The Just Energy Group has made several draws on the Credit Facility in the past few months, including following the Texas weather event. As a result of these, available borrowing capacity under the Credit Facility has decreased from $24.6 million as of December 31, 2020, to $2.9 million as of March 5, 2021.

91. The Credit Facility Borrowers' obligations are guaranteed by guarantees from certain subsidiaries and affiliates and secured by general security agreements from the Credit Facility Borrowers and such subsidiaries and affiliates, pledges of the securities of the Credit Facility Borrowers and such subsidiaries and affiliates, and other security documentation. The Applicants are all borrowers under the Credit Facility or have delivered a guarantee and a general security agreement in respect of the Credit Facility.

(B) Term Loan

92. As part of the Recapitalization, Just Energy issued a U.S. $205.9 million principal note (the "**Term Loan Agreement**") maturing on March 31, 2024 to Sagard Credit Partners, LP and certain funds managed by a leading U.S.-based global fixed income asset manager (the "**Term Loan Lenders**"). Attached as **Exhibit** "**N**" is a copy of the original Term Loan Agreement.

93. As at December 31, 2020, approximately $273.48 million was outstanding on the Term Loan.

94. The Term Loan bears interest at 10.25% per annum, and payments are be capitalized into the note. The interest is capitalized on a semi-annual basis on September 30 and March 31. Upon achieving certain financial measures, Just Energy will pay either 50% or 100% of the interest in cash at a 9.75% rate on a semi-annual basis. The Term Loan matures on March 31, 2024.

(C) Subordinated Notes

95. As part of the Recapitalization, Just Energy issued $15 million principal of subordinated notes ("**Subordinated Notes**") to holders of certain subordinated convertible debentures that were extinguished as part of the Recapitalization. Attached as **Exhibit** "**O**" is a copy of the indenture for the Subordinated Notes. The Subordinated Notes bear an annual interest rate of 7% payable in-kind semi-annually on March 15 and September 15. A $2 million fee related to the issuance of the notes was capitalized at inception to be amortized over the term of the notes. The Subordinated Notes had a principal amount of $15 million as at September 28, 2020, which was reduced to $13.2 million through a tender offer for no consideration on October 19, 2020.

(iii) Intercreditor Arrangements

96. The Secured Suppliers, the Credit Facility Borrowers (defined below), certain subsidiaries and affiliates of the Credit Facility Borrowers (including Just Energy), and the agent for the lenders under the Credit Agreement (defined below) are also party to an intercreditor agreement (the "**Intercreditor Agreement**") setting out the relative priority of the parties' security interests. A copy of the Intercreditor Agreement is attached as **Exhibits** "**P**". The security is granted in favour of a collateral agent under the Intercreditor Agreement for the benefit of the Credit Facility Lenders and the Secured Suppliers. Pursuant to the Intercreditor Agreement, the Secured Suppliers rank *pari passu* with the Credit Facility Lenders, subject to a waterfall set out in the agreement which provides that: (i) accounts payable owing to the Secured Suppliers rank first; (ii) the "mark to market" liability that would be owed to the Secured Suppliers rank second and *pari passu* with the amounts owed to the Credit Facility Lenders and amounts owing to the providers under the ISO Services Agreements up to a cap of $94.5 million; and (iii) amounts owing to the providers under the ISO Services Agreement above the cap rank third.

(iv) Equity

97. Just Energy's authorized share capital consists of an unlimited number of Common Shares and 50,000,000 preference shares (the "**Preferred Shares**"). As at March 1, 2021, there were 48,078,637 Common Shares and no Preferred Shares issued and outstanding. The Common Shares are listed on the TSX and the NYSE.

E. Background to CCAA Proceedings

(a) Just Energy's efforts to improve financial performance

98. Over the past few years, the Just Energy Group has taken various steps to address significant financial challenges (including high leverage levels and an unsustainable capital structure) and liquidity risks faced by the business. Attached as **Exhibits** "**Q**" and "**R**" are the Interim Order and Final Order affidavits sworn by Jim Brown (my predecessor as Just Energy's CFO and currently Just Energy's Chief Commercial Officer) for the Arrangement proceeding that describes the measures taken by the Just Energy Group in detail.

99. In May 2020, after a year-long review of strategic alternatives (the "**Strategic Review**"), Just Energy concluded that the Recapitalization was the only viable option short of an insolvency proceeding that provided a long-term solution to its financial challenges. Following extensive negotiations, Just Energy entered into support agreements with its Credit Facility and Term Loan lenders and launched the Arrangement proceedings under s. 192 of the CBCA in July 2020. The Arrangement was approved by a Final Order of the Court granted on September 2, 2020 and the Recapitalization closed on September 28, 2020. The Recapitalization was the culmination of a comprehensive plan to strengthen and de-leverage its business and it positioned the Just Energy Group for sustainable growth as an independent industry leader. After the Recapitalization closed,

the Just Energy Group hit its financial targets and accordingly the Board approved a distribution of the Q3 bonus, which were tied to meeting those targets.

(b) Texas regulatory environment

100. As noted above, this filing is the result of recent events in Texas. For context, I explain the regulatory environment in Texas below before describing the Texas weather event.

101. Fulcrum Retail Energy, LLC, Just Energy Texas L.P., Tara Energy, LLC, and Hudson Energy Services, LLC (the "**Just Energy Texas Entities**") have electricity licenses in Texas. The Just Energy Texas Entities are subject to oversight from ERCOT and PUCT.

102. ERCOT is the ISO that is solely responsible for managing the Texas Interconnection, which covers 213 of the 254 Texas counties. ERCOT is subject to regulation by PUCT, a state agency that regulates the state's electric, water and telecommunication utilities, implements respective legislation, and offers customer assistance in resolving consumer complaints. Among other things, PUCT enforces compliance with Texas utility laws and regulates electric utility rates. Thus, PUCT is ultimately responsible for ERCOT's operations and overall electricity regulation in Texas.

103. Generally, ISOs within the Eastern and Western Interconnections (the two main grids in the United States outside Texas) are subject to regulation by the FERC and various regional reliability agencies. The ERCOT grid, by contrast, is its own standalone interconnection, and it has limited ability to import electricity into or export it out of the grid. Texas is the only one of the contiguous 48 states with its own standalone electricity grid. However, the delivery of electricity in the ERCOT market operates similarly to other electricity markets in the United States. Market participants buy and sell electricity using both the Real-Time Market (*i.e.*, electricity for current

transmission/distribution and use by consumers) and the Day-Ahead Market, both of which are facilitated by ERCOT in its role as the ISO, and through bilateral contracts that indirectly facilitate the majority of wholesale electricity sales in the ERCOT market.

104. These markets allow ERCOT, in conjunction with the qualified scheduling entities ("**QSEs**") that transact directly in the day-ahead and spot markets (facilitated by the bilateral contracts entered into between electricity generators/wholesalers, retailers, and the qualified scheduling entities) to ensure that electricity is reliably delivered to all market participants.

105. As such, in addition to managing the overall operation of the electrical grid, ERCOT effectively serves as a clearinghouse for the purchase and sale of electricity between electric generation and load-serving entities. ERCOT also performs financial settlements for the competitive wholesale electricity market and enforces certain credit requirements, including collateral-posting requirements, to ensure market participants' creditworthiness for ERCOT-facilitated transactions.

106. The Just Energy Group is required to post collateral or other form of financial comfort with ERCOT in an amount determined pursuant to ERCOT's protocols. If the Just Energy Group is unable to provide such financial comfort or pay its invoices when due, ERCOT can suspend the Just Energy Group's market participation in as little as 2 days and transfer the Just Energy Group's customers to a POLR on 5 days' notice. Such actions would be devastating to the Just Energy Group's business.

(c) Unprecedented winter storm and regulatory response in Texas

107. Just Energy Group is facing new liquidity pressures and challenges because of the extreme cold weather recently experienced throughout Texas, which is the Just Energy Group's single

largest market and one of the largest electricity markets in the United States. Attached as **Exhibits** "**S**","**T**","**U**", "**V**" and "**W**" are press releases issued by the Just Energy Group between February 16 and March 3, 2021, describing the Texas weather event and its impact on the Just Energy Group.

108. Beginning on February 13, 2021, Texas experienced an unprecedented and catastrophic energy crisis when a powerful winter storm moved over and blanketed the entire state, resulting in temperatures well below 20°F in a state where many homes and businesses rely on electricity for heating. Price shocks in Texas were felt as early as February 12 when natural gas prices jumped from U.S. $3 to over U.S. $150/MMBtu in anticipation of gas supply shortages.

109. Customer demand for electricity grew on February 13 and 14, pushing Texas's power grid to a new winter peak demand record, topping 69,000 megawatts between 6:00 p.m. and 7:00 p.m. This was more than 3,200 megawatts higher than the previous winter peak set in January 2018.

110. As noted above, the Just Energy Group hedges weather risk based on historical scenarios. For February 2021, the Just Energy Group had weather hedge contracts in place to cover an incremental 50% increase in customer usage above normal February consumption. However, due to the extreme cold weather, customer usage increased significantly above the weather hedges for a sustained period. For example, the Just Energy Group's load in Texas was up over 200% on February 14 from the same day a week earlier.

111. In the early hours of February 15, ERCOT declared an Energy Emergency Alert Level 1, urging consumers to conserve power. Within an hour, ERCOT elevated to an Energy Emergency Alert Level 2, and only 13 minutes later, at 1:25 a.m., ERCOT elevated to an Energy Emergency Alert Level 3. With the grid stressed to within minutes of a catastrophic failure, ERCOT ordered transmission operators to implement deep cuts in load in the form of rotating outages to reduce the

strain and avoid a complete collapse of the grid. While demand soared, supply plummeted as power plants tripped offline and demand threatened to exceed supply. Natural gas prices spiked in response to falling supply as lines froze up. As a result, the cost to produce electricity from gas-fueled power plants increased dramatically.

112. The financial impact of the Texas winter event was exacerbated by the actions of Texas regulators. PUCT adopted an order instructing ERCOT to set the real time price at the high offer cap of U.S. $9,000 per MWh during an emergency meeting on February 15, 2021. PUCT's actions and rationale are described by the Wall Street Journal article, *Amid Blackouts, Texas Scrapped Its Power Market and Raised Prices. It Didn't Work*, a copy of which is attached as **Exhibit** "**X**". PUCT has stated that it made this order because the computer that was supposed to help match supply and demand on the power grid was not working properly and PUCT believed it needed to intervene to relieve a growing crisis. However, the higher prices did not result in additional power production because many electricity generators were dealing with frozen equipment or fuel shortages and were unable to deliver more power. As a result, buyers were forced to pay significantly higher prices for the same limited supply of electricity as before.

113. While ERCOT rescinded all load shed instructions by 1:05 a.m. on February 18, it failed to return the real time prices to their normal levels as required by PUCT's order and ERCOT Nodal Protocols. Instead, the price for wholesale electricity remained at U.S. $9,000/MWh for more than four straight days until 9:00 a.m. on February 19, 2021 (*i.e.*, for over 100 consecutive hours). In contrast, the real time electricity prices did not hit U.S. $9,000 for even one 15-minute interval for all of 2020.

114. In addition to artificially high electricity costs in ERCOT during the Texas weather event, the Just Energy Group was also exposed to significantly increased ancillary service costs, which are charges associated with maintaining the reliability of the grid that are uplifted to all market participants daily based on that day's load ratio share. The Just Energy Group believes that its invoices include Ancillary Services charges that were either erroneously calculated or are an unreasonable application of ERCOT's protocols.

115. For example, typically the Just Energy Group's invoices include a charge for Reliability Deployment Ancillary Service Imbalance Revenue Neutrality that ranges from U.S. $0 to U.S. $23,500 per day. Between June 2015 and February 16, 2021, the Just Energy Group paid approximately $504,000 in respect of this charge. In contrast, for the three settlement dates of February 17, 18 and 19, 2021, the aggregate charge is over U.S. $53 million. This is approximately **106 times higher than the last 5 years of charges combined**. The Just Energy Group has not been able to discern any reasonable basis for the exponential increase in this charge and ERCOT has provided no data in support of this determination.

116. The Just Energy Group had hedge contracts in place to cover its normal load level ancillary costs which are based on its normal load share of electricity in ERCOT. However, the significantly higher Ancillary Service prices resulted in significant additional costs of more than U.S. $105 million that cannot be covered by the Just Energy Group's hedge contracts.

(d) Efforts to seek relief from Texas regulators refused

117. Other energy retailers operating in the Texas market have also suffered significant losses and incurred significant costs because of the Texas weather event and ERCOT's response. The Texas weather event caused the ERCOT wholesale market to incur charges of approximately

U.S. $55 billion over a seven-day period, an amount equal to what it ordinarily incurs over four years. In recognition of this fact, on February 21, 2021, PUCT issued an "Order Directing ERCOT to Take Action and Granting Exception to ERCOT Protocols" (the "**February 21 Order**"), a copy of which is attached as **Exhibit** "**Y**", which explained that "In an attempt to protect the overall integrity of the financial electric market in the ERCOT region, the Commission concludes it is necessary to authorize ERCOT to use its sole discretion in taking actions under the ERCOT Nodal Protocols to resolve financial obligations between a market participant and ERCOT."

118. In response, ERCOT issued a notice on February 22, 2021 stating that it was "temporarily deviating from Protocol deadlines and timing related to settlements, collateral obligations, and Invoice payments while prices are under review. Invoices or settlements will not be executed until issues are finalized by State leaders considering solutions to the financial challenges caused by the winter event, which is anticipated to occur this week." However, just one day later, ERCOT changed course without explanation and issued a second notice saying that "ERCOT has ended its temporary deviation from protocol deadlines and timing related to settlements, collateral obligations, and invoice payments. Invoices and settlement will be executed in accordance with Protocol language." Copies of the February 22 and 23 notices from ERCOT are attached as **Exhibits** "**Z**" and "**AA**".

119. On March 1, 2021, representatives of the Just Energy Group had a teleconference with ERCOT personnel to discuss these charges during which participating ERCOT personnel were unable to explain the dramatic departure from historical charges other than stating that it was protocol driven. The Just Energy Group has officially disputed invoices from ERCOT and taken the position that ERCOT should remove the administrative price adders that set prices to U.S. $9,000/MWh from 1:05 a.m. on February 18, 2021 forward and to challenge the additional and

unprecedented ancillary costs. Copies of the written submissions sent to ERCOT are attached as **Exhibit** "**BB**".

120. In addition, on March 3, 2021, the Just Energy Group filed with PUCT a petition for emergency relief seeking an order (i) that ERCOT deviate from the deadlines and timing in its Protocols and Market Guides related to settlements, collateral obligations, and invoice payments and suspend the execution or issuance of invoices or settlements for intervals during the dates of February 14, 2021 through February 19, 2021 until issues related to the catastrophic Texas weather event of February 2021 raised by Texas authorities from the executive and legislative branches (collectively, "**State Authorities**") are investigated, addressed, and resolved, or alternatively (ii) waiving Section 9.6(2) of the ERCOT Protocols to allow the Just Energy Group to delay payment of certain ERCOT Settlement Invoices while it fully exercises its rights under the ERCOT Protocols to dispute the invoiced payment amounts. A copy of the petition is attached as **Exhibit** "**CC**". PUCT has not granted the relief requested by the Just Energy Group.

121. As such, the Just Energy Group had no choice but to pay its invoices from ERCOT. As noted above, under ERCOT's protocols, the Just Energy Group must pay any invoices within two days, even if it is disputing them. Otherwise, ERCOT can suspend the Just Energy Group's market participation in as little as 2 days and transfer the Just Energy Group's customers to a POLR.

122. The Texas weather event and the response from ERCOT and PUCT has been devastating for other participants in the Texas electricity market as well. As noted above, Brazos Electric Power Cooperative filed for creditor protection under Chapter 11 of the U.S. Bankruptcy Code on March 1, 2021 and ERCOT has barred two electricity sellers (Entrust Energy Inc. and Griddy Energy LLC) from Texas's power market for failing to make payments and has already transferred

their customers to a POLR. Several energy retailers have also filed petitions for emergency relief with PUCT that, like the Just Energy Group's petition, are seeking relief from section 9.62 of the ERCOT Protocols, including Brilliant Energy, LLC, Liberty Power, and Spark Energy, Inc.

(e) Payment and collateral demands from other creditors

123. The Just Energy Group's liquidity challenges have been further exacerbated because certain business partners and regulators following the Texas weather event have issued demands or taken actions in response to concerns about the Just Energy Group's liquidity and significant amounts owing to trade creditors that are coming due:

(a) The Just Energy Group has received demands from certain of its bonding companies for more than $30 million in additional collateral. Over $20 million of additional collateral has already been provided and the rest is expected to be provided by March 17, 2021. The bonding companies had either threatened to start the process of cancelling bonds issued by them if the Just Energy Group did not post additional collateral or had already started the process of cancelling bonds they issued and agreed to issue rescission notices upon receipt of the additional collateral. The cancellation of the bonds may have resulted in the revocation of licenses necessary for the Just Energy Group to carry on business in certain jurisdictions.

(b) On February 24, 2021, the Just Energy Group received a letter from a transmission and distribution service provider stating that the Just Energy Group was delinquent on invoices totaling U.S. $141,745 that had an original due date of February 23, 2021 (*i.e.*, one day earlier), that the Just Energy Group would be in default if the

delinquent balance is not received within ten days, and that the supplier would exercise its remedies in the event of default. The Just Energy Group paid all outstanding amounts due to the transmission and distribution service providers on March 1, 2021, as an event of default for non-payment may result in ERCOT transferring customers to a POLR.

(c) On March 22, 2021, approximately $270 million owing to counterparties under the ISO Services Agreements. This amount has increased significantly from what the Just Energy Group would normally expect, which increase is a direct result of the Texas weather event. In addition, more than $75 million in payables owing to Commodity Suppliers will also come due around March 22, 2021.

F. Urgent Need for Relief under the CCAA

124. Following the Texas weather event, the steps taken by the Texas regulators in response and the additional demands from creditors, the Just Energy Group is facing significant liquidity challenges which threaten its ability to continue as a going concern. Both ERCOT and PUCT have ignored the Just Energy Group's requests to delay payment of invoices it is challenging

125. On March 5, 2021, the Just Energy Group received three invoice for approximately U.S. $123.21 million from ERCOT, of which approximately U.S. $96.24 million is required to be paid by the end of day on March 9, 2021.[8] The Just Energy Group cannot pay this amount without access to the DIP Facility (defined below). However, if the Just Energy Group does not pay amounts owing to ERCOT, ERCOT can assign some or all of its customers in Texas to a POLR.

[8] The remaining amount is paid by BP in the first instance under the BP Agreement. The amount owing to BP from the Just Energy Group is part of the amounts owing to ISO counterparties coming due on March 22, 2021.

126. In addition to the March 5 ERCOT invoices, on March 8, 2021, the Just Energy Group received from ERCOT (i) a notice that it must post approximately U.S. $25.7 million of additional collateral within two business days; and (ii) three invoices for approximately U.S. $ 25.46 million, of which approximately U.S. $18.86 million is due by March 10, 2021.[9] In addition, as noted above, the Just Energy Group has significant amounts coming due in the near future.

127. As such, the Just Energy Group has significant liabilities coming due in the near future that it cannot currently pay. Just Energy is therefore insolvent as it cannot meet its liabilities as they come due. In these circumstances, the Applicants require urgent relief under the CCAA to ensure that they can continue as a going concern, service their significant customer base, maintain employment for approximately 1,000 employees, and preserve enterprise value.

128. The Applicants, with the assistance of the proposed Monitor, have sized the DIP to address the Just Energy Group's urgent liquidity needs over the first ten days of this proceeding. The Applicants estimate that they will a beginning cash balance of $77.4 million on March 9, 2021 and the Applicants are seeking authority to draw $126 million on the DIP Facility on March 9. Between March 9 and 19, the cashflows reflect that the Applicants will need to pay the following amounts:

(a) Energy and delivery costs: $224.6 million.

(b) Taxes: $5.4 million.

(c) Commissions: $6.3 million.

---

[9] The remaining amount is paid by BP in the first instance under the BP Agreement. The amount owing to BP from the Just Energy Group is part of the amounts owing to ISO counterparties coming due on March 22, 2021.

(d) Selling and other costs: $6.6 million.

(e) Interest expenses and fees: $3.2 million

(f) Professional fees: $1.4 million.

129. The Cash Flow Forecasts state that (as a result of the receipts and outflows set out there) the Applicants cash balance is expected to be as low as $33 million at certain points in the first 10 days of this proceeding. In addition to the specific amounts set out above, the Just Energy Group expects that it may receive other demands or invoices that will have to be paid in the first 10 days of this proceeding. The Just Energy Group expects that it may receive one or more additional invoices from ERCOT, and, in light of the continuing uncertainty created by the Texas weather event, it is not possible to reliably predict the amount of those invoices. In addition, as discussed above, the Just Energy Group operates in heavily regulated markets and may receive additional demands to post collateral or other financial security on short notice after its CCAA filing as a condition of permitting the Just Energy Group to continue doing business. As a result, in order to ensure that it can continue going concern operations in the first 10 days of this proceeding, the Just Energy Group needs authorization to access the full DIP Facility to ensure that it has sufficient liquidity to pay both the specific amounts set out above and other demands that may arise.

G. Initial Relief Sought

(a) Stay of Proceedings

130. The Applicants are insolvent and urgently require a stay of proceedings and other protections provided by the CCAA in order to preserve the status quo and secure breathing space to prevent precipitous regulatory and counterparty action which threatens its business. The proposed Initial Order provides a stay of proceedings until March 19, 2021 (the "**Stay Period**").

131. The proposed Initial Order includes a prohibition on any present or future bank providing the Cash Management System (as defined in the Initial Order) from exercising any sweep remedy under any applicable documentation and exercising or claiming any right of set-off against any account included in the Cash Management System (except for the cash pooling and zero-balancing account services provided with respect to the JPMorgan accounts). As noted above, the Canadian Bank Account Holders have recently agreed to decentralize the Just Energy Group's cash management system with CIBC. Therefore, this relief is needed to ensure that any amounts borrowed under the DIP Facility and any receipts received during the Stay Period are used to facilitate the Just Energy Group's restructuring objectives and to maintain its going concern operations. Any risk of prejudice to banks providing the Cash Management System is mitigated by the fact that the Canadian Bank Account Holders have agreed that all account activity for outgoing wire or EFT direct deposits will need to be fully funded in advance.

132. As noted above, the Applicants seek to have a stay of proceedings and other provisions of an Initial Order under the CCAA extended to the Just Energy LPs (with the Applicants, the "**Just Energy Entities**"). The business and operations of the Applicants are heavily intertwined with that of the Just Energy LPs. In particular, the Just Energy LPs hold most of the gas and electricity licenses granted by Canadian regulators pursuant to which the Just Energy Group conducts business in Canada.

133. Moreover, the proposed Initial Order provides that, pursuant to section 11.1(3) of the CCAA, all rights and remedies of Provincial Regulators are stayed during the Stay Period except with the written consent of the Just Energy Entities and the Monitor or leave of the Court.

134. The Applicants believe that it is necessary to extend the Stay to prevent Provincial Regulators and U.S. Regulators from taking steps against any Licensed Entities and U.S. Licensed Entities that could undermine their ability to restructure their business, and to provide a meaningful opportunity for licenceholders to engage with the regulators with respect to a path forward. In order to give effect to the Stay as against parties in the United States, the Applicants intend to commence a proceeding to recognize this Canadian proceeding under Chapter 15 of the US Bankruptcy Code. As discussed above, with the benefit of the DIP Facility, the Applicants intend to continue making payments to the contractual counterparts in the ordinary course, which is reflected in the Cash Flow Forecast. Despite this, if the Stay is not granted, it is possible that the Provincial Regulators or U.S. Regulators may still take steps that would cause the Just Energy Group to lose its ability to conduct business with its customers and frustrate the Just Energy Group's restructuring efforts to the detriment of the Just Energy Group and its key stakeholders.

(b) DIP Financing

135. Because of its current liquidity challenges, and as demonstrated in the Cash Flow Forecast (discussed below), the Just Energy Group requires interim financing to provide stability, continue going concern operations, and to restructure its business as part of this CCAA proceeding.

136. The Just Energy Group contacted its five largest stakeholders and provided them with a term sheet and certain information necessary to assess and evaluate an opportunity to provide debtor-in-possession financing. The information provided included a situation update presentation and access to a virtual data room. The Just Energy Group also responded to numerous information requests and management held virtual meetings with these stakeholders to answer questions about the Just Energy Group and its financial forecast. In addition, the Just Energy Group engaged with four other parties who had interest in considering the DIP financing opportunity. The Just Energy

Group negotiated the form of non-disclosure agreement ("**NDA**") with two of these parties. However, due to the short timeframe in which the Just Energy Group needed to secure DIP financing, there was not sufficient time for the parties to finalize NDAs or conduct the necessary due diligence.

137. As a result of this process, subject to certain terms and conditions, the DIP Lenders have agreed to provide a debtor-in-possession facility (the "**DIP Facility**"). The related credit agreement (the "**Commitment Letter**") is attached to this affidavit as **Exhibit** "**DD**".

138. The DIP Facility includes the following commercial terms:

(a) **Facility size**: U.S. $125 million delayed-draw term loan credit facility, subject to a first draw of U.S. $100 million and a second draw of U.S. $25 million.

(b) **Term**: December 31, 2021.

(c) **Interest**: 13% per annum, payable in cash.

(d) **Default rate**: 2% per annum, payable in cash.

(e) **Fees:** Commitment Fee equal to 1% of Commitments and Origination Fee equal to 1% of Commitments.

139. The DIP Facility is proposed to be secured by a Court-ordered charge (the "**DIP Lenders' Charge**") on all of the present and future assets, property and undertaking of the Applicants (the "**Property**"). The DIP Lenders' Charge will not secure any obligation that exists before the Initial Order is made. The DIP Lenders' Charge will have priority over all other security interests, charges

and liens, except the Administration Charge, the FA Charge, the Directors' Charge and the KERP Charge and *pari passu* with the Priority Commodity/ISO Charge (each defined below).

140. In the Initial Order, the Applicants are seeking authorization to request an initial draw of U.S. $100 million to enable them to pay specified amounts that are known to be due during the first 10 days of the CCAA proceeding. These amounts are specified in the Cash Flow Forecast and include amounts owed to ERCOT and other energy and delivery costs, taxes, commissions, selling and other costs, interest expenses and fees, and professional fees and other costs and expenses in connection with the CCAA proceedings. The balance of funds will only be used if necessary, providing the Applicants with flexibility to address additional liquidity demands made during the first 10 days of the CCAA proceeding given the nature of the Applicants' business, unforeseen liquidity demands that may need to be satisfied to ensure the Applicants' ability to operate as a going concern, and the continued risk of receipt of future invoices from ERCOT that must be paid within 2 business days of receipt. At the Comeback Hearing, the Applicants intend to request the authority to draw down the remainder of the DIP Facility in accordance with the Cash Flow Forecast.

(c) Monitor

141. FTI Consulting Canada Inc. ("**FTI**") has consented to act as the Monitor of the Applicants under the CCAA. A copy of the Monitor's consent is attached as **Exhibit** "**EE**".

(d) Administration Charge

142. The Applicants propose that the Monitor, its Canadian and U.S. counsel, and Canadian and U.S. counsel to the Applicants be granted a court-ordered charge on the Property as security for their respective fees and disbursements relating to services rendered in respect of the

Applicants (the "**Administration Charge**"). The Administration Charge is proposed to rank *pari passu* with the FA Charge and have first priority over all other charges. With the concurrence of the proposed Monitor, the Applicants are proposing that the Administration Charge for the first ten days be limited to $2.2 million and will be seeking to increase the charge at the comeback hearing.

(e) Financial Advisor and FA Charge

143. In the aftermath of the Texas weather event, Just Energy engaged BMO Nesbitt Burns Inc. ("**BMO**") as an independent financial advisor to assist Just Energy in dealing with the liquidity challenges it was facing and to provide financial advisory services to, among other things, assist in exploring and evaluating potential transactional alternatives. The engagement letter for BMO is attached as **Confidential Exhibit** "**FF**" (the "**BMO Engagement Letter**"). The Applicants are asking, as part of the proposed Initial Order, for the Court to approve Just Energy's engagement of BMO as its financial advisor and are seeking a charge in the amount of $1.8 million (the "**FA Charge**") to secure the amounts payable to BMO. At the comeback hearing, the Applicants will be seeking to increase the FA Charge. The FA Charge is proposed to rank *pari passu* with the Administration Charge and have first priority over all other charges.

144. As the BMO Engagement Letter contains commercially sensitive information, the proposed Initial Order also orders that the Confidential Appendix to the Pre-Filing Report be sealed and not form part of the court record pending further order of the Court.

(f) Directors' and Officers' Protection

145. A successful restructuring of the Just Energy Group will only be possible with the continued participation of its directors, officers, management, and employees. These personnel are

essential to the viability of the Applicants' continuing business and the preservation of enterprise value.

146. I am advised by Marc Wasserman of Osler and believe that, in certain circumstances, directors of Canadian companies can be held liable for certain obligations of a company owing to employees and government entities, which may include unpaid accrued wages, unpaid accrued vacation pay, and unremitted sales, goods and services, and harmonized sales taxes. The Applicants estimate, with the assistance of FTI in its capacity as proposed Monitor, that these obligations may amount to as much as approximately $5.8 million.

147. I am also advised by Kirkland and believe that, in certain circumstances, directors of U.S. companies may be held liable for certain obligations of a company owing to employees and government entities, which may include sales and use taxes, employee withholding and certain payroll taxes, state income taxes in a few states, 401(k) and other obligations withheld from employees, unpaid wages (including paid vacation), ERISA fiduciary obligations, and non-payment of contractual obligations owed to suppliers of perishable agricultural commodities. The Applicants estimate, with the assistance of FTI in its capacity as proposed Monitor, that these obligations may amount to as much as approximately $30 million.

148. It is my understanding that Just Energy's present and former directors and officers are among the potential beneficiaries under liability insurance policies (the "**D&O Insurance**") that cover an aggregate annual limit of approximately U.S. $38.5 million. However, I understand that the D&O Insurance has various exceptions, exclusions, and carve-outs where coverage may not be available and that claims on such policy have already been made. I therefore do not believe that this insurance policy provides sufficient coverage against the potential liability that the directors

and officers could incur in relation to this CCAA proceeding. The current D&O Insurance will be expiring on its own terms on April 1, 2021. The Applicants are currently in the process of either securing renewal or replacement insurance or purchasing a tail for the existing policy and a new policy.

149. In light of the complexity and scope of the overall enterprise and potential liabilities and the uncertainty surrounding available indemnities and insurance, the directors and officers have indicated to the Applicants that their continued service to the company and involvement in this proceeding is conditional upon the granting of an order under the CCAA which grants a charge in favour of the directors and officers of Just Energy in the amount of $30 million on the Property (the "**Directors' Charge**"). The Directors' Charge is proposed to be subordinate to the Administration Charge and FA Charge but shall rank in priority to all the other charges. The Directors' Charge is necessary so that the Applicants may benefit from their directors' and officers' experience with the Applicants' business and industry, and so that its directors and officers can guide the Applicants' restructuring efforts.

(g) KERP

150. At the comeback hearing, the Applicants will be seeking approval of a key employee retention plan (the "**KERP**") and the granting of a Court-ordered charge (the "**KERP Charge**") as security for payments under the KERP. A summary of the KERP is attached as **Confidential Exhibit** "**GG**". The KERP summary contains commercially sensitive information as well as personal information relating to the Just Energy Group's employees. Therefore, the proposed Initial Order orders that the Confidential Exhibit EE be sealed and not form part of the court record pending further order of the Court.

151. The KERP was developed by the Applicants to facilitate and encourage the continued participation of senior management and other key employees of the Applicants who are required to guide the business through the restructuring and preserve value for stakeholders. The KERP will provide participants with additional payments as an incentive to continue their employment through the CCAA proceedings. These employees have significant experience and specialized expertise that cannot be easily replicated or replaced. Further, these key employees will likely have other, more certain employment opportunities and will be faced with a significantly increased workload during the restructuring process.

152. The Applicants propose to include the following employees in the KERP:

Group	Approximate Number of Employees	Approximate Estimated Cost
Executives	8	$3.39 million
Commercial	11	$1.37 million
Operations	13	$925,249
Legal, Regulatory, Finance and HR	10	$1.14 million
Total	**42**	**$6.83 million**[10]

153. The KERP payments will be made in three installments payable as follows: (i) 180 days after the filing date; (ii) 270 days after the filing date; and (iii) the earlier of 15 months after the filing day or exit from the CCAA proceeding. For executive employees, the first and second

[10] Over $1 million of the amount of the KERP comprises foreign exchange charges for employees being paid in U.S. dollars.

installments will each be in an amount equal to 25 percent of the total KERP payment payable to the employee in question whereas the final installment will be equal to 50 percent of the total KERP payment. For all other employees, the first and second installments will each be in an amount equal to 40 percent of the total KERP payment payable to the employee in question whereas the final installment will be equal to 20 percent of the total KERP payment. The total KERP payments range from 35 percent to 90 percent of the base salary of the relevant employees.

(h) Q3 Bonuses

154. The cash flows included payment of certain bonuses awarded to Just Energy Group employees for Q3 of Fiscal 2021 and the Just Energy Group intends to pay them when due on April 2, 2021, in accordance with the terms of the proposed Initial Order.

155. The payment of the bonus depended on Just Energy achieving corporate targets as set and approved annually by the Compensation Committee and the Board of Just Energy. Following the close of the applicable fiscal quarter, the Board has the absolute discretion to determine if the corporate targets have been met and will make all determinations with respect to any bonus. Any approved bonus shall be paid no later than 60 days following the date the bonus is approved by the Board, subject to the executive's continued employment through the end of the applicable fiscal quarter.

156. At the Compensation Committee meeting on July 2, 2020, the Compensation Committee reviewed a quarterly bonus structure for FY 2021 based on the excess achievement of quarterly Base EBITDA targets. If Just Energy's actual Base EBITDA result for a fiscal quarter exceeds the target, then the bonus for such quarter would be funded from a portion of such excess. The Compensation Committee recommended to the board that the quarterly bonus structure for FY

2021, including the quarterly Base EBITDA targets, be approved. The Q3 target was set at $42 million and the Board approved the quarterly bonus structure for FY 2021, including the quarterly Base EBITDA targets, at its July 3, 2020 meeting.

157. At the Compensation Committee meeting on February 9, 2021, it was reported that the Q3 Base EBITDA result was $55.785 million, which exceeded the target of $42 million, which is reflected in Just Energy's Q3 financials. The Compensation Committee requested that the Board approve the bonus pool for Q3 in the amount of approximately $3.23 million and the Board approved the Q3 bonus at its February 10, 2021 meeting. As such, the Q3 bonuses were properly approved by both the Compensation Committee and the Board based on the achieved Base EBITDA for Q3 in accordance with the terms of the bonus structure that the Compensation Committee and the Board approved in July 2020.

(i) Priority Commodity/ISO Charge

158. To continue to operate as a going concern and successfully achieve its restructuring objectives, the Just Energy Group requires its relationships with its Commodity Suppliers and ISO Service Providers to remain uninterrupted. I am advised by Mr. Wasserman and believe that the Commodity Agreements (as defined in the Initial Order) are covered by the eligible financial contract provisions in the CCAA and, therefore, the Applicants cannot rely on a stay of proceedings to prevent the Commodity Suppliers from terminating their existing contractual commitments or refraining from conducting new business with the Applicants.

159. Accordingly, to incentivize Commodity Suppliers and ISO Services Providers to continue transacting with the Just Energy Group, the proposed Initial Order grants a charge to any counterparty to a Commodity Agreement or ISO Agreement (as defined in the Order) as of March

9, 2021 that has executed or executes a Qualified Support Agreement (as defined in the Initial Order) with a Just Energy Entity and refrained from exercising termination rights under the Commodity Agreement as a result of the commencement of these proceedings absent an event of default under such Qualified Support Agreement (each, a "**Qualified Commodity/ISO Supplier**"). The Initial Order provides that each Qualified Commodity/ISO Supplier shall be entitled to the benefit of a charge (the "**Priority Commodity/ISO Charge**") on the Property in an amount equal to the value of the amounts that are due and payable, at the applicable time, for: (i)(A) the physical supply of electricity or gas that has been delivered on or after March 9, 2021; (B) financial settlements on or after March 9, 2021; and (C) amounts owing under a confirmation or transaction executed pursuant to a Commodity Agreement as a result of the termination thereof in accordance with the applicable Qualified Support Agreement on or after March 9, 2021; and (ii) for services actually delivered by a Qualified Commodity/ISO Supplier on or after March 9, 2021 pursuant to an ISO Agreement (but for greater certainty, excluding any amount owing for ISO services provided under the BP ISO Agreement on or before the date of this Order, whether or not yet due) (the "**Priority Commodity/ISO Obligation**").

160. The Just Energy Group cannot continue going concern operations or successfully restructure if Commodity Suppliers and ISO Services Providers do not enter into new transactions. Due to the financial pressures the Just Energy Group is facing, suppliers may be reluctant to continue transacting without receiving additional security. Under the terms of the Credit Agreement, the Term Loan Agreement and the Intercreditor Agreement, the Just Energy Group cannot provide additional security without the applicable lenders' consent. Therefore, the Priority Commodity/ISO Charge is essential for incentivizing Commodity Suppliers and ISO Services Providers to continue doing business with the Just Energy Group.

161. The Just Energy Group has entered into Qualified Support Agreements with its two most significant Secured Suppliers, (i) Shell Energy North America (Canada) Inc., Shell Energy North America (US), L.P., and Shell Trading Risk Management, LLC (collectively, "**Shell**"); and (ii) BP Canada Energy Company, BP Canada Energy Marketing Corp., BP Energy Company, a Delaware corporation, BP Corporation North America Inc., and BP Canada Energy Group ULC (collectively, "**BP**"), copies of which are attached as **Exhibit** "**HH**" and "**II**". In these Commodity/ISO Supplier Support Agreements, among other things, Shell and BP have agreed to not exercise any termination rights and to supply and deliver services under their existing agreements consistent with historical practice and perform such other acts that are required to satisfy all of their obligations. However, Shell and BP's obligation to continue supplying services is conditional on the Court granting the Commodity/ISO Charge.

(j) Cash Flow Forecast

162. The Applicants prepared 13-week cash flow projections and the underlying assumptions as required by the CCAA. A copy of the cash flow projections is attached as **Exhibit** "**JJ**". The projections demonstrate that the Applicants have sufficient liquidity and cash on hand to continue going concern operations during the Stay Period. I confirm that:

(a) all material information relative to the 13-week cash flow projections and to the underlying assumptions has been disclosed to FTI in its capacity as proposed Monitor; and

(b) senior management has taken all actions that it considers necessary to ensure that: (i) the individual assumptions underlying the 13-week cash flow projections are appropriate in the circumstances; and (ii) the individual assumptions underlying the

13-week cash flow projections, taken as a whole, are appropriate in the circumstances.

163. The Applicants anticipate that the Monitor will provide oversight and assistance and will report to the Court in respect of the Applicants' actual results relative to the cash flow forecast during this proceeding if the relief being requested by the Applicants is granted by the Court.

(k) Payments During this CCAA Proceeding

164. During the course of this CCAA proceeding, the Applicants intend to make payments for goods and services supplied post-filing in the ordinary course as set out in the Cash Flow Forecast described above and as permitted by the Initial Order.

165. Moreover, in order to ensure uninterrupted business operations during the CCAA proceeding, the Applicants are proposing in the Initial Order that they be authorized, with the consent of the Monitor, in consultation with the DIP Agent and the agent under the Credit Agreement (or its advisors), to make certain payments, including payments owing in arrears, to certain third parties that are critical to the Just Energy Group's business and ongoing operations.

166. I am advised by Kirkland and believe that the nonpayment of taxes (including, without limitation, sales, use, withholding, unemployment, and excise) could result in a Director or Officer of a Just Energy Entity being held personally liable in certain circumstances for such nonpayment as well as for taxes related to income or operations incurred or collected by a Just Energy Entity in the ordinary course of business. Accordingly, the proposed Initial Order provides that the Just Energy Entities are authorized to pay any such taxes.

167. In addition, the proposed Initial Order provides that the Applicants shall not grant credit or incur liabilities except in the ordinary course of business but may repay advances under the Credit Agreement for the purpose of creating availability under the LC Facility (as defined in the Initial Order) in order for the Just Energy Entities to provide Letters of Credit to continue to operate their business in the ordinary course during these proceedings, subject to: (i) obtaining the consent of the Monitor with respect to the issuance of the Letters of Credit; and (ii) receipt of written confirmation from the applicable lender(s) under the Credit Agreement that such lender(s) will issue a Letter of Credit of equal value within one business day. The Just Energy Group is required to post collateral with regulators in various jurisdictions where it conducts business and so it is essential that the Just Energy Group have the ability to obtain Letters of Credit to avoid any disruptions that would result from failing to post collateral when required.

(l) Chapter 15 Case

168. Because the Just Energy Group has operations in the U.S., and thus has assets in and valuable business and trade relationships with a number of parties in the U.S., contemporaneously with commencement of the CCAA proceeding, Just Energy intends to initiate a case under Chapter 15 of Title 11 of the United States Code (the "**Bankruptcy Code**") seeking an order to recognize and enforce the CCAA proceeding in the U.S. and protect against any potential adverse action taken by the Just Energy Group's U.S. creditors and stakeholders (the "**Chapter 15 Case**").

169. Just Energy intends to file the Chapter 15 Case in the United States Bankruptcy Court for the Southern District of Texas, where Just Energy maintains its principal place of business in the United States.

170. The Just Energy Group is a consolidated business, with offices and primary operations in both Canada and the United States which is operationally and functionally integrated in many respects. However, the Applicants' center of main interest is in Canada:

(a) The Applicant have assets in Canada.

(b) The operations of the Just Energy Group are directed in part from Just Energy's head office in Toronto, Ontario. In particular, decisions relating to the Just Energy Group's primary business (*i.e.*, buying, selling and hedging energy) are primarily made in Canada.

(c) All other members of the Just Energy Group report to Just Energy.

(d) Just Energy Corp. (a Canadian subsidiary) acts as a centralized entity providing operational and administrative functions for the Just Energy Group as a whole. These functions are performed by Canadian Just Energy Group employees and include, among other things:

(i) most enterprise-wide IT services;

(ii) enterprise-wide support for finance functions, including working capital management, credit management (including credit checks for customers), payment processing, financial reconciliations, managing business expenses, insurance, and taxation;

(iii) oversight for the legal, regulatory, and compliance functions across the entire Just Energy Group;

(iv) certain enterprise-wide HR functions, such as designing in-house learning and development programs;

(v) financial planning and analysis services, including customer enrollment, billing, customer service, and load forecasting;

(vi) supply planning services, including creating demand models which predict the amount of energy that each entity needs to purchase from suppliers and determining the proper distributor and pipeline necessary to get the gas to the end-consumer; and

(vii) internal audit services.

H. Conclusion

171. I am confident that granting the draft Initial Order sought by the Applicants is in the best interests of the Applicants and their stakeholders. Although the Just Energy Group has made significant strides in recent years to position itself for sustainable growth as an independent industry leader, it is currently in a very challenging financial position because of the "once in a generation" Texas weather event. Without the relief requested, including the stay of proceedings, the Just Energy Group faces a cessation of going concern operations, the liquidation of its assets, and the loss of its employees' jobs. The Just Energy Group requires the breathing space provided by CCAA protection to engage in a dialogue with and among its stakeholders with the goal of maximizing the ongoing value of the business and continuing employment for as many of its employees as is reasonably possible. The granting of the requested stay of proceedings will

maintain the "status quo" and permit an orderly restructuring and analysis of the Just Energy Group's affairs.

SWORN BEFORE ME over video teleconference this 9th day of March, 2021 pursuant to O. Reg 431/20, Administering Oath or Declaration Remotely. The affiant was located in the Town of Flower Mound, in the State of Texas while the Commissioner was located in the City Toronto, in the Province of Ontario.

Commissioner for Taking Affidavits
Waleed Malik (LSO No. 67846O)

Michael Carter

Schedule "A"

- Just Energy Ontario L.P.
- Just Energy Manitoba L.P.
- Just Energy (B.C.) Limited Partnership
- Just Energy Québec L.P.
- Just Energy Trading L.P.
- Just Energy Alberta L.P.
- Just Green L.P.
- Just Energy Prairies L.P.
- JEBPO Services LLP
- Just Energy Texas LP

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, C. C-36, AS AMENDED;

Court File No:

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC. ET AL.

Applicants

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at: TORONTO

AFFIDAVIT OF MICHAEL CARTER

OSLER, HOSKIN & HARCOURT LLP
100 King Street West, 1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

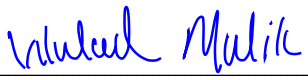
Marc Wasserman (LSO# 44066M)
Michael De Lellis (LSO# 48038U)
Jeremy Dacks (LSO# 41851R)

Tel: (416) 362-2111
Fax: (416) 862-6666

Counsel for the Applicants

TAB A

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Texas Power Firm Hit With $2.1 Billion Bill Files for Bankruptcy

Jeremy Hill, Eduard Gismatullin and Rachel Morison
Mon., March 1, 2021, 9:07 a.m. · 3 min read

(Bloomberg) -- The largest power generation and transmission cooperative in Texas filed for bankruptcy in the wake of power outages that caused an energy crisis during the winter freeze last month.

Brazos Electric Power Cooperative filed for Chapter 11 in Texas after racking up an estimated $2.1 billion in charges over seven days of the freeze. Last year, it cost cooperative members $774 million for power for all of 2020.

The magnitude of the charges “could not have been reasonably anticipated or modeled” and far exceeds Brazos highest liquidity levels in recent years, Executive Vice President Clifton Karnei said in a bankruptcy court declaration. The cooperative on Feb. 25 told state grid operator the Electric Reliability Council of Texas that it wouldn’t pay the $2.1 billion sum, and Karnei resigned from Ercot’s board of directors, court papers show.

Read More: Texas’s Power Market Is $1.3 Billion Short After Energy Crisis

Brazos had “no choice” but to file for bankruptcy, Karnei said. Chapter 11 protection lets Brazos keep operating while it works out a plan to repay creditors. The cooperative listed assets and liabilities of as much as $10 billion each.

“Brazos Electric suddenly finds itself caught in a liquidity trap that it cannot solve with its current balance sheet,” Karnei wrote in the declaration.

Aside from its power bills, the cooperative has more than $2 billion of debt outstanding, spread across $1.56 billion of secured notes and about $480 million under a credit line administered by Bank of America Corp., court papers show. Brazos had A+ credit grade from Fitch Ratings and an A from S&P Global Ratings prior to the bankruptcy.

Brazos, a member-owned power provider serves customers across 68 Texas counties, stretching from just north of Houston to near the Texas panhandle, court papers show.

The bankruptcy is likely to be one of many after four million homes and businesses went without heat, light and water during the deep winter freeze last month, causing as much as $129 billion in economic losses. The state's broader market set a record for the most expensive week of power in U.S. history. The impact on individual companies is only starting to emerge, with some racking up huge losses while oil and gas producers saw their output halted.

Companies that failed to produce electricity were forced to buy power as prices soared. Ercot says it's $1.3 billion short of what it needs to pay generators for what was produced. This puts huge financial pressure on utilities that managed to keep producing power, as well as those that failed.

Ercot has stopped payments to some utilities as it tries to manage defaults. If the grid operator fails to completely cover defaults, the resulting costs would be passed onto all market participants.

Griddy Energy LLC , a Texas retail electricity provider that came under fire after its customers received exorbitant power bills during the energy crisis last week, was barred from participating in the state's power market on Feb. 26.

The supplier charges electricity based on real-time prices in wholesale markets, therefore passing the costs straight on to consumers. Ercot revoked Griddy's rights to conduct activity in the state's electricity market due to nonpayment, according to a market notice seen by Bloomberg.

Fitch Ratings put all retail and wholesale electric utilities operating within Ercot on rating watch negative last month, citing concerns regarding funding requirements and liquidity in the near term.

The case is Brazos Electric Power Cooperative Inc., 21-30725, U.S. Bankruptcy Court for the Southern District of Texas (Houston).

(Updates with financial details beginning in paragraph three.)

TAB B

THIS IS EXHIBIT "B" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

Markets

A Second Power Provider Defaults After Texas Energy Crisis

By Mark Chediak
March 3, 2021, 8:38 PM EST

Why Did the Texas Power Grid Fail?

Power retailer Entrust Energy Inc. became the second electricity seller to be barred from Texas's power market for failing to make payments after last month's energy crisis.

The Electric Reliability Council of Texas said it was revoking Entrust's right to participate in the market and was moving its customers to rival retailers. The retailer was short more than $234 million in payments to generators and others, according to a separate Ercot filing Wednesday.

Griddy Energy LLC , the retail electricity provider that came under fire after its customers received exorbitant power bills during the grid emergency, was found in default by Ercot last week.

The notices come as power retailers and other companies have asked Texas regulators to suspend collection of invoices and roll back wholesale electricity prices that soared to $9,000 a

megawatt-hour during the Arctic blast that crippled the grid and left millions without power for days.

READ: Texas Clawing Back Payments For Grid Services Never Provided

More defaults may be imminent. Energy Monger, a retailer that owes Ercot more than $6.6 million, has begun the process of moving its customers to other providers in anticipation of its default, Chief Executive Officer Drew Gormley said in a letter to its brokers and employees Wednesday.

“I am convinced that Energy Monger did not fail the competitive market…the competitive market failed Energy Monger,” Gormley wrote.

Ercot on Wednesday identified more electricity providers that are short on about $2.2 billion of payments with invoice dates of Feb. 23 and Feb. 24.

Topping the list was Brazos Electric Power Cooperative, which filed for bankruptcy earlier this week. Brazos owed $1.8 billion for energy services, according to the Ercot filing. Griddy Energy owed nearly $25 million.

COMPANY	AMOUNT SHORT
Brazos Electric Power Cooperative	$1,808,323,583
Entrust Energy	$233,907,776
Hanwha Energy	$44,921,208
Rayburn Electric Cooperative	$41,619,069
Griddy Energy	$24,934,091
Illuminar Energy	$20,599,015
GBPower	$15,260,346
MQE	$7,260,628
Energy Monger	$6,651,691

Bulb	$5,192,555
City of Garland	$3,539,937
Wolverine Trading	$2,788,279
Volt Electricity Provider	$1,341,691
Eagles View Partners	$1,152,199
GridPlus Texas	$477,050
TOTAL	$2,217,969,118

TAB C

THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

UTILITY DIVE

BRIEF

ERCOT fires CEO, following resignation of head utility regulator, board members

By Catherine Morehouse

Updated March 4 2021, 9:21 a.m. EST •Published March 2, 2021

UPDATE: March 4, 2021: The Electric Reliability Council of Texas' (ERCOT) Board of Directors voted on Wednesday to oust CEO Bill Magness, following continued fallout from the power outages that plagued the state for days last month during an extreme cold weather event. His 60-day termination notice follows the resignations of Public Utility Commission of Texas Chair DeAnn Walker and several board members.

Also on Wednesday, Rep. Ro Khanna, D-Calif., chair of the House Oversight and Reform Subcommittee on the Environment, requested documents from Magness regarding ERCOT's lack of preparation for the winter storm.

"The Subcommittee is concerned that the loss of electric reliability, and the resulting human suffering, deaths, and economic costs, will happen again unless ERCOT and the State of Texas confront the predicted increase in extreme weather events with adequate preparation and appropriate infrastructure," said Khanna in a statement.

Dive Brief:

- Texas' head utility regulator resigned Monday, two weeks after widespread outages afflicted the state following a record-breaking cold snap.

- The Public Utility Commission of Texas (PUCT) Chair DeAnn Walker resigned effective immediately Monday afternoon. Her exit follows the resignation of several Electric Reliability Council of Texas (ERCOT) board members, as well as her testimony at Texas Senate and House hearings, wherein she appeared not to know the full extent of her authority.
- In her resignation letter, Walker "accepted [her] role in the situation," but said gas companies, the Texas Railroad Commission, electric generators, ERCOT, the legislature and others should accept blame as well. "I have served as chairman for only a few short years," she said, adding that other parties "had responsibility to foresee what could have happened and failed to take the necessary steps for the past ten years."

Dive Insight:

Legislative hearings kicked off last week with many of the involved parties pointing fingers at each other. Power generators said the problem was largely caused by the gas supply side, while the gas industry and its regulators said the issues all stemmed from the electric sector.

"I believe that my industry resolved the problem and didn't really create it," Christi Craddick, one of three commissioners on the Texas Railroad Commission, which regulates the oil and gas industries, told lawmakers Friday.

ERCOT, meanwhile, pointed to its regulator, the PUCT, while the PUCT chair denied much of her authority last week.

"I don't have total and complete oversight" over ERCOT, Walker told senators last week, adding that her authority had been exaggerated by the grid operator's CEO Bill Magness. "Listening to Mr. Magness, you would think that we exercise a great amount ... of authority," she said.

Several lawmakers, however, were unsatisfied with her responses.

"You don't seem to demonstrate the knowledge that it takes to" run the PUCT, Sen. Donna Campbell, R, told Walker during the hearing. "And that's concerning."

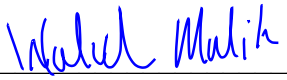
"You're the chair of the Public Utility Commission," said Sen. Brandon Creighton, R. "So I would contend that it's not a problem with authority. I would contend that you are choosing not to leverage the authority we've given you. And that's a serious, serious problem."

Walker's resignation follows the resignation of seven members of ERCOT's board over the course of several weeks, and Walker called for other parties to take responsibility as well.

"The interests of many people and companies contributed to the situation we faced in the devastating storm," she wrote in her letter of resignation to the governor. "I testified last Thursday in the Senate and House and accepted my role in the situation. I believe others should come forward in dignity and courage and acknowledge how their actions or inactions contributed to the situation. ... Despite the treatment I received from some legislators, I am proud that I spoke the truth."

TAB D

THIS IS EXHIBIT "D" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

03/04/2021 13:07:55 [BN] Bloomberg News

Texas Watchdog Says Power Grid Operator Made $16 Billion Error

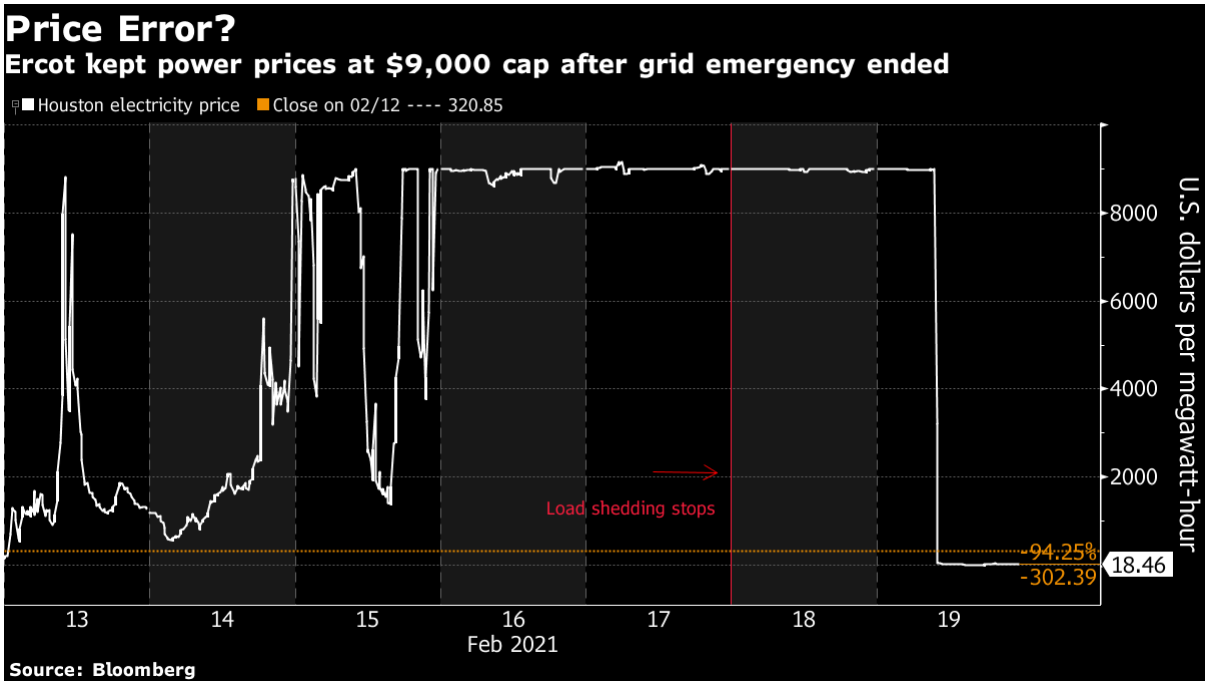
- **Watchdog says Ercot should have reset prices on Feb. 18**
- **Adjustment would ease financial squeeze on power companies**

By Naureen S. Malik

(Bloomberg) -- A firm hired to or Texas' power markets says the region's grid manager overpriced electricity for almost two days during last month's energy crisis, resulting in $16 billion in overcharges.

Amid the deep winter freeze that knocked nearly half of power generation offline, the Electric Reliability Council of Texas, known as Ercot, set the price of electricity at the $9,000-a-megawatt-hour maximum -- standard practice during a grid emergency. But Ercot left that price in place days longer than necessary, resulting in massive overcharges, according to Potomac Economics, an independent market monitor hired by the state of Texas to assess Ercot's performance. In an unusual move, the firm recommended in a letter to regulators that the pricing be corrected and that $16 billion in charges be reversed as a result.

Potomac isn't the first to say that leaving electricity prices at the $9,000 cap for so long was a mistake. Plenty of power companies at risk of defaulting on their payments have said the same. But the market monitor is giving that opinion considerable weight and could sway regulators to let companies off the hook for some of the massive electricity charges they incurred during the crisis.



The Arctic blast that crippled Texas's grid and plunged more than 4 million homes and businesses into darkness for days has pushed many companies to the brink of insolvency and stressed the power market, which is facing a more-than $2.5 billion payment shortfall. One utility, Brazos Electric Power Cooperative, has already filed for

bankruptcy, while retailer Griddy Energy LLC defaulted and has been banned from participating in the market.

Retroactively adjusting the power price would ease the financial squeeze on some of the companies facing astronomical power bills in the wake of the energy crisis. EDF Renewable Energy and Just Energy are among those asking the Public Utility Commission to reset the power price for the days after the immediate emergency while others have also asked regulators to waive their obligation to pay until price disputes are resolved.

"If we don't act to stabilize things, a worst-case scenario is that people will go under," said Carrie Bivens, the Ercot independent market monitor director at Potomac Economics. "It creates a cascading effect."

The erroneous charges exceed the total cost of power traded in real-time in all of 2020, said Bivens, who spent 14 years at Ercot, where she most recently was director of market operations before becoming its watchdog. "It's a mind-blowing amount of money."

While prices neared the $9,000 cap on the first day of the blackouts, they soon dipped to $1,200 -- a fluctuation that the utility commission later attributed to a computer glitch. The panel, which oversees the state's power system, ordered Ercot to manually set the price at the maximum to incentivize generators to feed more electricity into the grid during the period of supply scarcity. The market monitor argues that Ercot should have reset prices once rotating blackouts ended because, at the point, the emergency was over.

It's asking the commission to direct Ercot to correct the real-time price of electricity from 12 a.m. Feb. 18 to 9 a.m. Feb. 19. Doing could save end-customers around $1.5 billion that otherwise would be passed through to them from electricity providers, Bevins said.

But major power generators that reaped substantial profits from the high prices during the crisis week are likely to push back against any move to do so.

"The signal that we want to send is not that we changed the rules after the game's been played," said Michele Richmond, executive director of the Texas Competitive Power Advocates, a trade group representing companies that own 70% of the generating capacity in Ercot. "That doesn't instill confidence in the markets."

Bivens acknowledged the market monitor isn't typically in favor of repricing, but said the correction is necessary.

"This isn't some Monday morning quarterbacking," she said. "Ercot made an error and we don't let errors slide."

The utility commission on Wednesday adopted a prior recommendation made by the market monitor, voting to to claw back some payments to power generators for services they never actually provided during energy crisis. The commissioners also expressed support for capping the price of certain grid services -- a request made by several retailers -- but didn't take action on it. Another commission meeting is scheduled for Friday.

Related tickers:
CPN US (Calpine Corp)
EDF FP (Electricite de France SA)
JE CN (Just Energy Group Inc)
NRG US (NRG Energy Inc)
VST US (Vistra Corp)

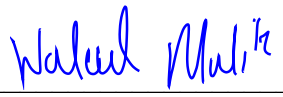
--With assistance from Mark Chediak.

To contact the reporter on this story:
Naureen S. Malik in New York at nmalik28@bloomberg.net

To contact the editors responsible for this story:
Joe Ryan at jryan173@bloomberg.net
Catherine Traywick

TAB E

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Texas Opts Not to Fix $16 Billion Power Overcharge

Utility commission says repricing power markets too difficult, despite recommendation that overcharges during storm be reversed

Workers repaired power lines in Houston last month.

PHOTO: ADREES LATIF/REUTERS

By *Russell Gold*

March 5, 2021 12:28 pm ET

Listen to this article
4 minutes

The Public Utility Commission of Texas on Friday signaled it didn't intend to reverse $16 billion in electric overcharges that an independent market monitor had flagged as stemming from the state's weeklong blackouts.

Commission Chairman Arthur C. D'Andrea said it was too difficult to reprice the energy markets and involved too many uncertainties.

"It is impossible to unscramble this sort of egg," he said.

Mr. D'Andrea said there were so many hedges and private transactions outside the view of the commission that taking a step designed to help consumers might have unintended consequences. "You think you're protecting the consumer and it turns out you're bankrupting a co-op or a city," he said.

The commission met Friday morning to consider a recommendation from its independent market monitor, which concluded that Texas kept wholesale prices artificially high for 33 hours longer than warranted during a winter freeze last month, resulting in $16 billion in excess charges to consumers.

Amid the freeze, which resulted in mass blackouts that left millions of households in the dark for days, the three-member panel appointed by Texas Gov. Greg Abbott ordered the state's grid operator to raise wholesale power prices to the peak price of $9,000 per megawatt hour.

The market monitor said in a report filed Thursday that those prices should have been lowered when the grid operator stopped instituting blackouts, not when it ended the energy emergency a day and a half later. It recommended reversing $16 billion in charges.

Earlier this week, the previous commission chair, DeAnn Walker, resigned under criticism, leaving as sitting commissioners Mr. D'Andrea and Shelly Botkin, who also indicated Friday that she wasn't inclined to order repricing.

Several market participants and consumer groups had urged the commission to reset and lower prices from $9,000. Vistra Corp. VST 1.89% , which is one of Texas' largest power generators and also owns a major electric retailer, said not repricing "would result in unjust and unreasonable outcomes."

Texas is grappling with massive financial fallout following last month's electricity crisis, with the state's utility commission and power grid operator at odds over exactly what went

wrong.

A few hours into the blackouts, the utility commission took the unusual step of abandoning the market-based pricing mechanism and ordering wholesale power prices to be at the $9,000 cap until grid-ordered blackouts ended.

The grid operator complied and kept prices at the cap price after it stopped ordering blackouts, but at that time local electric companies were still struggling to turn the lights back on and some continued to have widespread blackouts.

The extended four days of $9,000 prices—an exponential increase over the normal prices in Texas, which last year averaged $22 a megawatt hour—took a massive financial toll on some market participants.

Vistra said it sustained losses between $900 million and $1.3 billion. Many wind farm operators, which needed to purchase electricity because of hedge contracts, are in financial distress. A major electric cooperative has filed for bankruptcy protection.

The utility commission didn't vote to reject the independent market monitor's suggestion, leaving the door open for a change of policy in coming weeks.

Sen. Nathan Johnson, a Democrat from Dallas, said he considered the agency's decision a mistake. He said he would have supported a clawback to ease concern among power generators and retailers about regulatory intervention in setting market prices.

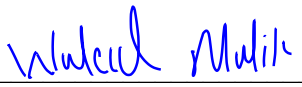
"That would have sent a stronger market signal," he said.

—Katherine Blunt contributed to this article.

Write to Russell Gold at russell.gold@wsj.com

TAB F

THIS IS EXHIBIT "F" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

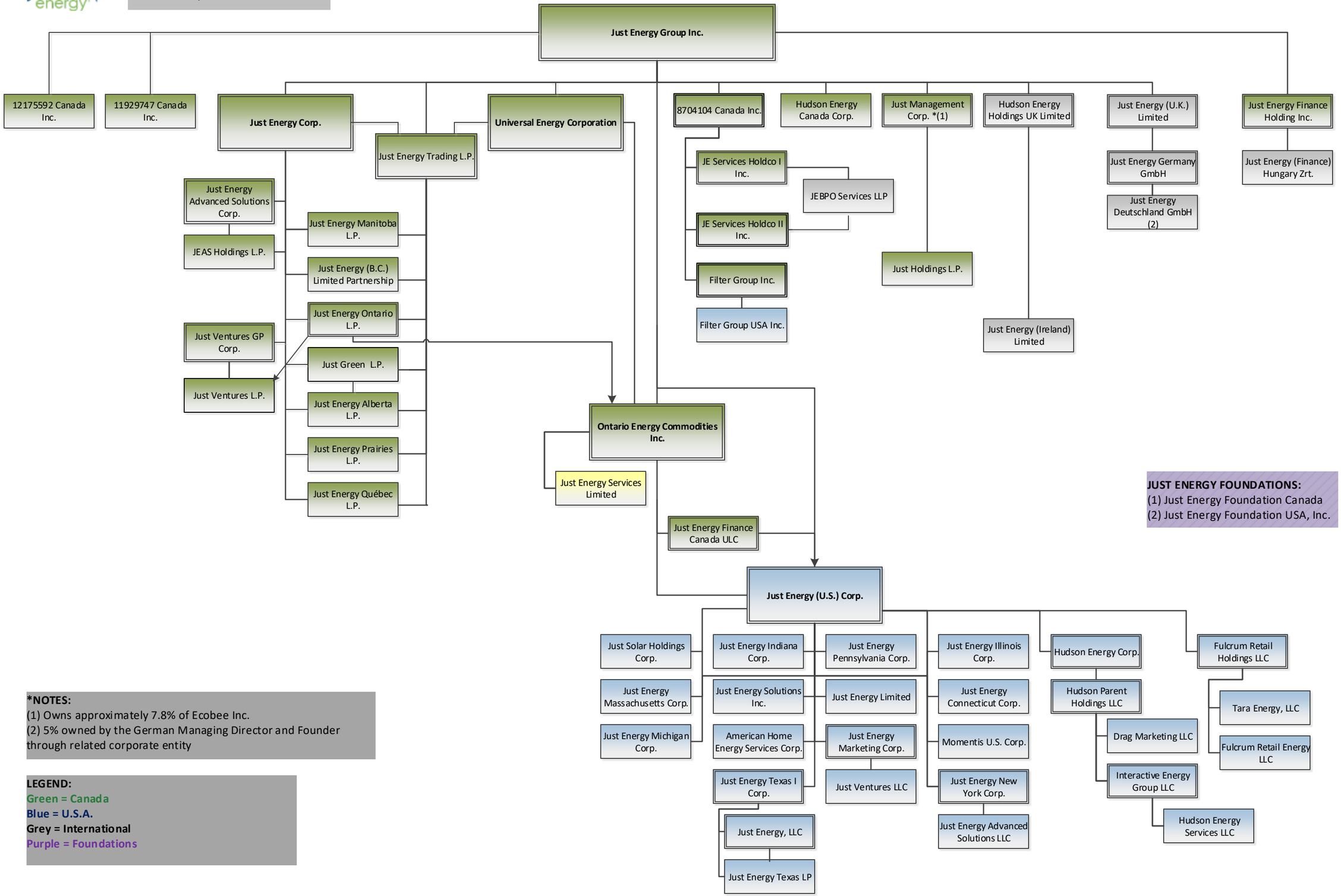


Commissioner for taking affidavits

Waleed Malik

CORPORATE ORGANIZATIONAL CHART

November 30, 2020



JUST ENERGY FOUNDATIONS:
(1) Just Energy Foundation Canada
(2) Just Energy Foundation USA, Inc.

***NOTES:**
(1) Owns approximately 7.8% of Ecobee Inc.
(2) 5% owned by the German Managing Director and Founder through related corporate entity

LEGEND:
Green = Canada
Blue = U.S.A.
Grey = International
Purple = Foundations

TAB G

THIS IS EXHIBIT "G" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

Manitoba Hydro

360 Portage Ave (22) • Winnipeg, Manitoba Canada • R3C 0G8
Telephone / N° de téléphone: (204) 360-3257 • Fax / N° de télécopieur: (204) 360-6147 • baczarnecki@hydro.mb.ca

March 5, 2021

Dr. Darren Christle
Secretary and Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Dr. Christle:

RE: Suspension of New Customer Enrollments for Just Energy Manitoba L.P.

Centra Gas Manitoba Inc. ("Centra") is seeking authorization of the Public Utilities Board of Manitoba ("PUB") to immediately suspend new customer enrollments by Just Energy Manitoba L.P. ("JEMLP") due to concerns regarding the ongoing credit worthiness of its parent company, Just Energy Group Inc. ("JEG").

Centra has reviewed the interim financial statements issued by JEG on February 26, 2021,[1] which indicate that JEG could experience significant liquidity challenges in the near future related to the following factors:

- The extreme cold weather event that occurred in the State of Texas in February, which resulted in very high energy prices in the region during the period of February 13th to 19th. As a result of the increased demand for electricity, as well as rolling blackouts or forced outages required by the Electricity Reliability Council of Texas (the independent system operator in Texas), JEG had to balance its power supply requirements at very high clearing prices. JEG estimates that the financial impact of the Texas weather event on the company could be a loss in the range of $50 million and $315 million; and
- The Covid-19 pandemic, which has impacted overall customer demand and JEG's ability to contract (i.e. on a door-to-door basis) new customers.

At this time, JEMLP has continued to meet its obligations in terms of supplying gas to its customers in Manitoba, its accounts with Manitoba Hydro are in good standing, and it has not contracted with any customers since May 2020. The proposed suspension of new customer enrollments by Centra is a precautionary measure. Centra will continue to monitor this

[1] 3b346c00-4169-4b92-b2ea-775d9b5e8df1 (justenergy.com)

situation very closely and is prepared to assume its obligations as the supplier of last resort and provide backstop gas if JEMLP is no longer able to meet the gas supply requirements of its customers.

Should the PUB grant authorization to suspend JEMLP's new customer enrollments, Centra proposes that the following webpages of the PUB be updated to indicate that JEMLP is not accepting new customers at this time:

- Natural Gas Rates
- Natural Gas Registered Marketers in Manitoba

Should you have any questions, please contact the writer (204)360-3257 or Darryl Martin at (204)360-4487.

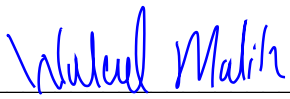
MANITOBA HYDRO LEGAL SERVICES
Per:

for **BRENT CZARNECKI**
Barrister & Solicitor

cc. Neal Hewitt, Just Energy Group Inc.

TAB H

THIS IS EXHIBIT "H" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

EXHIBIT H

Regulators Proposed to Be Subject to Regulatory Stay[1]

NATURAL GAS & ELECTRICITY MARKETING LICENCES				
Province	**Regulator**	**Licensee**	**Regulatory Instrument**	**Reason for Regulatory Stay**
British Columbia	British Columbia Utilities Commission ("**BCUC**")	Just Energy (B.C.) Limited Partnership	Gas Marketer Licence (A-8-20)	**Risk of Licence Suspension or Termination:** BCUC may at any time and without prior notice suspend or cancel the Licence in its sole discretion. (*Condition (e) of Gas Marketer Licence A-8-20*) **Risk of Customer Reversion to Default Supplier:** If Licence is revoked for any reason, all of customers are returned to the incumbent regulated utility. (*Fortis' Rate Schedule 36, section 13.04*)
Alberta	Director, *Consumer Protection Act* ("**CPA**")	Hudson Energy Canada Corp. Just Energy Alberta LP	Gas Marketer Licence (331459) Electricity Marketer Licence (331458) Gas Marketer Licence (325637) Direct Seller Licence (345191) Electricity Marketer Licence (325638)	**Risk of Licence Suspension or Termination**: The Director may cancel or suspend the Licenses for failing to comply with an undertaking under the CPA, failing to comply with other legislation or if it is in the public interest to do so. (*Section 127, CPA*) If a Licence is cancelled, Licensee may not solicit, negotiate, conclude or perform any marketing contract on behalf of a consumer. (*Designation of Trades and Business Regulation*, *subsection 2(2)*) **Risk of Customer Reversion to Default Supplier:** Customers would revert to default supplier.

[1] Note that in some cases, the regulatory steps (revoking licence, customer reversion) will also have effects on the applicable Service Agreements with incumbent utilities, including reversion of customers to default providers and termination rights.

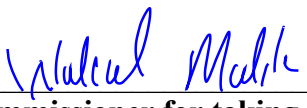
	Alberta Utilities Commission ("**AUC**")	Hudson Energy Canada Corp. Just Energy Alberta LP	N/A	**Risk of Customer Reversion to Default Supplier:** The AUC approves the service terms and conditions between incumbent utilities and retailers – including default, service discontinuance and termination provisions. Changes to the orders approving such terms could result in reversion of Licensee's customers to incumbent utility.
Saskatchewan	Registrar under the *Direct Sellers Act* ("**DSA**")	Just Energy Prairies LP	Direct Sellers Licence (328505)	**Risk of Licence Suspension or Termination:** Registrar may suspend or cancel Licence, including if Licensee cannot reasonably be expected to be financially responsible in conduct of business. (*DSA, subsections 17(1) and 14(1)(a)*). Cancellation of Licence would prohibit door-to-door and telephone sales, as well as solicitation of orders for future gas delivery (*DSA, paragraph 2(1)(g)*). **Risk of Customer Reversion to Default Supplier:** Likely none.
Manitoba	Public Utilities Board ("**PUC**")	Just Energy Manitoba LP	Gas Marketer Licence No. 659	**Risk of Licence Suspension or Termination:** No express statutory power to suspend, cancel or revoke a Licence. PUC would have the implicit authority to revoke any licence that it has the express authority to issue. (*The Public Utilities Board Act, section 114*) Revocation of the Licence would prohibit the sale or delivery of gas within Manitoba. (*The Public Utilities Board Act, section 114*) **Risk of Customer Reversion to Default Supplier:** Licence suspension or cancellation would cause reversion of customers to default natural gas supplier.
Ontario	Ontario Energy Board ("**OEB**")	Just Energy Solutions Inc.	Electricity Wholesaler Licence (EW-2016-0149)	**Risk of Licence Suspension or Termination:** OEB must be notified of any material change in circumstances that may adversely affect the business. However, the OEB does not have authority

		Just Energy New York Corp. Hudson Energy Canada Corp. Just Energy Ontario L.P. Universal Energy Corporation	Electricity Wholesaler Licence (EW-2019-0108) Electricity Retailer Licence (ER-2020-0117) Gas Marketer Licence (GM-2020-0118) Electricity Retailer Licence (ER-2020-0120) Gas Marketer Licence (GM-2020-0121) Electricity Retailer Licence (ER-2016-0332) Gas Marketer Licence (GM-2016-0261)	to suspend or review a Licence on basis of insolvency event. (*Section 5.2, EW-2016-0149*) **Risk of Customer Reversion to Default Supplier:** N/A

INDEPENDENT SYSTEM OPERATOR (ISO)				
Province	**Regulator**	**Registrant**	**Regulatory Instrument**	**Reason for Regulatory Stay**
Alberta	Alberta Electricity System Operator (“**AESO**”)	Hudson Energy Canada Corp.	Market Participant Registration	**Risk of Registration Suspension or Termination:** Insolvency event is an event of default, which allows AESO to issue a suspension or termination order against a defaulting market participant. (*AESO ISO Rules, section 103.7*)

TAB I

THIS IS EXHIBIT "I" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Management's responsibility for financial reporting

The accompanying consolidated financial statements of Just Energy Group Inc. and all the information in this annual report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The consolidated financial statements include some amounts that are based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects. Financial information presented elsewhere in this annual report has been prepared on a consistent basis with that in the consolidated financial statements.

Just Energy Group Inc. maintains systems of internal accounting and administrative controls. These systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company assets are properly accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board of Directors and is composed entirely of non-management directors. The Audit Committee meets periodically with management and the external auditors, to discuss auditing, internal controls, accounting policy and financial reporting matters. The committee reviews the consolidated financial statements with both management and the external auditors and reports its findings to the Board of Directors before such statements are approved by the Board.

The consolidated financial statements have been audited by Ernst & Young LLP, the external auditors, in accordance with the standards of the Public Company Accounting Oversight Board (United States) on behalf of the shareholders. The external auditors have full and free access to the Audit Committee, with and without the presence of management, to discuss their audit and their findings as to the integrity of the financial reporting and the effectiveness of the system of internal controls.

On behalf of Just Energy Group Inc.

/s/ Scott Gahn

Scott Gahn
Chief Executive Officer

/s/ Jim Brown

Jim Brown
Chief Financial Officer

Toronto, Canada
July 8, 2020

Management's report on internal control over financial reporting

The management of Just Energy Group Inc. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting, and has designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Management has used "Internal Control – Integrated Framework" to evaluate the effectiveness of internal control over financial reporting, which is a recognized and suitable framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO). Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has evaluated the design and operation of the Company's internal control over financial reporting as of March 31, 2020, and has concluded that such internal control over financial reporting was not effective as a result of identifying a material weakness as described in the Company's management's discussion and analysis – July 8, 2020.

Ernst & Young LLP, the independent auditors appointed by the shareholders of the Company who have audited the consolidated financial statements, have also audited internal control over financial reporting and have issued their report on the following page of this annual report.

/s/ Scott Gahn

Scott Gahn
Chief Executive Officer

/s/ Jim Brown

Jim Brown
Chief Financial Officer

Toronto, Canada
July 8, 2020

Report of independent registered public accounting firm

To the Shareholders and Board of Directors of Just Energy Group Inc.

OPINION ON INTERNAL CONTROL OVER FINANCIAL REPORTING

We have audited Just Energy Group Inc.'s internal control over financial reporting as of March 31, 2020, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) ("COSO criteria"). In our opinion, because of the effect of the material weaknesses described below on the achievement of the objectives of the control criteria, Just Energy Group Inc. (the "Company") has not maintained effective internal control over financial reporting as of March 31, 2020, based on the COSO criteria.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment: i) design of the controls over reconciliation and estimation procedures in Commodity suppliers' payables and accruals and cost of goods sold and ii) an aggregation of deficiencies within the financial statement close process impacting the control activities and monitoring components of the COSO framework.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated statements of financial position as of March 31, 2020 and 2019, and the related consolidated statements of loss, comprehensive loss, changes in shareholders' deficit and cash flows for the years then ended and the related notes. This material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of the 2020 and 2019 consolidated financial statements, and this report does not affect our report dated July 8, 2020, which expressed an unqualified opinion thereon that included an explanatory paragraph regarding the Company's ability to continue as a going concern.

BASIS FOR OPINION

Just Energy Group Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Discussion and Analysis. Our responsibility is to express an opinion on Just Energy Group Inc.'s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to Just Energy Group Inc. in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

DEFINITION AND LIMITATIONS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
July 8, 2020

Report of independent registered public accounting firm

To the Shareholders and Board of Directors of Just Energy Group Inc.

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated statements of financial position of Just Energy Group Inc. as of March 31, 2020 and 2019, and the related consolidated statements of loss, comprehensive loss, changes in shareholders' deficit and cash flows for each of the two years in the period ended March 31, 2020 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Just Energy Group Inc. at March 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended, in conformity with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), Just Energy Group Inc.'s internal control over financial reporting as of March 31, 2020, based on criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organization of the Treadway Commission ("COSO") and our report dated July 8, 2020 expressed an adverse opinion on the effectiveness of Just Energy Group Inc.'s internal control over financial reporting.

JUST ENERGY GROUP INC.'S ABILITY TO CONTINUE AS A GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that Just Energy Group Inc. will continue as a going concern. As discussed in Note 3 to the financial statements, Just Energy Group Inc.'s credit facility with syndicate lenders matures within the next 12 months and has been classified in the consolidated financial statements as a current liability and contributes to the net current liability position at March 31, 2020. Just Energy Group Inc. has stated that these conditions, along with other matters as set forth in Note 3, indicate the existence of material uncertainties that raise substantial doubt about Just Energy Group Inc.'s ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

RESTATEMENT OF 2019 FINANCIAL STATEMENTS

As discussed in Note 5 to the consolidated financial statements, the 2019 consolidated financial statements have been restated to correct a misstatement.

BASIS FOR OPINION

These consolidated financial statements are the responsibility of Just Energy Group Inc.'s management. Our responsibility is to express an opinion on Just Energy Group Inc.'s consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to Just Energy Group Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

We have served as Just Energy Group Inc.'s auditor since 2011
Toronto, Canada
July 8, 2020

Consolidated statements of financial position

As at March 31
(in thousands of Canadian dollars)

	Notes	2020	2019 (Restated – Note 5)	2018 (Restated – Note 5)
ASSETS				
Current assets				
Cash and cash equivalents		**$ 26,093**	$ 9,888	$ 48,861
Restricted cash		**4,326**	4,048	3,515
Trade and other receivables, net	8	**403,907**	705,221	658,844
Gas in storage		**6,177**	2,943	2,342
Fair value of derivative financial assets	13	**36,353**	144,512	218,769
Income taxes recoverable		**6,641**	18,973	5,617
Other current assets	9	**203,270**	206,425	112,214
		686,767	1,092,010	1,050,162
Non-current assets				
Investments	10	**32,889**	36,897	36,314
Property and equipment, net	11	**28,794**	25,862	18,893
Intangible assets, net	12	**370,958**	472,656	401,926
Fair value of derivative financial assets	13	**28,792**	9,255	64,662
Deferred income tax assets	19	**3,572**	4,238	9,449
Other non-current assets	9	**56,450**	49,512	19,987
		521,455	598,420	551,231
Assets classified as held for sale	24	**7,611**	8,971	–
		529,066	607,391	551,231
TOTAL ASSETS		**$ 1,215,833**	$ 1,699,401	$ 1,601,393
LIABILITIES				
Current liabilities				
Trade and other payables	14	**$ 685,665**	$ 870,083	$ 648,997
Deferred revenue	15	**852**	43,228	38,710
Income taxes payable		**5,799**	11,895	5,486
Fair value of derivative financial liabilities	13	**113,438**	79,387	86,288
Provisions		**1,529**	7,205	4,714
Current portion of long-term debt	16	**253,485**	479,101	121,451
		1,060,768	1,490,899	905,646
Non-current liabilities				
Long-term debt	16	**528,518**	246,271	422,053
Fair value of derivative financial liabilities	13	**76,268**	63,658	51,871
Deferred income tax liabilities	19	**2,931**	4,124	6,918
Other non-current liabilities	7	**37,730**	61,339	57,349
		645,447	375,392	538,191
Liabilities relating to assets classified as held for sale	24	**4,906**	5,200	–
		650,353	380,592	538,191
TOTAL LIABILITIES		**$ 1,711,121**	$ 1,871,491	$ 1,443,837
SHAREHOLDERS' EQUITY (DEFICIT)				
Shareholders' capital	20	**$ 1,246,829**	$ 1,235,503	$ 1,215,826
Equity component of convertible debentures		**13,029**	13,029	13,029
Contributed deficit		**(29,826)**	(25,540)	(22,693)
Accumulated deficit		**(1,809,557)**	(1,473,776)	(1,140,118)
Accumulated other comprehensive income		**84,651**	79,093	91,934
Non-controlling interest		**(414)**	(399)	(422)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)		**(495,288)**	(172,090)	157,556
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		**$ 1,215,833**	$ 1,699,401	$ 1,601,393

Basis of presentation (Note 3b)
Commitments and Contingencies (Note 25)

See accompanying notes to the consolidated financial statements

/s/ Scott Gahn

Scott Gahn
Chief Executive Officer and President

/s/ H. Clark Hollands

H. Clark Hollands
Corporate Director

Consolidated statements of loss

For the years ended March 31
(in thousands of Canadian dollars, except where indicated and per share amounts)

	Notes	2020	2019 (Restated – Note 5)
CONTINUING OPERATIONS			
Sales	17	**$ 2,772,809**	$ 3,038,438
Cost of goods sold	7	**2,136,456**	2,359,867
GROSS MARGIN		**636,353**	678,571
EXPENSES (INCOMES)			
Administrative		**(167,936)**	(165,328)
Selling and marketing		**(220,820)**	(211,738)
Other operating expenses	22(a)	**(133,948)**	(156,399)
Restructuring costs		**–**	(14,844)
Finance costs	16	**(106,945)**	(87,779)
Unrealized loss of derivative instruments and other	7, 13	**(213,417)**	(87,459)
Realized loss of derivative instruments	7	**(24,386)**	(83,776)
Other income, net	18	**32,660**	2,312
Impairment of goodwill, intangible assets and other	12	**(92,401)**	–
Loss from continuing operations before income taxes		**(290,840)**	(126,440)
Provision for income taxes	19	**7,393**	11,832
LOSS FROM CONTINUING OPERATIONS		**$ (298,233)**	$ (138,272)
DISCONTINUED OPERATIONS			
Loss from discontinued operations	24	**(11,426)**	(128,259)
LOSS FOR THE YEAR		**$ (309,659)**	$ (266,531)
Attributable to:			
Shareholders of Just Energy		**$ (298,160)**	$ (138,080)
Discontinued operations	24	**(11,426)**	(128,259)
Non-controlling interest		**(73)**	(192)
LOSS FOR THE YEAR		**$ (309,659)**	$ (266,531)
Loss per share from continuing operations	23		
Basic		**$ (2.05)**	$ (1.00)
Diluted		**$ (2.05)**	$ (1.00)
Loss per share from discontinued operations	24		
Basic		**$ (0.07)**	$ (0.86)
Diluted		**$ (0.07)**	$ (0.86)
Loss per share available to shareholders	23		
Basic		**$ (2.12)**	$ (1.86)
Diluted		**$ (2.12)**	$ (1.86)

See accompanying notes to the consolidated financial statements

Consolidated statements of comprehensive loss

For the years ended March 31
(in thousands of Canadian dollars)

	Notes	2020	2019 (Restated – Note 5)
LOSS FOR THE YEAR		**$ (309,659)**	$ (266,531)
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:			
Unrealized gain on translation of foreign operations, net of tax		**3,551**	6,708
Unrealized loss on translation of foreign operations from discontinued operations		**(9,603)**	(1,686)
Gain on translation of foreign operations disposed and reclassified to consolidated statement of loss	24	**11,610**	–
		5,558	5,022
TOTAL COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		**$ (304,101)**	$ (261,509)
Total comprehensive loss attributable to:			
Shareholders of Just Energy		**$ (304,028)**	$ (261,317)
Non-controlling interest		**(73)**	(192)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		**$ (304,101)**	$ (261,509)

See accompanying notes to the consolidated financial statements

Consolidated statements of changes in shareholders' deficit

For the years ended March 31
(in thousands of Canadian dollars)

	Notes	2020	2019 (Restated – Note 5)
ATTRIBUTABLE TO THE SHAREHOLDERS			
Accumulated earnings			
Accumulated earnings, beginning of year, as previously reported	7	**$ 450,032**	$ 775,350
Restatement	5	**–**	(58,979)
Accumulated earnings, beginning of year, as restated		**$ 450,032**	$ 716,371
Loss for the year as reported, attributable to shareholders		**(309,586)**	(266,339)
Accumulated earnings, end of year		**$ 140,446**	$ 450,032
DIVIDENDS AND DISTRIBUTIONS			
Dividends and distributions, beginning of year		**(1,923,808)**	(1,835,778)
Dividends and distributions declared and paid	20(b)	**(26,195)**	(88,030)
Dividends and distributions, end of year		**$(1,950,003)**	$ (1,923,808)
ACCUMULATED DEFICIT		**$(1,809,557)**	$ (1,473,776)
ACCUMULATED OTHER COMPREHENSIVE INCOME			
Accumulated other comprehensive income, beginning of year	7	**$ 79,093**	$ 74,071
Other comprehensive income		**5,558**	5,022
Accumulated other comprehensive income, end of year		**$ 84,651**	$ 79,093
SHAREHOLDERS' CAPITAL	20		
Common shares			
Common shares, beginning of year		**$ 1,088,538**	$ 1,079,055
Share-based units exercised	21	**11,326**	9,483
Common shares, end of year		**$ 1,099,864**	$ 1,088,538
Preferred shares	20		
Preferred shares, beginning of year		**$ 146,965**	$ 136,771
Shares issued		**–**	10,447
Shares issuance costs		**–**	(253)
Preferred shares, end of year		**$ 146,965**	$ 146,965
SHAREHOLDERS' CAPITAL		**$ 1,246,829**	$ 1,235,503
EQUITY COMPONENT OF CONVERTIBLE DEBENTURES			
Balance, beginning of year		**$ 13,029**	$ 13,029
Balance, end of year		**$ 13,029**	$ 13,029
CONTRIBUTED DEFICIT			
Balance, beginning of year		**$ (25,540)**	$ (22,693)
Add: Share-based compensation expense	22(a)	**12,250**	5,916
Discontinued operations		**269**	217
Purchase of non-controlling interest		**–**	1,462
Less: Share-based units exercised		**(11,326)**	(9,483)
Share-based compensation adjustment		**(3,664)**	(1,031)
Non-cash deferred share grant distributions		**(1,815)**	72
Balance, end of year		**$ (29,826)**	$ (25,540)
NON-CONTROLLING INTEREST			
Balance, beginning of year		**$ (399)**	$ (422)
Foreign exchange impact on non-controlling interest		**58**	215
Loss attributable to non-controlling interest		**(73)**	(192)
Balance, end of year		**$ (414)**	$ (399)
TOTAL SHAREHOLDERS' DEFICIT		**$ (495,288)**	$ (172,090)

See accompanying notes to the consolidated financial statements

Consolidated statements of cash flows

For the years ended March 31
(in thousands of Canadian dollars)

	Notes	2020	2019 (Restated – Note 5)
Net inflow (outflow) of cash related to the following activities			
OPERATING			
Loss from continuing operations before income taxes		**$ (290,840)**	$ (126,440)
Loss from discontinued operations before income taxes	24	**(11,349)**	(132,004)
Loss before income taxes		**(302,189)**	(258,444)
Items not affecting cash			
Amortization and depreciation	22(a)	**41,242**	29,861
Impairment of goodwill, intangible assets and other	12	**92,401**	–
Share-based compensation expense	22(a)	**12,250**	5,916
Financing charges, non-cash portion		**20,435**	18,223
Gain on sale of subsidiaries, net	24	**(45,138)**	–
Unrealized loss in fair value of derivative instruments and other	13	**213,417**	87,459
Net change in working capital balances	27(a)	**43,994**	18,514
Adjustment for discontinued operations, net	24	**(34,814)**	66,411
Income taxes paid		**(461)**	(12,435)
Cash inflow (outflow) from operating activities		**41,137**	(44,495)
INVESTING			
Purchase of property and equipment	11	**(2,159)**	(5,159)
Purchase of intangible assets	12	**(14,382)**	(38,383)
Payments for acquired business	26	**(12,013)**	(4,281)
Proceeds from disposition of subsidiaries	24, 18	**7,672**	–
Cash outflow from investing activities		**(20,882)**	(47,823)
FINANCING			
Dividends paid	20(b)	**(26,172)**	(87,959)
Repayment of long-term debt	16	**(25,257)**	(173,366)
Issuance of long-term debt	16	**17,163**	253,242
Leased asset payments		**(5,802)**	–
Debt issuance costs		**180**	(18,132)
Credit facilities withdrawal	16	**34,812**	79,462
Issuance of preferred shares		**–**	10,447
Preferred shares issuance costs		**–**	(352)
Share swap payout		**–**	(10,000)
Cash inflow (outflow) from financing activities		**(5,076)**	53,342
Effect of foreign currency translation on cash balances		**1,026**	3
Net cash inflow (outflow)		**16,205**	(38,973)
Cash and cash equivalents, beginning of year		**9,888**	48,861
Cash and cash equivalents, end of year		**$ 26,093**	$ 9,888
Supplemental cash flow information:			
Interest paid		**$ 78,749**	$ 52,836

See accompanying notes to the consolidated financial statements

Notes to the consolidated financial statements

For the year ended March 31, 2020
(in thousands of Canadian dollars, except where indicated and per share amounts)

1 ORGANIZATION

Just Energy Group Inc. ("Just Energy" or the "Company") is a corporation established under the laws of Canada to hold securities and to distribute the income of its directly or indirectly owned operating subsidiaries and affiliates. The registered office of Just Energy is First Canadian Place, 100 King Street West, Toronto, Ontario, Canada. The consolidated financial statements consist of Just Energy and its subsidiaries and affiliates. The consolidated financial statements were approved by the Board of Directors on July 8, 2020.

2 OPERATIONS

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States ("U.S.") and Canada, Just Energy serves both residential and commercial customers, providing homes and businesses with a broad range of energy solutions that deliver comfort, convenience and control. Just Energy is the parent company of Amigo Energy, Filter Group Inc. ("Filter Group"), Hudson Energy, Interactive Energy Group, Tara Energy and TerraPass.

Just Energy's current commodity product offerings include fixed, variable, index and flat rate options. By fixing the price of natural gas or electricity under its fixed-price or price-protected program contracts for a period of up to five years, Just Energy's customers offset their exposure to changes in the price of these essential commodities. Variable rate products allow customers to maintain competitive rates while retaining the ability to lock into a fixed price at their discretion. Flat-bill products allow customers to pay a flat rate each month regardless of usage. Just Energy derives its margin or gross profit from the difference between the price at which it is able to sell the commodities to its customers and the related price at which it purchases the associated volumes from its suppliers.

Through the Filter Group business, Just Energy provides subscription-based home water filtration systems to residential customers, including under-counter and whole-home water filtration solutions. Just Energy markets smart thermostats, offering the thermostats as a standalone unit or bundled with certain commodity products. The smart thermostats are currently manufactured and distributed by ecobee Inc. ("ecobee"), a company in which Just Energy holds an approximate 8% fully diluted equity interest. Just Energy also offers green products through its JustGreen program. The JustGreen electricity product offers customers the option of having all or a portion of their electricity sourced from renewable green sources such as wind, solar, hydropower or biomass. The JustGreen gas product offers carbon offset credits that allow customers to reduce or eliminate the carbon footprint of their homes or businesses. Additional green products allow customers to offset their carbon footprint without buying energy commodity products and can be offered in all states and provinces without being dependent on energy deregulation.

Just Energy markets its product offerings through several sales channels including brokers, digital marketing, retail and affinity relationships, and door-to-door.

In March 2019, Just Energy formally approved and commenced a process to dispose of its businesses in Germany, Ireland and Japan. In June 2019, Just Energy also formally approved and commenced a process to dispose of its business in the United Kingdom ("U.K."), as part of the Company's Strategic Review. The decision was part of a strategic transition to focus on the core business in North America. The U.K. and Ireland businesses were disposed of during the three months ended December 31, 2019 as described in Note 24. The disposal of operations in Japan was completed in April 2020 and Germany is expected to be completed in the near future. As at March 31, 2020, these operations were classified as a disposal group held for sale and as a discontinued operation. Previously, these operations were reported within the Consumer segment, while a portion of the U.K. was allocated to the Commercial segment.

3 BASIS OF PRESENTATION

(a) Compliance with IFRS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The policies applied in these consolidated financial statements were based on IFRS issued and outstanding as at March 31, 2020.

(b) Basis of presentation

The consolidated financial statements are presented in Canadian dollars, the functional currency of Just Energy, and all values are rounded to the nearest thousand, except where otherwise indicated. The consolidated financial statements are prepared on a going concern basis under the historical cost convention, except for certain financial assets and liabilities that are stated at fair value.

The Company's business is affected by seasonality. As a result, for certain periods such as the second fiscal quarter, the Company forecast cash shortfalls that require additional financing through support from suppliers and, in certain circumstances, actions to liquidate certain assets.

As described further in Note 16, the Company has a $370 million credit facility with a syndicate of lenders and a US$250 million non-revolving multi-draw senior unsecured term loan facility from another lender, maturing on September 1, 2020 and September 12, 2023, respectively. The facility maturing on September 1, 2020 has been classified in the consolidated financial statements as a current liability and contributes to the net current liability position as at March 31, 2020. As at March 31, 2020, the Company was compliant with the requirements of its senior debt to EBITDA ratio covenant as a result of an amendment that provided, among other things, a temporary increase of the ratio from its lenders. As at June 30, 2020, the Company amended its senior secured credit facility to increase the senior debt to EBITDA covenant ratio from 1:50 to 2:00, and the total debt to EBITDA covenant ratio from 3.50:1 to 4.00:1 with respect to the fiscal quarter ending June 30, 2020. In addition, the lenders under the Company's senior unsecured term loan facility waived compliance with the senior debt to EBITDA and the total debt to EBITDA covenant ratios contained therein for the fiscal quarter ending June 30, 2020.

The Company's ability to continue as a going concern for the next 12 months is dependent on the continued availability of its credit facilities; the Company's ability to obtain waivers from its lenders for potential instances of non-compliance with covenants, if necessary; the ability to refinance or secure additional sources of financing, if necessary, or the completion of this Recapitalization transaction (the "Recapitalization"); the liquidation of available investments; and the continued support of the Company's lenders and suppliers. These conditions indicate the existence of material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. There can be no assurance that the Company will be successful in these initiatives, that lenders will provide further financing or relief for covenants, or that the Company can refinance or repay credit facilities from new sources of financing.

On July 8, 2020, the Company announced a comprehensive plan to strengthen and de-risk the business, positioning the Company for sustainable growth as an independent industry leader. The Recapitalization will be undertaken through a plan of arrangement under the Canada Business Corporation Act ("CBCA") and includes:

- Exchange of $100 million 6.75% subordinated convertible debentures due March 31, 2023 (TSX: JE.DB.D) and $160 million 6.75% subordinated convertible debentures due December 31, 2021 (TSX: JE.DB.C) (the "Subordinated Convertible Debentures") for new common equity;
- Extension of $335 million credit facilities by three years to December 2023, with revised covenants and a schedule of commitment reductions throughout the term;
- Existing senior unsecured term loan due September 12, 2023 (the "Existing Term Loan") and the remaining convertible bonds due December 31, 2020 (the "Eurobond") shall be exchanged for a new term loan due March 2024 with interest to be paid-in-kind and new common equity;
- Exchange of all 8.50%, fixed-to-floating rate, cumulative, redeemable, perpetual preferred shares (JE.PR.U) (the "Preferred Shares") into new common equity; and,
- New cash equity investment commitment of $100 million.

The implementation of the Recapitalization is expected in September 2020, pending court and securityholder approvals required under the CBCA, as well as applicable approvals by the Toronto Stock Exchange. The Recapitalization has been approved by Just Energy's Board of Directors. Just Energy's financial advisor, BMO Capital Markets, has provided an opinion to Just Energy's Board of Directors that the terms of the Recapitalization, if implemented, are fair from a financial point of view to each of the holders of the existing Eurobond Subordinated Convertible Debentures, preferred shares and common shares.

The Company has obtained a preliminary interim order from the Ontario Superior Court of Justice which, among other things, grants a limited stay of proceedings and establishes the record date for voting of securityholders with respect to the plan of arrangement as July 8, 2020. The Company will be seeking an interim order in the very near term.

These consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. These adjustments could be material.

(c) Principles of consolidation

The consolidated financial statements include the accounts of Just Energy and its directly or indirectly owned subsidiaries as at March 31, 2020. Subsidiaries are consolidated from the date of acquisition and control and continue to be consolidated until the date that such control ceases. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee. The financial statements of the subsidiaries are prepared for the same reporting period as Just Energy, using consistent accounting policies. All intercompany balances, income, expenses, and unrealized gains and losses resulting from intercompany transactions are eliminated on consolidation.

4 SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents and restricted cash

All highly liquid temporary cash investments with an original maturity of three months or less when purchased are cash equivalents. For the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Restricted cash includes cash and cash equivalents, where the availability of funds is restricted by debt arrangements or held in escrow as part of prior acquisition agreements.

Accrued gas receivable/accrued gas payable or gas delivered in excess of consumption/deferred revenue

Accrued gas receivable from Just Energy's customers is stated at fair value and results from customers consuming more gas than has been delivered by Just Energy to local distribution companies ("LDCs"). Accrued gas payable represents Just Energy's obligation to the LDCs for the customers' excess consumption, over what was delivered to the LDCs.

Gas delivered to LDCs in excess of consumption by customers is stated at the lower of cost and net realizable value. Collections from customers in advance of their consumption of gas result in deferred revenue.

Assuming normal weather and consumption patterns, during the winter months, customers will have consumed more than was delivered, resulting in the recognition of accrued gas receivable/accrued gas payable. In the summer months, customers will have consumed less than what was delivered, resulting in the recognition of gas delivered in excess of consumption/deferred revenue.

These adjustments are applicable solely to the Ontario, Manitoba, Quebec, Saskatchewan and Michigan gas markets.

Gas in storage

Gas in storage represents the gas delivered to the LDCs in Illinois, Indiana, New York, Ohio, Maryland, California and Alberta. The balance will fluctuate as gas is injected into or withdrawn from storage.

Gas in storage is valued at the lower of cost and net realizable value, with cost being determined based on market cost on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business.

Property and equipment

Property and equipment are stated at cost, net of any accumulated depreciation and impairment losses. Cost includes the purchase price and, where relevant, any costs directly attributable to bringing the asset to the location and condition necessary and/or the present value of all dismantling and removal costs. Where major components of property and equipment have different useful lives, the components are recognized and depreciated separately. Just Energy recognizes, in the carrying amount, the cost of replacing part of an item when the cost is incurred and if it is probable that the future economic benefits embodied in the item can be reliably measured. When significant parts of property and equipment are required to be replaced at intervals, Just Energy recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statements of income (loss) as a general and administrative expense when incurred. Depreciation is provided over the estimated useful lives of the assets as follows:

Asset category	Depreciation method	Rate/useful life
Furniture and fixtures	Declining balance	20%
Office equipment	Declining balance	20%
Computer equipment	Declining balance	30%
Leasehold improvements	Straight-line	Term of lease
Premise assets	Straight-line	4–7 years

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statements of loss.

The useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Business combinations

All identifiable assets acquired and liabilities assumed are measured at the acquisition date at fair value. The Company records all identifiable intangible assets including identifiable assets that had not been recognized by the acquiree before the business combination. Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets acquired and liabilities assumed is recorded as goodwill. During the measurement period (which is within one year from the acquisition date), Just Energy may adjust the amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Adjustments related to facts and circumstances that did not exist as at the consolidated statement of financial position dates are taken to the consolidated statements of loss. The Company records acquisition-related costs as expenses in the periods in which the costs are incurred with the exception of certain costs relating

to registering and issuing debt or equity securities which are accounted for as part of the financing. Non-controlling interest is recognized at its proportionate share of the fair value of identifiable assets and liabilities, unless otherwise indicated.

Goodwill
Goodwill is initially measured at cost, which is the excess of the cost of the business combination over Just Energy's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Any negative difference is recognized directly in the consolidated statements of loss.

After initial recognition, goodwill is measured at cost, less impairment losses. For the purpose of impairment testing, goodwill is allocated to each of Just Energy's operating segments that are expected to benefit from the synergies of the combination, irrespective of whether other assets and liabilities of the acquiree are assigned to those segments.

Intangible assets
Intangible assets acquired outside of a business combination are measured at cost on initial recognition. Intangible assets acquired in a business combination are recorded at fair value on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and/or accumulated impairment losses.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and amortization period of an intangible asset with a finite useful life are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense related to intangible assets with finite lives is recognized in the consolidated statements of loss.

Internally generated intangible assets are capitalized when the product or process is technically and commercially feasible, the future economic benefit is measurable, Just Energy can demonstrate how the asset will generate future economic benefits and Just Energy has sufficient resources to complete development. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

The goodwill and certain brands are considered to have indefinite lives and are not amortized, rather tested annually for impairment. The assessment of indefinite life is reviewed annually. The Filter Group brand is treated as a finite life asset and amortized due to its history of rebranding.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statements of loss when the asset is derecognized.

Intangible asset category	Amortization method	Rate/useful life
Customer contracts	Straight-line	Term of contract
Contract relationships	Straight-line	10 years
Sales networks and affinity relationships	Straight-line	5–8 years
Technology	Straight-line	3–5 years
Brand (Filter Group)	Straight-line	10 years

Impairment of non-financial assets
Just Energy assesses whether there is an indication that an asset may be impaired at each reporting date. If such an indication exists or when annual testing for an asset is required, Just Energy estimates the asset's recoverable amount. The recoverable amounts of goodwill and intangible assets with an indefinite useful life are tested annually. The recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value-in-use. Value-in-use is determined by discounting estimated future pre-tax cash flows using a pre-tax discount rate that reflects the current market assessment of the time value of money and the specific risks of the asset. The recoverable amount of assets that do not generate independent cash flows is determined based on the CGU to which the asset belongs.

An impairment loss is recognized if an asset's carrying amount or that of the CGU to which it is allocated is higher than its recoverable amount. Impairment losses of individual CGUs are charged against the value of assets in proportion to their carrying amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, Just Energy estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the consolidated statements of loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Goodwill is tested at the segment level as that is the lowest level at which goodwill is monitored. Impairment is determined for goodwill by assessing the recoverable amount of each segment to which the goodwill relates. Where the recoverable amount of the segment is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Leases
For comparability purposes, the accounting policies below reflect the accounting for leases under IAS 17, *Leases* ("IAS 17"). The Company adopted IFRS 16 effective April 1, 2019, which is discussed in Note 7 below.

A lease is an arrangement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. Where Just Energy determines that the contractual provisions of a contract contain, or are, a lease and result in the customer assuming the principal risks and rewards of ownership of the asset, the arrangement is a finance lease. Assets subject to finance leases are not reflected as property and equipment and the net investment in the lease, represented by the present value of the amounts due from the lessee, is recorded as a financial asset, classified as a finance lease receivable. The payments considered to be part of the leasing arrangement are apportioned between a reduction in the lease receivable and finance lease income. The finance lease income element of the payments is recognized using a method that results in a constant rate of return on the net investment in each period and is reflected in financing income.

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15"), requires the estimation of total consideration over the contract term and the allocation of that consideration to all performance obligations in the contract based on their relative standalone selling prices. As such, consideration is allocated towards the performance obligation related to the finance lease and commodity revenue if a customer has a contract with Just Energy for a thermostat and electricity and/or power that was entered into at the same time.

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception date and whether fulfillment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset.

Just Energy as a lessee
Operating lease payments are recognized as an expense in the consolidated statements of income (loss) on a straight-line basis over the lease term.

Just Energy as a lessor
Leases where Just Energy does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Just Energy considers itself to be a dealer lessor with respect to its lease arrangements for thermostats as it has given the customer the choice of either buying or leasing the thermostat. A finance lease of an asset by a dealer lessor gives rise to profit or loss equivalent to that resulting from an outright sale of the underlying asset, at normal selling prices. Just Energy recognizes revenue based on the fair value of the thermostat at the time of completed installation of the thermostat, at which point in time Just Energy has transferred control of the thermostat to the customer. Just Energy also recognizes the cost of sale on the thermostat through cost of goods sold.

Financial instruments
(i) Recognition and derecognition
Regular purchases and sales of financial assets are recognized on the trade date, being the date on which Just Energy commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and Just Energy has transferred substantially all the risks and rewards of ownership.

(ii) Classification
Just Energy classified its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- Those to be measured at amortized cost.

The measurement category classification of financial assets depends on Just Energy's business objectives for managing the financial assets and whether contractual terms of the cash flows are considered solely payments of principal and interest. For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI depending upon the business objective.

Just Energy reclassifies debt instruments when and only when its business objective for managing those assets changes.

(iii) Measurement
At initial recognition, Just Energy measures a financial asset at its fair value. In the case of a financial asset not categorized as fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset are included in measurement at initial recognition. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Subsequent measurement of debt instruments depends on Just Energy's business objective for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which Just Energy classifies its debt instruments:

Amortized cost: Assets held for collection of contractual cash flows that represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in "finance income" using the effective interest rate method.

Cash and cash equivalents, restricted cash, trade and other receivables, trade and other payables are included in this category.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into that are not designated as hedging instruments in hedge relationships as defined by IFRS 9, *Financial Instruments* ("IFRS 9"). Included in this class are primarily physical delivered energy contracts, for which the own-use exemption could not be applied, financially settled energy contracts and foreign currency forward contracts.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 13. Related realized and unrealized gains and losses are included in the consolidated statements of loss.

Financial assets classified at fair value through other comprehensive income ("OCI")
Financial assets at fair value through OCI are equity instruments that Just Energy has elected to recognize the changes in fair value through OCI. They are recognized initially at fair value in the consolidated statements of financial position and are remeasured subsequently at fair value, with gains and losses arising from changes in fair value recognized directly in equity and presented in OCI.

Derecognition
A financial asset is derecognized when the rights to receive cash flows from the asset have expired or when Just Energy has transferred its rights to receive cash flows from the asset.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by Just Energy that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Included in this class are primarily physically delivered energy contracts, for which the own-use exemption could not be applied, financially settled energy contracts and foreign currency forward contracts.

Gains or losses on liabilities held for trading are recognized in the consolidated statements of loss.

Other financial liabilities at amortized cost
Other financial liabilities are measured at amortized cost using the effective interest rate method. Financial liabilities include long-term debt issued and are initially measured at fair value. Transaction costs related to the long-term debt instruments are included in the value of the instruments and amortized using the effective interest rate method. The effective interest expense is included in finance costs in the consolidated statements of loss.

Impairment
Just Energy assesses on a forward-looking basis the expected credit losses ("ECL") associated with its assets carried at amortized cost, including other receivables. For trade receivables, other receivables and unbilled revenue only, Just Energy applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Trade receivables are reviewed qualitatively on a case-by-case basis to determine if they need to be written off.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statements of loss.

Derivative instruments
Just Energy enters into fixed-term contracts with customers to provide electricity and gas at fixed prices. These customer contracts expose Just Energy to changes in consumption as well as changes in the market prices of gas and electricity. To reduce its exposure to movements in commodity prices, Just Energy enters into contracts with suppliers that expose the Company to changes in prices for the purchase and sale of power and natural gas. These contracts are treated as derivatives as they do not meet the own-use criteria under IAS 32, *Financial Instruments: Presentation*. The primary factors affecting the fair value of derivative instruments at any point in time are the volume of open derivative positions and the changes of commodity market prices. Prices for power and natural gas are volatile, which can result in material changes in the fair value measurements reported in Just Energy's consolidated financial statements in the future.

Just Energy analyzes all its contracts, of both a financial and non-financial nature, to identify the existence of any "embedded" derivatives. Embedded derivatives are accounted for separately from the underlying contract at the inception date when their economic characteristics are not closely related to those of the host contract and the host contract is not carried as held for trading or designated as fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss.

All derivatives are recognized at fair value on the date on which the derivative is entered into and are remeasured to fair value at each reporting date. Derivatives are carried in the consolidated statements of financial position as other financial assets when the fair value is positive and as other financial liabilities when the fair value is negative. Just Energy does not utilize hedge accounting; therefore, changes in the fair value of these derivatives are recorded directly to the consolidated statements of loss and are included within unrealized gain on derivative instruments. Refer to Note 7 for disclosure of the impact to derivative instruments due to the adoption of IFRIC Agenda Decision 11, "Physical Settlement of Contracts to Buy or Sell a Non-Financial Item" ("Agenda Decision 11").

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statements of financial position if, and only if, there is currently an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques that are recognized by market participants. Such techniques may include using recent arm's-length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models. An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 13.

Revenue recognition
Just Energy has identified that the material performance obligation is the provision of gas and electricity to customers, which is satisfied over time throughout the contract term. Just Energy utilizes the output method to recognize revenue based on the units of gas and electricity delivered and billed to the customer each month and Just Energy has elected to adopt the practical expedient to recognize revenue in the amount to which the entity has a right to invoice, as the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance to date.

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes.

The Company assumes credit risk for all customers in Alberta, Texas, Illinois, Michigan, Delaware and Ohio. On all value-added products sold on the market, Just Energy also assumes the credit risk. In these markets, the Company ensures that credit review processes are in place prior to the commodity flowing to the customer.

Foreign currency translation
Functional and presentation currency
Items included in the consolidated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). For U.S.-based subsidiaries, this is U.S. dollars ("USD"). The consolidated financial statements are presented in Canadian dollars, which is the parent Company's presentation and functional currency.

Transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of loss.

Translation of foreign operations
The results and consolidated financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate as at the date of that consolidated statement of financial position; and
- Income and expenses for each consolidated statement of loss are translated at the exchange rates prevailing at the dates of the transactions.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recorded in OCI.

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in accumulated other comprehensive income are recognized in the consolidated statements of loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Earnings (loss) per share amounts
The computation of earnings (loss) per share is based on the weighted average number of shares outstanding during the year. Diluted earnings (loss) per share is computed in a similar way to basic earnings (loss) per share except that the weighted average number of shares outstanding is increased to include additional shares assuming the exercise of stock options, restricted share grants ("RSGs"), performance bonus incentive grants ("PBGs"), deferred share grants ("DSGs") and convertible debentures, if dilutive.

Share-based compensation plans
Equity-based compensation liability
Share-based compensation plans are equity-settled transactions. The cost of share-based compensation is measured by reference to the fair value at the date on which it was granted. Awards are valued at the grant date and are not adjusted for changes in the prices of the underlying shares and other measurement assumptions. The cost of equity-settled transactions is recognized, together with the corresponding increase in equity, over the period in which the performance or service conditions are fulfilled, ending on the date on which the relevant grantee becomes fully entitled to the award. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting period reflects the extent to which the vesting period has expired and Just Energy's best estimate of the number of the shares that will ultimately vest. The expense or credit recognized for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

When options, RSGs, PBGs and DSGs are exercised or exchanged, the amounts previously credited to contributed deficit are reversed and credited to shareholders' capital.

Employee future benefits
In Canada, Just Energy offers a long-term wealth accumulation plan (the "Canadian Plan") for all permanent full-time and permanent part-time employees (working more than 26 hours per week). The Canadian Plan consists of two components: a Deferred Profit Sharing Plan ("DPSP") and an Employee Profit Sharing Plan ("EPSP"). For participants of the DPSP, Just Energy contributes an amount equal to a maximum of 2% per annum of an employee's base earnings. For the EPSP, Just Energy contributes an amount up to a maximum of 2% per annum of an employee's base earnings towards the purchase of shares of Just Energy, on a matching one-for-one basis.

For U.S. employees, Just Energy has established a long-term savings plan (the "U.S. Plan") for all permanent full-time and part-time employees (working more than 30 hours per week) of its subsidiaries. The U.S. Plan consists of two components: a 401(k) and an Employee Unit Purchase Plan ("EUPP"). For participants who are enrolled only in the EUPP, Just Energy contributes an amount up to a maximum of 3% per annum of an employee's base earnings towards the purchase of Just Energy shares, on a matching one-for-one basis. For participants who are enrolled only in the 401(k), Just Energy contributes an amount up to a maximum of 4% per annum of an employee's base earnings, on a matching one-for-one basis. In the event an employee participates in both the EUPP and 401(k), the maximum Just Energy will contribute is 5% total, consisting of 3% to the EUPP and 2% to the 401(k).

Participation in the plans in Canada or the U.S. is voluntary. For the 401(k), there is a two-year vesting period beginning from the date of hire, and for the EUPP, there is a six-month vesting period from the employee's enrolment date in the plan.

Obligations for contributions to the Canadian and U.S. Plans are recognized as an expense in the consolidated statements of loss when the employee makes a contribution.

Income taxes
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where Just Energy operates and generates taxable income.

Current income taxes relating to items recognized directly in OCI or equity are recognized in OCI or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Just Energy follows the liability method of accounting for deferred income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to the temporary differences between the carrying value of the assets and liabilities in the consolidated financial statements and their respective tax bases.

Deferred income tax liabilities are recognized for all taxable temporary differences except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the parent and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses, can be utilized except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profits will allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes relating to items recognized in cumulative translation adjustment or equity is recognized in OCI or equity and not in profit or loss.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Provisions and restructuring
Provisions are recognized when Just Energy has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where Just Energy expects some or all provisions to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statements of loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Restructuring provisions comprise activities including termination or relocation of a business, management structural reorganization and employee-related costs. Incremental costs directly associated with the restructuring are included in the restructuring provision. Costs associated with ongoing activities, including training or relocating continuing staff, are excluded from the provision. Measurement of the provision is at the best estimate of the anticipated costs to be incurred.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statements of loss.

Selling and marketing expenses
Commissions and various other costs related to obtaining and renewing customer contracts are charged to income in the period incurred except as disclosed below:

Commissions related to obtaining and renewing Commercial customer contracts are paid in one of the following ways: all or partially up front or as a residual payment over the term of the contract. If the commission is paid all or partially up front, it is recorded as a customer acquisition cost in other current assets and expensed in selling and marketing expenses over the term for which the associated revenue is earned. If the commission is paid as a residual payment, the amount is expensed as earned.

Just Energy recognizes the incremental acquisition costs of obtaining a customer contract as an asset as these costs would not have been incurred if the contract had not been obtained and these costs are recovered through the consideration collected from the contract. Commissions and incentives paid for commodity contracts and value-added products are capitalized and amortized over the term of the contract. When the term of the contract is one year or less, the incremental costs incurred to obtain the customer contracts are expensed when incurred.

Green provision and certificates
Just Energy is a retailer of green energy and records a provision to its regulators as green energy sales are recognized. A corresponding cost is included in cost of goods sold. Just Energy measures its provision based on the extent of green certificates that it holds or has committed to purchase and has recorded this obligation net of its green certificates. Any provision balance in excess of the green certificates held or that Just Energy has committed to purchase is measured at fair value. Green certificates

are purchased by Just Energy to settle its obligation with the regulators. Any green energy-related derivatives are forward contracts and are recognized in accordance with the accounting policy discussed under "Financial instruments" above.

Non-current assets held for sale and discontinued operations

Just Energy classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for the held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statements of loss. Property and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

5 RESTATEMENT AND RECLASSIFICATION OF PRIOR PERIOD FINANCIAL STATEMENTS

In connection with the preparation of the Company's consolidated financial statements for the year ended March 31, 2020, differences were identified between amounts recorded in the general ledger and balances based on subsequent cash disbursements and invoices for commodity suppliers' accruals and payables recorded in trade and other payables. These differences represent the combination of the timely cut-off of payables and accruals and historical cash disbursements that were not expensed in the proper period. The Company also restated for amortization of customer acquisition costs during the year ended March 31, 2019 increasing selling and marketing costs by $4.3 million. These differences resulted in increasing the accumulated deficit, beginning of year deficit at April 1, 2018 by $59.0 million, increasing the 2019 loss for the year by $24.1 million and increasing the accumulated deficit, end of the year deficit at March 31, 2019 by $83.1 million.

The Company also identified certain reclassifications related to balances due from independent system operators and LDCs, and assets and liabilities related to green provisions and certificates. The Company also reclassified the credit facility and 8.75% loan from long-term to current debt as a result of the restatement's effect on the compliance with financial covenants and related cross-default provisions as of March 31, 2019.

The Company assessed the materiality of the differences and determined the adjustments were material to the consolidated financial statements. The following tables summarize the effects of the reclassifications and restatements, including the tax effect of the items described above.

Line items on the restated consolidated statements of financial position:

	Balance as of March 31, 2019 as originally reported	Reclassifications	Restatement	**Balance as of March 31, 2019 as restated**
Trade and other receivables	$ 672,615	$ 32,606	$ –	**$ 705,221**
Other current assets	349,643	41,446	(4,300)	**386,789**
Current assets	1,022,258	74,052	(4,300)	**1,092,010**
Deferred income tax asset	1,092	–	3,146	**4,238**
Non-current assets	595,274	–	3,146	**598,420**
TOTAL ASSETS	$ 1,626,503	$ 74,052	$ (1,154)	**$ 1,699,401**
Trade and other payables	$ 714,110	$ 74,052	$ 81,921	**$ 870,083**
Current portion of long-term debt	37,429	441,672	–	**479,101**
Current liabilities	893,254	515,724	81,921	**1,490,899**
Long-term debt	687,943	(441,672)	–	**246,271**
Non-current liabilities	817,064	(441,672)	–	**375,392**
TOTAL LIABILITIES	$ 1,715,518	$ 74,052	$ 81,921	**$ 1,871,491**
Accumulated deficit	$ (1,390,701)	$ –	$ (83,075)	**$(1,473,776)**
TOTAL SHAREHOLDERS' DEFICIT	$ (89,015)	$ –	$ (83,075)	**$ (172,090)**
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	$ 1,626,503	$ 74,052	$ (1,154)	**$ 1,699,401**

The above restatement and reclassifications did not impact the balance sheet as at March 31, 2018 other than increasing both trade and other payables and accumulated deficit by $58,979. Trade and other payables as at March 31, 2018 has been restated from $590,018 to $648,997.

Line items on the restated consolidated statements of loss:

	Year ended March 31, 2019 as originally reported[1]	Restatement	**Year ended March 31, 2019 (Restated)**
Cost of goods sold	$ 2,336,154	$ 23,713	**$ 2,359,867**
Gross margin	702,284	(23,713)	**678,571**
Selling and marketing	207,438	4,300	**211,738**
Other income, net	1,541	771	**2,312**
Loss before income taxes	(99,198)	(27,242)	**(126,440)**
Provision for (recovery of) income taxes	14,978	(3,146)	**11,832**
Loss for the year	$ (242,435)	$ (24,096)	**$ (266,531)**
Total comprehensive loss for the year, net of tax	$ (237,413)	$ (24,096)	**$ (261,509)**
Loss per share from continuing operations			
Basic	$ (0.84)	$ (0.16)	**$ (1.00)**
Diluted	$ (0.84)	$ (0.16)	**$ (1.00)**
Loss per share from discontinued operations			
Basic	$ (0.86)	$ –	**$ (0.86)**
Diluted	$ (0.86)	$ –	**$ (0.86)**
Loss per share available to shareholders			
Basic	$ (1.70)	$ (0.16)	**$ (1.86)**
Diluted	$ (1.70)	$ (0.16)	**$ (1.86)**

1 The March 31, 2019 statements have been adjusted to remove the effects of the discontinued operations as described in Note 24 and to reflect the implementation of the IFRIC Decision as described in Note 7.

Line items on the restated consolidated statements of changes in shareholders' deficit:

	Year ended March 31, 2019 as reported	Adjustment	**Year ended March 31, 2019 (Restated)**
Accumulated earnings (loss), beginning of year	$ 775,350	$ (58,979)	**$ 716,371**
Loss for the year, attributable to shareholders	(242,243)	(24,096)	**(266,339)**
Accumulated earnings (loss), end of year	533,107	(83,075)	**450,032**
Total shareholders' deficit	$ (89,015)	$ (83,075)	**$ (172,090)**

Line items on the restated consolidated statements of cash flows:

	Year ended March 31, 2019 as reported[1]	Adjustment	**Year ended March 31, 2019 (Restated)**
Loss from continuing operations before income taxes	$ (99,198)	$ (27,242)	**$ (126,440)**
Loss before income taxes	(231,201)	(27,242)	**(258,443)**
Net change in working capital balances	$ (8,728)	$ 27,242	**$ 18,514**

1 The March 31, 2019 statements have been adjusted to remove the effects of the discontinued operations as described in Note 24.

6 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires the use of estimates and assumptions to be made in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on previous experience and other factors considered reasonable under the circumstances, the results of which form the basis for making the assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Judgments made by management in the application of IFRS that have a significant impact on the consolidated financial statements relate to the following:

Allowance for doubtful accounts
The measurement of the expected credit loss allowance for accounts receivable requires the use of management's judgment in estimation techniques, building models, selecting key inputs and making significant assumptions about future economic conditions and credit behaviour of the customers, including the likelihood of customers defaulting and the resulting losses. The Company's current significant estimates include the historical collection rates as a percentage of revenue and the use of the Company's historical rates of recovery across aging buckets and the consideration of forward-looking information. All of these inputs are sensitive to the number of months or years of history included in the analysis, which is a key input and judgment made by management.

COVID-19 impact
As a result of the continued and uncertain economic and business impact of the coronavirus disease ("COVID-19") pandemic, we have reviewed the estimates, judgments and assumptions used in the preparation of the consolidated financial statements, including with respect to: the determination of whether indicators of impairment exist for the assets and CGUs and the underlying assumptions used in the measurement of the recoverable amount of such assets or CGUs. We have also assessed the impact of COVID-19 on the estimates and judgments used in connection with the measurement of deferred income tax assets and the credit risk of Just Energy's customers. Although we determined that no significant revisions to such estimates, judgments or assumptions were required for the year ended March 31, 2020, revisions may be required in future periods to the extent that the negative impacts on the business arising from COVID-19 continue or worsen. Any such revision (due to COVID-19 or otherwise) may result in, among other things, write-downs or impairments to the assets or CGUs, and/or adjustments to the carrying amount of the accounts receivable, or to the valuation of the deferred income tax assets, any of which could have a material impact on the results of operations and financial condition. While we believe the COVID-19 pandemic to be temporary, the situation is dynamic and the impact of COVID-19 on the results of operations and financial condition, including the duration and the impact on overall customer demand, cannot be reasonably estimated at this time.

Deferred income taxes
Significant management judgment is required to determine the amount of deferred income tax assets and liabilities that can be recognized, based upon the likely timing and the level of future taxable income realized, including the usage of tax-planning strategies. Determining the tax treatment on certain transactions also involves management's judgment.

Discontinued operations
Management used judgment in concluding on the discontinued operations classification as a major separate geographical area of operations, as part of a single coordinated disposal plan to resell the business in the new fiscal year. There is also a high level of judgment involved in estimating the fair value less costs to sell of the disposal group and the significant carrying amounts of the assets and liabilities related to assets held for sale. Refer to Note 24 for further details.

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using valuation techniques including discounted cash flow models or transacted/quoted prices of identical assets that are not active. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer to Note 13 for further details about the assumptions as well as a sensitivity analysis.

Impairment of non-financial assets
Just Energy's impairment test is based on the estimated value-in-use and uses a discounted cash flow approach model. Management is required to exercise judgment in identifying the CGUs in which to allocate goodwill, working capital and related assets and liabilities. Judgment is further applied to determine which transactions or companies are considered comparable for use. Refer to Note 12 for further information.

7 ACCOUNTING POLICIES AND NEW STANDARDS ADOPTED

IFRS 16
IFRS 16, *Leases* ("IFRS 16"), supersedes IAS 17, *Leases* ("IFRS 17"), and related interpretations and is effective for annual periods beginning on or after January 1, 2019. The Company adopted the standard, effective April 1, 2019, using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognized in equity as an adjustment to the opening balance of accumulated deficit for the current period. Prior periods have not been restated.

Accounting policies
At inception of a contract, the Company assesses whether a contract is, or contains, a lease, by determining whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset, which may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
    - The Company has the right to operate the asset; or
    - The Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone price.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the relevant index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in "property and equipment" and lease liabilities in "other non-current liabilities" in the consolidated statement of financial position.

Short-term leases and leases of low-value assets
The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of property and equipment that have a lease term of 12 months or less and leases of low-value assets, such as some IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Nature of leased assets
The Company leases various offices, equipment and vehicles. Rental contracts are typically made for fixed periods of one to ten years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may not be used as security for borrowing purposes. Some leases provide for additional rent payments based on changes in inflation.

Extension and termination options
Some office leases include an option to renew the lease for an additional period after the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses its portfolio of leases to determine whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. The Company considers all facts and circumstances when making this decision. The Company examines whether there is an economic incentive or penalty that would affect the decision to exercise the option (for example, whether the lease option is below market value or whether the Company has made significant investments in leasehold improvements). Where it is not reasonably certain that the lease will be extended or terminated, the Company will not recognize these options.

The application of IFRS 16 requires significant judgments and certain key estimations to be made, including:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determining whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement; and
- Determining the standalone selling price of lease and non-lease components.

Key sources of estimation uncertainty in the application of IFRS 16 include the following:

- Estimating the lease term;
- Determining the appropriate rate to discount lease payments; and
- Assessing whether a right-of-use asset is impaired.

Unanticipated changes in these judgments or estimates could affect the identification and determination of the fair value of lease liabilities and right-of-use assets at initial recognition, as well as the subsequent measurement of lease liabilities and right-of-use assets. These items could potentially result in changes to amounts reported in the consolidated statements of loss and consolidated statements of financial position in a given period.

Initial application
The Company elected the practical expedient to not reassess whether a contract is, or contains, a lease as at April 1, 2019, the date of initial application of IFRS 16. The Company has also elected the practical expedient to not separate non-lease components from lease components, accounting for them as a single lease component. On transition to IFRS 16, the weighted average incremental borrowing rate applied to the calculation of lease liabilities is 6.75%.

For previously recognized operating leases, the Company has elected the practical expedient to measure the right-of-use assets equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments recognized immediately before the date of initial application. Additionally, the Company has elected the practical expedient to not include initial direct costs in the measurement of the right-of-use asset for these leases as at the initial application date.

For previously recognized operating leases with an initial lease term of 12 months or less (short-term leases) and for leases of low value assets, the Company has applied the optional recognition exemptions to not recognize the right-of-use assets and related lease liabilities for these leases. In addition, the Company has elected the practical expedient to account for previously recognized operating leases with a remaining lease term of 12 months or less upon transition as short-term leases. The Company is accounting for the lease expense on a straight-line basis over the remaining lease term. The Company's former operating leases consist of office facility leases.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has elected the practical expedient to rely on its historical assessment as to whether leases were onerous immediately before the initial application date.

Impact on consolidated financial statements
The following is a reconciliation of total operating lease commitments as at March 31, 2019 to the lease liabilities recognized as at April 1, 2019:

Total operating lease commitments disclosed as at March 31, 2019	$	21,243
Short-term leases and other minor adjustments		(707)
Operating lease liabilities before discounting		20,536
Discounted using the incremental borrowing rate		(2,011)
Total lease liabilities recognized under IFRS 16 as at April 1, 2019	$	18,525

As at April 1, 2019, the financial statement impact of IFRS 16 was as follows:

- Right-of-use assets of $18.5 million have been recognized in relation to former operating leases and have been included in property and equipment in the consolidated statements of financial position.
- Additional lease liabilities of $18.5 million have been recognized in relation to former operating leases and have been included in other current and non-current liabilities in the consolidated statements of financial position, depending on the maturity of the lease.

Adoption of IFRIC Agenda Decision 11, "Physical Settlement of Contracts to Buy or Sell a Non-Financial Item" ("Agenda Decision 11")
The IFRIC reached a decision on Agenda 11 during its meeting on March 5 to 6, 2019. The decision was in respect to a request about how an entity applies IFRS 9 to particular contracts to buy or sell a non-financial item at a fixed price.

The Company has reviewed the agenda decision and determined that a change is required in its accounting policy related to contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments. These are contracts the Company enters into that are accounted for as derivatives at fair value through profit or loss but physically settled by the underlying non-financial item. The IFRIC concluded that IFRS 9 neither permits nor requires an entity to reverse the accumulated gain or loss previously recognized on the derivative and recognize a corresponding adjustment to cost of goods sold or inventory when the contract is physically settled. The presentation of consolidated statements of loss has been amended to comply with the IFRIC agenda decision.

The amounts related to the adoption of Agenda Decision 11 on physical forward contracts and options accounted for as derivatives are noted in the table below. The amounts represent an increase in cost of goods sold of $72.8 million and a decrease in realized gains and losses on derivative instruments by the same amount.

Furthermore, prior to the adoption of Agenda Decision 11, realized gains and loses on financial swap contracts and options were included in cost of goods sold. Upon adoption of Agenda Decision 11, realized gains and losses on financial swap contracts are recorded in the line item realized gains on derivative instruments. The table below presents the reclassification of realized gains/losses on financial swap contracts and options from costs of sales to realized gains on derivative instruments.

The Company has implemented these changes retrospectively.

	Year ended March 31, 2020	Year ended March 31, 2019
Adjustment of physical forward contracts and options at market (i)	**$ 72,805**	$ (174,310)
Realized gain (loss) on financial swap contracts and options (ii)	**(97,191)**	90,534
Realized loss of derivative instruments	**$ (24,386)**	$ (83,776)

Other pronouncements
As at April 1, 2018, the Company adopted IFRS 15, *Revenue from Contracts with Customers*, resulting in an increase in accumulated earnings attributable to shareholders as at April 1, 2018 of $20,711 from $754,639 to $775,350, and the Company also adopted IFRS 9, *Financial Instruments*, resulting in a decrease in accumulated other comprehensive income as at April 1, 2018 of $17,863 from $91,934 to $74,071.

8 TRADE AND OTHER RECEIVABLES, NET

(a) Trade and other receivables table

	As at March 31, 2020	As at March 31, 2019
Trade account receivables, net	**$ 241,969**	$ 365,008
Accrued gas receivable	**7,224**	13,637
Net unbilled revenue	**121,993**	270,130
Other	**32,721**	56,446
	$ 403,907	$ 705,221

(b) Aging of accounts receivable

Customer credit risk

The lifetime expected credit loss reflects Just Energy's best estimate of losses on the accounts receivable and unbilled revenue balances. Just Energy determines the lifetime expected credit loss by using historical loss rates and forward-looking factors if applicable. Just Energy is exposed to customer credit risk on its continuing operations in Alberta, Texas, Illinois (gas), California and Ohio (electricity). Credit review processes have been implemented to perform credit evaluations of customers and manage customer default. If a significant number of customers were to default on their payments, it could have a material adverse effect on the operations and cash flows of Just Energy. Management factors default from credit risk in its margin expectations for all of the above markets.

In the remaining markets, the LDCs provide collection services and assume the risk of any bad debts owing from Just Energy's customers for a fee that is recorded in cost of goods sold. Management believes that the risk of the LDCs failing to deliver payment to Just Energy is minimal. There is no assurance that the LDCs providing these services will continue to do so in the future.

The aging of the trade accounts receivable from the above markets where the Company bears customer credit risk was as follows:

	March 31, 2020	March 31, 2019
Current	**$ 83,431**	$ 116,892
1–30 days	**26,678**	42,562
31–60 days	**6,513**	22,317
61–90 days	**5,505**	16,352
Over 90 days	**35,252**	100,580
	$ 157,379	$ 298,703

(c) Allowance for doubtful accounts

Changes in the allowance for doubtful accounts related to the balances in the table above were as follows:

	March 31, 2020	March 31, 2019
Balance, beginning of year	**$ 182,365**	$ 60,121
Provision for doubtful accounts	**80,050**	192,202
Bad debts written off	**(138,514)**	(90,231)
Adjustment from IFRS 9 adoption	**–**	23,636
Foreign exchange	**3,124**	(3,363)
Assets classified as held for sale/sold	**(81,193)**	–
Balance, end of year	**$ 45,832**	$ 182,365
Allowance for doubtful accounts on accounts receivable	**$ 43,127**	$ 168,728
Allowance for doubtful accounts on unbilled revenue	**2,705**	13,637
Total allowance for doubtful accounts	**$ 45,832**	$ 182,365

9 OTHER CURRENT AND NON-CURRENT ASSETS

	As at March 31, 2020	As at March 31, 2019
(a) Other current assets		
Prepaid expenses and deposits	**$ 55,972**	$ 81,986
Customer acquisition costs	**77,939**	71,407
Green certificates	**63,728**	44,957
Gas delivered in excess of consumption	**2,393**	3,121
Inventory	**3,238**	4,954
	$ 203,270	$ 206,425

	As at March 31, 2020	As at March 31, 2019
(b) Other non-current assets		
Customer acquisition costs	**$ 43,686**	$ 46,416
Income taxes recoverable	**–**	3,096
Other long-term assets	**12,764**	–
	$ 56,450	$ 49,512

10 INVESTMENTS

As at March 31, 2020, Just Energy owns approximately 8% of ecobee, a private company that designs, manufactures and distributes smart thermostats. This investment is measured at and classified as fair value through profit or loss. The fair value of the investment has been determined directly from transacted/quoted prices of identical assets that are not active (Level 3 measurement). As at March 31, 2020, the fair value of the ecobee investment is $32.9 million (2019 – $32.9 million).

11 PROPERTY AND EQUIPMENT

As at March 31, 2020

	Computer equipment	Furniture and fixtures	Premise assets	Office equipment	Leasehold improve-ments	Right-of-use assets[1]	Total
Cost:							
Opening balance – April 1, 2019	**$ 29,976**	**$ 6,701**	**$ 18,726**	**$ 16,265**	**$ 4,796**	**$ –**	**$ 76,464**
Additions	**503**	**79**	**283**	**94**	**1,200**	**18,525**	**20,684**
Assets held for sale	**(1,365)**	**(276)**	**–**	**(185)**	**(175)**	**–**	**(2,001)**
Disposals/impairment	**(1,693)**	**–**	**(275)**	**–**	**(1,222)**	**(1,657)**	**(4,847)**
Exchange differences	**538**	**181**	**291**	**243**	**76**	**6**	**1,335**
Ending balance, March 31, 2020	**27,959**	**6,685**	**19,025**	**16,417**	**4,675**	**16,874**	**91,635**
Accumulated depreciation:							
Opening balance – April 1, 2019	**(16,955)**	**(5,107)**	**(13,790)**	**(11,464)**	**(3,286)**	**–**	**(50,602)**
Depreciation charge for the year	**(2,927)**	**(438)**	**(996)**	**(2,795)**	**(420)**	**(5,670)**	**(13,246)**
Assets held for sale	**713**	**123**	**–**	**68**	**67**	**–**	**971**
Disposals/impairment	**–**	**–**	**–**	**–**	**–**	**384**	**384**
Exchange differences	**(379)**	**(121)**	**(255)**	**(137)**	**(54)**	**598**	**(348)**
Ending balance, March 31, 2020	**(19,548)**	**(5,543)**	**(15,041)**	**(14,328)**	**(3,693)**	**(4,688)**	**(62,841)**
Net book value, March 31, 2020	**$ 8,411**	**$ 1,142**	**$ 3,984**	**$ 2,089**	**$ 982**	**$ 12,186**	**$ 28,794**

1 Refer to Note 7 for further information on the new adoption and implementation of IFRS 16.

As at March 31, 2019

	Computer equipment	Furniture and fixtures	Premise assets	Office equipment	Leasehold improve-ments	Total
Cost:						
Opening balance – April 1, 2018	$ 22,173	$ 6,861	$ 13,238	$ 15,209	$ 4,894	$ 62,375
Additions	7,468	58	707	311	114	8,658
Acquisition	–	–	4,827	773	554	6,154
Assets held for sale	(5)	(4)	–	(60)	–	(69)
Retirements	–	(309)	(192)	–	(1,078)	(1,579)
Exchange differences	340	95	146	32	312	925
Ending balance, March 31, 2019	29,976	6,701	18,726	16,265	4,796	76,464
Accumulated depreciation:						
Opening balance – April 1, 2018	(13,984)	(4,995)	(10,555)	(10,776)	(3,172)	(43,482)
Depreciation charge for the year	(2,835)	(178)	(3,373)	(623)	(428)	(7,437)
Assets held for sale	2	–	–	(4)	(49)	(51)
Retirements	–	127	202	–	322	651
Exchange differences	(138)	(61)	(64)	(61)	41	(283)
Ending balance, March 31, 2019	(16,955)	(5,107)	(13,790)	(11,464)	(3,286)	(50,602)
Net book value, March 31, 2019	$ 13,021	$ 1,594	$ 4,936	$ 4,801	$ 1,510	$ 25,862

12 INTANGIBLE ASSETS

(a) Intangible assets

As at March 31, 2020

	Goodwill	Brand	Technology[1]	Customer relationships	Sales network and affinity relationships	Total
Cost:						
Opening balance – April 1, 2019	**$ 339,921**	**$ 34,305**	**$ 117,716**	**$ 31,250**	**$ 53,853**	**$ 577,045**
Disposal of subsidiary	**(13,355)**	**–**	**(8,797)**	**–**	**–**	**(22,152)**
Additions	**–**	**–**	**14,382**	**–**	**–**	**14,382**
Impairment	**(61,415)**	**–**	**(6,093)**	**(23,720)**	**–**	**(91,228)**
Exchange differences	**7,541**	**1,930**	**4,174**	**1,096**	**3,321**	**18,062**
Ending balance, March 31, 2020	**272,692**	**36,235**	**121,382**	**8,626**	**57,174**	**496,109**
Accumulated amortization:						
Opening balance – April 1, 2019	**–**	**(100)**	**(49,333)**	**(4,469)**	**(50,487)**	**(104,389)**
Disposal of subsidiary	**–**	**–**	**4,513**	**–**	**–**	**4,513**
Amortization charge for the year	**–**	**(300)**	**(17,927)**	**(1,260)**	**(3,348)**	**(22,835)**
Impairment	**–**	**–**	**535**	**2,108**	**–**	**2,643**
Exchange differences	**–**	**–**	**681**	**(2,425)**	**(3,339)**	**(5,083)**
Ending balance, March 31, 2020	**–**	**(400)**	**(61,531)**	**(6,046)**	**(57,174)**	**(125,151)**
Net book value, March 31, 2020	**$272,692**	**$ 35,835**	**$ 59,851**	**$ 2,580**	**$ –**	**$ 370,958**

1 Technology includes work-in-progress IT projects of $5.9 million which are not being amortized until completion.

As at March 31, 2019

	Goodwill	Brand	Technology[1]	Customer relationships	Sales network and affinity relationships	Total
Cost:						
Opening balance – April 1, 2018	$ 300,673	$ 30,205	$ 80,896	$ 18,027	$ 51,963	$ 481,764
Acquisition	40,630	3,000	–	12,600	–	56,230
Assets held for sale	–	–	(2,456)	–	–	(2,456)
Additions/adjustment	–	–	38,383	–	–	38,383
Exchange differences	(1,382)	1,100	893	623	1,890	3,124
Ending balance, March 31, 2019	339,921	34,305	117,716	31,250	53,853	577,045
Accumulated amortization:						
Opening balance – April 1, 2018	–	–	(36,309)	(1,309)	(42,220)	(79,838)
Assets held for sale	–	–	20	–	–	20
Amortization charge for the year	–	(100)	(14,927)	(1,018)	(6,610)	(22,655)
Exchange differences	–	–	1,883	(2,142)	(1,657)	(1,916)
Ending balance, March 31, 2019	–	(100)	(49,333)	(4,469)	(50,487)	(104,389)
Net book value, March 31, 2019	$ 339,921	$ 34,205	$ 68,383	$ 26,781	$ 3,366	$ 472,656

1 Technology includes work-in-progress IT projects of $27.3 million which are not being amortized until completion.

The capitalized internally developed costs relate to the development of new customer billing and analysis software solutions for the different energy markets of Just Energy. All research costs and development costs, not eligible for capitalization, have been expensed and are recognized in administrative expenses.

(b) Impairment testing of goodwill and intangible assets with indefinite lives

Goodwill acquired through business combinations and intangible assets with indefinite lives have been allocated to one of two operating segments. These segments are Consumer and Commercial. The goodwill associated with the Filter Group acquisition was allocated to the Consumer segment for the purposes of impairment testing as at March 31, 2020.

Just Energy considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment.

Intangibles
Impairment losses were recognized on definite-lived intangible assets for Filter Group, EdgePower and certain Just Energy IT projects in the amounts of $8.5 million, $14.7 million and $3.9 million, respectively. The impairment amounts were included in the consolidated statements of loss. The operations of Filter Group and EdgePower are considered individual CGUs for purposes of the intangible asset impairment tests. The impairment for Filter Group and on certain Just Energy IT projects were recorded to the Consumer segment and the impairment for EdgePower was recorded to the Commercial segment. Intangible assets are reviewed annually for any indicators of impairment. Indicators of impairment were evident for EdgePower, Filter Group and the specific IT projects given the performance of those businesses relative to the original expectations and the strategic decision not to continue developing those businesses and projects to focus on the core commodity business.

For Filter Group, the recoverable amount for purposes of impairment testing was $8.7 million and represents the estimated value-in-use. The value-in-use was calculated using the present value of estimated future cash flows applying an appropriate risk-adjusted rate. Internal operating forecasts and budgets were used to estimate future cash flows. Discount rates were derived using a capital asset pricing model and analyzing published rates for industries relevant to the Company's reporting units to estimate the cost of financing.

For EdgePower, a one-year internal operating forecast was reviewed, and it was determined that the business unit had a negligible recoverable value. The recoverable amount was compared to the carrying value of the CGU and an impairment was recorded for the difference. The impairment amount was fully absorbed by the carrying value of the intangible assets.

Goodwill
Goodwill is tested annually for impairment at the level of the two operating segments at which the Company's operations are monitored by the chief operational decision maker. The segments are identified in Note 17. Goodwill is also tested for impairment whenever events or circumstances occur which could potentially reduce the recoverable amount of one or more of the segments below its carrying value. For the year ended March 31, 2020, an impairment loss was recognized on the goodwill of the Commercial segment in the amount of $61.4 million as the carrying value exceeded the recoverable amount. The impairment amount was included on the consolidated statements of loss. An impairment loss was not recognized for the Consumer segment as its recoverable value exceeded its carrying value.

The recoverable amount for purposes of impairment testing for the Commercial segment was $122.1 million and represents the estimated value-in-use. The value-in-use was calculated using the present value of estimated future cash flows applying an appropriate risk-adjusted rate to internal operating forecasts. Management believes that the forecasted cash flows generated based on operating forecasts is the appropriate basis upon which to assess goodwill and individual assets for impairment. The value-in-use calculation has been prepared solely for the purposes of determining whether the goodwill balance was impaired. Estimated future cash flows were prepared based on certain assumptions prevailing at the time of the test. The actual outcomes may differ from the assumptions made.

The period included in the estimated future cash flows for the Commercial segment include five years of the operating plans plus an estimated terminal value beyond the five years driven by historical and forecasted trends. Discount rates were derived using a capital asset pricing model and by analyzing published rates for industries relevant to the Company's reporting units to estimate the cost of financing. A discount rate of 12.5% was used to determine the estimated value-in-use.

The key assumptions used in determining the value-in-use of the Commercial segment include historical attrition and renewal rates. These rates are considered a key assumption in the estimate and could materially impact the results if the outcome differed significantly from the actual results. If the actual results differ significantly from the estimates with regards to these rates, it could also materially impact supply cost due to adjustments, either increases or decreases, to supply commitments. Estimates of future collections are consistent with recent performance and assumes continuation of enrolment controls and processes put in place during fiscal year 2020. The underlying growth rate is driven by sales forecast, consistent with recent historical performance and taking into considerations sales channels and strategies in place today. Customer acquisition costs included in the forecast are consistent with current trends taking into account today's competitive environment. Cost to operate represents management's best estimate of future cost to operate. Sensitivities to different variables have been estimated using certain simplifying assumptions.

Sensitivities to different variables have been estimated using certain assumptions. Changes in those assumptions could have a significant impact on the calculation of impairment. For example, an increase in the discount rate of 0.5% would result in an increase in the impairment amount of approximately $6.0 million. A decrease of 0.5% in the terminal growth rate used for the period beyond the operating plan would result in an increase in the impairment amount of approximately $3.0 million. A 10% decline in the renewal rate used to estimate the cash flows in the operating plan would increase the impairment amount by approximately $7.0 million.

The resulting carrying value after the recognition of the goodwill impairment was reconciled to the market capitalization at March 31, 2020, based on the Company's share price at March 31, 2020 and consideration of the capital structure of the Company.

Other
In addition to the above impairments, approximately $3.9 million in property and equipment, net, prepaid expenses as well as inventory were impaired.

13 FINANCIAL INSTRUMENTS

(a) Fair value of derivative financial instruments and other

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Management has estimated the value of financial swaps, physical forwards and option contracts for electricity, natural gas, carbon and renewable energy certificates, and generation and transmission capacity contracts using a discounted cash flow method, which employs market forward curves that are either directly sourced from third parties or developed internally based on third-party market data. These curves can be volatile, thus leading to volatility in the mark to market with no immediate impact to cash flows. Gas options and green power options have been valued using the Black option pricing model using the applicable market forward curves and the implied volatility from other market traded options. Management periodically uses non-exchange-traded swap agreements based on cooling degree days ("CDDs") and heating degree days ("HDDs") measured in its utility service territories to reduce the impact of weather volatility on Just Energy's electricity volumes, commonly referred to as "weather derivatives". The fair value of these swaps on a given measurement station indicated in the derivative contract is determined by calculating the difference between the agreed strike and expected variable observed at the same station.

The following table illustrates unrealized gains (losses) related to Just Energy's derivative financial instruments classified as fair value through profit or loss and recorded on the consolidated statements of financial position as fair value of derivative financial assets and fair value of derivative financial liabilities, with their offsetting values recorded in unrealized loss in fair value of derivative instruments and other on the consolidated statements of loss.

	Year ended March 31, 2020	Year ended March 31, 2019
Physical forward contracts and options (i)	**$ (130,182)**	$ (116,350)
Financial swap contracts and options (ii)	**(62,612)**	39,832
Foreign exchange forward contracts	**9,055**	72
Share swap (iii)	**(9,581)**	(3,507)
6.5% convertible bond conversion feature	**–**	247
Unrealized foreign exchange on 6.5% convertible bond	**(18,132)**	(8,061)
Weather derivatives	**(229)**	7,796
Other derivative options	**(1,736)**	(7,488)
Unrealized loss of derivative instruments and other	**$ (213,417)**	$ (87,459)

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the consolidated statement of financial position as at March 31, 2020:

	Financial assets (current)	**Financial assets (non-current)**	**Financial liabilities (current)**	**Financial liabilities (non-current)**
Physical forward contracts and options (i)	**$ 24,549**	**$ 17,673**	**$ 57,461**	**$ 51,836**
Financial swap contracts and options (ii)	**6,915**	**1,492**	**53,917**	**24,432**
Foreign exchange forward contracts	**4,519**	**3,036**	**–**	**–**
Weather derivatives (iii)	**–**	**–**	**280**	**–**
Other derivative options	**370**	**6,591**	**1,780**	**–**
As at March 31, 2020	**$ 36,353**	**$ 28,792**	**$ 113,438**	**$ 76,268**

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the consolidated statement of financial position as at March 31, 2019:

	Financial assets (current)	Financial assets (non-current)	Financial liabilities (current)	Financial liabilities (non-current)
Physical forward contracts and options	$ 115,483	$ 7,237	$ 49,601	$ 50,174
Financial swap contracts and options	18,212	1,876	16,142	8,583
Foreign exchange forward contracts	–	56	1,555	–
Share swap	–	–	11,907	–
Other derivative options	10,817	86	182	4,901
As at March 31, 2019	$ 144,512	$ 9,255	$ 79,387	$ 63,658

Below is a summary of the financial instruments classified through profit or loss as at March 31, 2020, to which Just Energy has committed:

(i) Physical forward contracts and options consist of:

- Electricity contracts with a total remaining volume of 32,588,054 MWh, a weighted average price of $50.95/MWh and expiry dates up to December 31, 2029.
- Natural gas contracts with a total remaining volume of 95,484,292 GJs, a weighted average price of $2.50/GJ and expiry dates up to October 31, 2025.
- Renewable energy certificates ("RECs") with a total remaining volume of 3,700,688 MWh, a weighted average price of $40.86/REC and expiry dates up to December 31, 2028.
- Electricity generation capacity contracts with a total remaining volume of 2,439 MWCap, a weighted average price of $6,682.09/MWCap and expiry dates up to May 31, 2024.
- Ancillary contracts with a total remaining volume of 297,045 MWh, a weighted average price of $24.64/MWh and expiry dates up to December 31, 2020.

(ii) Financial swap contracts and options consist of:

- Electricity contracts with a total remaining volume of 13,204,320 MWh, an average price of $45.70/MWh and expiry dates up to December 31, 2024.
- Natural gas contracts with a total remaining volume of 117,195,060 GJs, an average price of $3.39/GJ and expiry dates up to December 31, 2025.
- Electricity generation capacity contracts with a total remaining volume of 21 MWCap, a weighted average price of $209,152.32/MWCap and expiry dates up to October 31, 2020.
- Ancillary contracts with a total remaining volume of 396,060 MWh, a weighted average price of $23.23/MWh and expiry dates up to December 31, 2020.

(iii) Weather derivatives consist of:

- HDD natural gas swaps with price strikes ranging from US$1.75 to US$7.35/MmBTU and temperature strikes ranging by location from 1,051 to 5,059 HDD and an expiry date of March 31, 2021.
- HDD natural gas swaps with price strikes to be set on futures index and temperature strikes ranging by location from 1,051 to 5,059 HDD and an expiry date of March 31, 2022.

Share swap agreement
Just Energy had entered into a share swap agreement to manage the volatility associated with the Company's restricted share grants and deferred share grants plans. The value, on inception, of the 2,500,000 shares under this share swap agreement was approximately $33,803. On August 22, 2018, Just Energy reduced the notional value of the share swap to $23,803 through a payment of $10,000 and renewed the share swap agreement for an additional year. On March 31, 2020, the share swap agreement expired and settled. Net monthly settlements received (paid) under the share swap agreement are recorded in other loss.

These derivative financial instruments create a credit risk for Just Energy since they have been transacted with a limited number of counterparties. Should any counterparty be unable to fulfill its obligations under the contracts, Just Energy may not be able to realize the financial assets' balance recognized in the consolidated financial statements.

Fair value ("FV") hierarchy derivatives

Level 1

The fair value measurements are classified as Level 1 in the FV hierarchy if the fair value is determined using quoted unadjusted market prices. Currently there are no derivatives carried in this level.

Level 2

Fair value measurements that require observable inputs other than quoted prices in Level 1, either directly or indirectly, are classified as Level 2 in the FV hierarchy. This could include the use of statistical techniques to derive the FV curve from observable market prices. However, in order to be classified under Level 2, significant inputs must be directly or indirectly observable in the market. Just Energy values its New York Mercantile Exchange ("NYMEX") financial gas fixed-for-floating swaps under Level 2.

Level 3

Fair value measurements that require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs are classified as Level 3 in the FV hierarchy. For the power supply contracts, Just Energy uses quoted market prices as per available market forward data and applies a price-shaping profile to calculate the monthly prices from annual strips and hourly prices from block strips for the purposes of mark to market calculations. The profile is based on historical settlements with counterparties or with the system operator and is considered an unobservable input for the purposes of establishing the level in the FV hierarchy. For the natural gas supply contracts, Just Energy uses three different market observable curves: (i) Commodity (predominately NYMEX), (ii) Basis and (iii) Foreign exchange. NYMEX curves extend for over five years (thereby covering the length of Just Energy's contracts); however, most basis curves extend only 12 to 15 months into the future. In order to calculate basis curves for the remaining years, Just Energy uses extrapolation, which leads natural gas supply contracts to be classified under Level 3.

Weather derivatives are non-exchange-traded financial instruments used as part of a risk management strategy to mitigate the impact adverse weather conditions have on gross margin. The fair values of the derivatives are determined using an internally developed model that relies upon both observable inputs and significant unobservable inputs. Accordingly, the fair values of these derivatives are classified as Level 3. Market and contractual inputs to these models vary by contract type and would typically include notional amounts, reference weather stations, strike prices, temperature strike values, terms to expiration, historical weather data and historical commodity prices. The historical weather data and commodity prices were utilized to value the expected payouts with respect to weather derivatives and, as a result, are the most significant assumptions contributing to the determination of fair value estimates, and changes in these inputs can result in a significantly higher or lower fair value measurement.

For the share swap agreement, Just Energy uses a forward interest rate curve along with a volume weighted average share price to model out its value. As the inputs have no observable market, it is classified as Level 3.

Just Energy's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer.

Fair value measurement input sensitivity

The main cause of changes in the fair value of derivative instruments is changes in the forward curve prices used for the fair value calculations. Just Energy provides a sensitivity analysis of these forward curves under the "Market risk" section of this note. Other inputs, including volatility and correlations, are driven off historical settlements.

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at March 31, 2020:

	Level 1	**Level 2**	**Level 3**	**Total**
Derivative financial assets	**$ –**	**$ –**	**$ 65,145**	**$ 65,145**
Derivative financial liabilities	**–**	**(38,676)**	**(151,030)**	**(189,706)**
Total net derivative financial assets	**$ –**	**$ (38,676)**	**$ (85,885)**	**$ (124,561)**

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at March 31, 2019:

	Level 1	Level 2	Level 3	Total
Derivative financial assets	$ –	$ –	$ 153,767	$ 153,767
Derivative financial liabilities	–	(6,588)	(136,457)	(143,045)
Total net derivative financial assets	$ –	$ (6,588)	$ 17,310	$ 10,722

Commodity price sensitivity – Level 3 derivative financial instruments
If the energy prices associated with only Level 3 derivative financial instruments including natural gas, electricity, verified emission-reduction credits and RECs had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit (loss) before income taxes for the year ended March 31, 2020 would have increased (decreased) by $191,556 ($190,308), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

Key assumptions used when determining the significant unobservable inputs for all commodity supply contracts included in Level 3 of the FV hierarchy consist of up to 5% price extrapolation to calculate monthly prices that extend beyond the market observable 12- to 15-month forward curve.

The following table illustrates the changes in net fair value of financial assets (liabilities) classified as Level 3 in the FV hierarchy for the following periods:

	Year ended March 31, 2020	Year ended March 31, 2019
Balance, beginning of year	**$ 17,310**	$ 166,364
Total gains	**(3,822)**	19,644
Purchases	**(43,663)**	11,502
Sales	**14,549**	(25,575)
Settlements	**(70,259)**	(154,625)
Balance, end of year	**$ (85,885)**	$ 17,310

(b) Classification of non-derivative financial assets and liabilities
As at March 31, 2020 and March 31, 2019, the carrying value of cash and cash equivalents, bank overdraft, restricted cash, trade and other receivables, and trade and other payables approximates their fair value due to their short-term nature.

Long-term debt recorded at amortized cost has a fair value as at March 31, 2020 of $596.2 million (March 31, 2019 – $740.6 million) and the interest payable on outstanding amounts is at rates that vary with bankers' acceptances, London Interbank Offering Rate ("LIBOR"), Canadian bank prime rate or U.S. prime rate, with the exceptions of the 8.75% loan, 6.75% $100M convertible debentures, 6.75% $160M convertible debentures and 6.5% convertible bonds, which are fair valued based on market value. The 6.75% $100M convertible debentures, 6.75% $160M convertible debentures and 6.5% convertible bonds are classified as Level 1 in the FV hierarchy.

The risks associated with Just Energy's financial instruments are as follows:

(i) Market risk
Market risk is the potential loss that may be incurred as a result of changes in the market or fair value of a particular instrument or commodity. Components of market risk to which Just Energy is exposed are discussed below.

Foreign currency risk
Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investments in U.S. operations.

The performance of the Canadian dollar relative to the U.S. dollar could positively or negatively affect Just Energy's income, as a portion of Just Energy's income is generated in U.S. dollars and is subject to currency fluctuations upon translation to Canadian dollars. Due to its growing operations in the U.S., Just Energy expects to have a greater exposure to foreign currency fluctuations in the future than in prior years. Just Energy has economically hedged between 50% and 100% of forecasted cross-border cash flows that are expected to occur within the next 12 months and between 0% and 50% of certain forecasted cross-border cash flows that are expected to occur within the following 13 to 24 months. The level of economic hedging is dependent on the source of the cash flows and the time remaining until the cash repatriation occurs.

Just Energy may, from time to time, experience losses resulting from fluctuations in the values of its foreign currency transactions, which could adversely affect its operating results. Translation risk is not hedged.

With respect to translation exposure, if the Canadian dollar had been 5% stronger or weaker against the U.S. dollar for the year ended March 31, 2020, assuming that all the other variables had remained constant, loss for the year ended March 31, 2020 would have been $6.5 million lower/higher and OCI would have been $10.3 million lower/higher.

Interest rate risk
Just Energy is only exposed to interest rate fluctuations associated with its floating rate credit facility. Just Energy's current exposure to interest rates does not economically warrant the use of derivative instruments. Just Energy's exposure to interest rate risk is relatively immaterial and temporary in nature. Just Energy does not currently believe that its long-term debt exposes the Company to material interest rate risks but has set out parameters to actively manage this risk within its Risk Management Policy.

A 1% increase (decrease) in interest rates would have resulted in an increase (decrease) of approximately $2,413 in profit (loss) before income taxes for the year ended March 31, 2020 (March 31, 2019 – $1,939).

Commodity price risk
Just Energy is exposed to market risks associated with commodity prices and market volatility where estimated customer requirements do not match actual customer requirements. Management actively monitors these positions on a daily basis in accordance with its Risk Management Policy. This policy sets out a variety of limits, most importantly thresholds for open positions in the gas and electricity portfolios, which also feed a value at risk limit. Should any of the limits be exceeded, they are closed expeditiously or express approval to continue to hold is obtained. Just Energy's exposure to market risk is affected by a number of factors, including accuracy of estimation of customer commodity requirements, commodity prices, volatility and liquidity of markets. Just Energy enters into derivative instruments in order to manage exposures to changes in commodity prices. The derivative instruments that are used are designed to fix the price of supply for estimated customer commodity demand and thereby fix margins. Derivative instruments are generally transacted over the counter. The inability or failure of Just Energy to manage and monitor the above market risks could have a material adverse effect on the operations and cash flows of Just Energy. Just Energy mitigates the exposure to variances in customer requirements that are driven by changes in expected weather conditions through active management of the underlying portfolio, which involves, but is not limited to, the purchase of options including weather derivatives. Just Energy's ability to mitigate weather effects is limited by the degree to which weather conditions deviate from normal.

Commodity price sensitivity – all derivative financial instruments
If all the energy prices associated with derivative financial instruments including natural gas, electricity, verified emission-reduction credits and RECs had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit (loss) before income taxes for the year ended March 31, 2020 would have increased (decreased) by $183,752 ($182,504), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

For information on credit risk, refer to Note 8.

(ii) Liquidity risk
Liquidity risk is the potential inability to meet financial obligations as they fall due. Just Energy manages this risk by monitoring detailed daily cash flow forecasts covering a rolling 13-week period, cash forecasts for the next 12 months and quarterly forecasts for the following two-year period to ensure adequate and efficient use of cash resources and credit facilities.

The following are the contractual maturities, excluding interest payments, reflecting undiscounted disbursements of Just Energy's financial liabilities:

As at March 31, 2020:

	Carrying amount	Contractual cash flows	Less than 1 year	1–3 years	4–5 years	More than 5 years
Trade and other payables	$ 685,665	$ 685,665	$ 685,665	$ –	$ –	$ –
Long-term debt[1]	782,003	827,284	255,129	263,800	308,355	–
Gas, electricity and non-commodity contracts	189,706	3,088,524	1,463,615	1,200,713	322,590	101,606
	$ 1,657,374	$ 4,601,473	$ 2,404,409	$ 1,464,513	$ 630,945	$ 101,606

1 Included in long-term debt are the 6.75% $100M convertible debentures, 6.75% $160M convertible debentures and 6.5% convertible bonds, which may be settled through the issuance of shares at the option of the holder or Just Energy upon maturity.

In addition to the amounts noted above, as at March 31, 2020, the contractual net interest payments over the term of the long-term debt with scheduled repayment terms are as follows:

	Less than 1 year	1–3 years	4–5 years	More than 5 years
Interest payments	$ 44,067	$ 75,911	$ 12,773	$ –

(iii) Physical supplier risk

Just Energy purchases the majority of the gas and electricity delivered to its customers through long-term contracts entered into with various suppliers. Just Energy has an exposure to supplier risk as the ability to continue to deliver gas and electricity to its customers is reliant upon the ongoing operations of these suppliers and their ability to fulfill their contractual obligations. As at March 31, 2020, Just Energy has applied an adjustment factor to determine the fair value of its financial instruments in the amount of $23,887 (March 31, 2019 – $8,307) to accommodate for its counterparties' risk of default.

(iv) Counterparty credit risk

Counterparty credit risk represents the loss that Just Energy would incur if a counterparty fails to perform under its contractual obligations. This risk would manifest itself in Just Energy replacing contracted supply at prevailing market rates, thus impacting the related customer margin. Counterparty limits are established within the Risk Management Policy. Any exceptions to these limits require approval from the Board of Directors of Just Energy. The Risk Department and Risk Committee monitor current and potential credit exposure to individual counterparties and also monitor overall aggregate counterparty exposure. However, the failure of a counterparty to meet its contractual obligations could have a material adverse effect on the operations and cash flows of Just Energy.

As at March 31, 2020, the estimated counterparty credit risk exposure amounted to $65,145 (March 31, 2019 – $153,767), representing the risk relating to Just Energy's exposure to derivatives that are in an asset position.

14 TRADE AND OTHER PAYABLES

	As at March 31, 2020	As at March 31, 2019
Commodity suppliers' accruals and payables (as restated per Note 5)	**$ 414,581**	$ 548,098
Green provisions and repurchase obligations	**103,245**	146,454
Sales tax payable	**19,706**	22,969
Non-commodity trade accruals and accounts payable	**117,473**	99,264
Current portion of payable to former joint venture partner	**18,194**	22,625
Accrued gas payable	**3,295**	12,937
Other payables	**9,171**	17,736
	$ 685,665	$ 870,083

15 DEFERRED REVENUE

	Year ended March 31, 2020	Year ended March 31, 2019
Balance, beginning of year	**$ 43,228**	$ 38,710
Additions to deferred revenue	**7,499**	569,880
Revenue recognized during the year	**(10,726)**	(563,922)
Foreign exchange impact	**352**	(1,440)
Liabilities classified as held for sale/sold	**(39,501)**	–
Balance, end of year	**$ 852**	$ 43,228

U.K. operations had substantially all of its revenue flowing through deferred revenue. The change for 2020 was substantially related to operations sold during the year.

16 LONG-TERM DEBT AND FINANCING

	Maturity	**March 31, 2020**	March 31, 2019
Credit facility (a)	September 1, 2020	**$ 236,389**	$ 201,577
Less: Debt issue costs (a)		**(1,644)**	(1,824)
Filter Group financing (b)	October 25, 2023	**9,690**	17,577
8.75% loan (c)	September 12, 2023	**280,535**	240,094
6.75% $100M convertible debentures (d)	March 31, 2023	**90,187**	87,520
6.75% $160M convertible debentures (e)	December 31, 2021	**153,995**	150,945
6.5% convertible bonds (f)	December 31, 2020	**12,851**	29,483
		782,003	725,372
Less: Current portion		**(253,485)**	(479,101)
		$ 528,518	$ 246,271

Future annual minimum principal repayments are as follows:

	Less than 1 year	1–3 years	4–5 years	Total
Credit facility (a)	$ 236,389	$ –	$ –	$ 236,389
Filter Group financing (b)	5,889	3,800	1	9,690
8.75% loan (c)	–	–	308,354	308,354
6.75% $100M convertible debentures (d)	–	100,000	–	100,000
6.75% $160M convertible debentures (e)	–	160,000	–	160,000
6.5% convertible bonds (f)	12,851	–	–	12,851
	$ 255,129	$ 263,800	$ 308,355	$ 827,284

The details for long-term debt are as follows:

	As at April 1, 2019	Cash inflows/ (outflows)	Foreign exchange	Non-cash changes	**As at March 31, 2020**
Credit facility (a)	$ 199,753	$ 34,812	$ –	$ 180	**$ 234,745**
Filter Group financing (b)	17,577	(7,887)	–	–	**9,690**
8.75% loan (c)	240,094	17,163	17,613	5,665	**280,535**
6.75% $100M convertible debentures (d)	87,520	–	–	2,667	**90,187**
6.75% $160M convertible debentures (e)	150,945	–	–	3,050	**153,995**
6.5% convertible bonds (f)	29,483	(17,370)	518	220	**12,851**
	$ 725,372	$ 26,718	$ 18,131	$ 11,782	**$ 782,003**
Less: Current portion	(479,101)	–	–	–	**(253,485)**
	$ 246,271				**$ 528,518**

	As at April 1, 2018	Cash inflows/ (outflows)	Foreign exchange	Non-cash changes	As at March 31, 2019
Credit facility (a)	$ 121,451	$ 77,638	$ –	$ 664	$ 199,753
Filter Group financing (b)	–	17,577	–	–	17,577
8.75% loan (c)	–	236,934	4,553	(1,393)	240,094
6.75% $100M convertible debentures (d)	85,760	–	–	1,760	87,520
6.75% $160M convertible debentures (e)	148,146	–	–	2,799	150,945
6.5% convertible bonds (f)	188,147	(169,333)	3,508	7,161	29,483
	$ 543,504	$ 162,816	$ 8,061	$ 10,991	$ 725,372
Less: Current portion	(121,451)	–	–	–	(479,101)
	$ 422,053				$ 246,271

The following table details the finance costs for the year ended March 31. Interest is expensed based on the effective interest rate.

	2020	2019
Credit facility (a)	**$ 23,736**	$ 20,715
Filter Group financing (b)	**1,793**	875
8.75% loan (c)	**35,089**	8,999
6.75% $100M convertible debentures (d)	**9,417**	8,819
6.75% $160M convertible debentures (e)	**13,850**	13,598
6.5% convertible bonds (f)	**2,746**	18,387
Supplier finance and others (g)	**20,314**	16,386
	$ 106,945	$ 87,779

(a) As of April 18, 2018, the Company had renegotiated an agreement with a syndicate of lenders that includes Canadian Imperial Bank of Commerce ("CIBC"), National Bank of Canada ("National"), HSBC Bank Canada, JPMorgan Chase Bank N.A., Alberta Treasury Branches, Canadian Western Bank and Morgan Stanley Senior Funding, Inc., a subsidiary of Morgan Stanley Bank N.A. The agreement extended Just Energy's credit facility for an additional two years to September 1, 2020. The facility size was increased to $352.5 million from $342.5 million, with an accordion for Just Energy to draw up to $370 million. On June 28, 2019, the Company exercised its option to access the amounts relating to the accordion agreement as part of the credit facility. Certain principal amount outstanding under the letter of credit facility is guaranteed by Export Development Canada under its Account Performance Security Guarantee Program. The Company amended its senior secured credit facility to increase the senior debt to EBITDA covenant ratio from 1.50:1 to 2.15:1 and the total debt to EBITDA covenant ratio from 3.50:1 to 4.00:1 for the fourth quarter of fiscal 2020. As at March 31, 2020, the Company was compliant with all of these covenants.

Interest is payable on outstanding loans at rates that vary with Bankers' Acceptance rates, LIBOR, Canadian bank prime rate or U.S. prime rate. Under the terms of the operating credit facility, Just Energy is able to make use of Bankers' Acceptances and LIBOR advances at stamping fees of 3.750%. Prime rate advances are at a rate of bank prime (Canadian bank prime rate or U.S. prime rate) plus 2.750% and letters of credit are at a rate of 3.750%. Interest rates are adjusted quarterly based on certain financial performance indicators.

As at March 31, 2020, the Canadian prime rate was 2.45% and the U.S. prime rate was 3.25%. As at March 31, 2020, $236.4 million has been drawn against the facility and total letters of credit outstanding as of March 31, 2020 amounted to $72.5 million (March 31, 2019 – $94.0 million). As at March 31, 2020, Just Energy has $61.1 million of the facility remaining for future working capital and/or security requirements. Just Energy's obligations under the credit facility are supported by guarantees of certain subsidiaries and affiliates and secured by a general security agreement and a pledge of the assets and securities of Just Energy and the majority of its operating subsidiaries and affiliates excluding, primarily, the Barbados, Ireland, Japan and German operations. Just Energy is required to meet a number of financial covenants under the credit facility agreement.

(b) Filter Group, which was acquired on October 1, 2018, has an outstanding loan payable to Home Trust Company ("HTC"). The loan is a result of factoring receivables to finance the cost of rental equipment over a period of three to five years with HTC and bears interest at 8.99% per annum. Principal and interest are repayable on a monthly basis.

(c) On September 12, 2018, Just Energy entered into a US$250 million non-revolving multi-draw senior unsecured term loan facility (the "8.75% loan") with Sagard Credit Partners, LP and certain funds managed by a leading U.S.-based global fixed income asset manager. The 8.75% loan bears interest at 8.75% per annum payable semi-annually in arrears on June 30 and December 31 in each year plus fees and will mature on September 12, 2023. Counterparties were issued 7.5 million warrants at a strike price of $8.56 each, convertible to one Just Energy common stock. The value of these warrants has been assessed as nominal. The 8.75% loan has three tranches. The first tranche of US$50 million is earmarked for general corporate purposes, including to pay down Just Energy's credit facility. The second tranche of US$150 million is earmarked towards the settlement of Just Energy's 6.5% convertible bonds. The third tranche of US$50 million is earmarked for investments and future acquisitions. As of March 31, 2020, US$207.0 million was drawn from the 8.75% loan. On July 29, 2019, the Company drew US$7.0 million from the second tranche and US$7.0 million from the third tranche. The US$14 million draws were secured by a personal guarantee from a director of the Company. At March 31, 2020, the Company has US$43.0 million available under the facility to draw, earmarked for investments and future acquisitions. The Company has amended the covenants on its senior unsecured term loan facility to increase the senior debt to EBITDA covenant ratio from 1.65:1 to 2.30:1 and the total debt to EBITDA covenant from 3.50:1 to 4.25:1 for the fourth quarter of fiscal 2020. As at March 31, 2020, the Company was compliant with all of these covenants.

(d) On February 22, 2018, Just Energy issued $100 million of convertible unsecured senior subordinated debentures (the "6.75% $100 million convertible debentures"). The 6.75% $100 million convertible debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on March 31 and September 30 in each year and have a maturity date of March 31, 2023. Each $1,000 principal amount of the 6.75% $100 million convertible debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 112.3596 common shares of Just Energy, representing a conversion price of $8.90, subject to certain anti-dilution provisions. Holders who convert their debentures will receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

The 6.75% $100 million convertible debentures will not be redeemable at the option of the Company on or before March 31, 2021. After March 31, 2021 and prior to March 31, 2022, the 6.75% $100 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares of Just Energy on the Toronto Stock Exchange ("TSX") for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after March 31, 2022, the 6.75% $100 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest.

The conversion feature of the 6.75% $100 million convertible debentures has been accounted for as a separate component of shareholders' deficit in the amount of $9.7 million. Upon initial recognition of the convertible debentures, Just Energy recorded a deferred income tax liability of $2.6 million and reduced the equity component of the convertible debentures by this amount. The remainder of the net proceeds of the 6.75% $100 million convertible debentures has been recorded as long-term debt, which is being accreted up to the face value of $100 million over the term of the 6.75% $100 million convertible debentures using an effective interest rate of 10.7%. If the 6.75% $100 million convertible debentures are converted into common shares, the value of the conversion will be reclassified to share capital along with the principal amount converted. No amounts of the 6.75% $100 million convertible debentures have been converted or redeemed as at March 31, 2020.

(e) On October 5, 2016, Just Energy issued $160 million of convertible unsecured senior subordinated debentures (the "6.75% $160 million convertible debentures"). The 6.75% $160 million convertible debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on June 30 and December 31 in each year and have a maturity date of December 31, 2021. Each $1,000 principal amount of the 6.75% $160 million convertible debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 107.5269 common shares of Just Energy, representing a conversion price of $9.30, subject to certain anti-dilution provisions. Holders who convert their debentures will receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

The 6.75% $160 million convertible debentures will not be redeemable at the option of the Company on or before December 31, 2019. After December 31, 2019 and prior to December 31, 2020, the 6.75% $160 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares of Just Energy on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after December 31, 2020, the 6.75% $160 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest.

The conversion feature of the 6.75% $160 million convertible debentures has been accounted for as a separate component of shareholders' deficit in the amount of $8.0 million. Upon initial recognition of the convertible debentures, Just Energy recorded a deferred income tax liability of $2.1 million and reduced the equity component of the convertible debentures by this amount. The remainder of the net proceeds of the 6.75% $160 million convertible debentures has been recorded as long-term debt, which is being accreted up to the face value of $160 million over the term of the 6.75% $160 million convertible debentures using an effective interest rate of 9.1%. If the 6.75% $160 million convertible debentures are converted into common shares, the value of the conversion will be reclassified to share capital along with the principal amount converted. No amounts of the 6.75% $160 million convertible debentures have been converted or redeemed as at March 31, 2020.

(f) On January 29, 2014, Just Energy issued US$150 million of European-focused senior convertible unsecured convertible bonds (the "6.5% convertible bonds"). The 6.5% convertible bonds bear interest at an annual rate of 6.5%, payable semi-annually in arrears in equal installments on January 29 and July 29 in each year and have a maturity date of July 29, 2019.

A conversion right in respect of a bond could have been exercised, at the option of the holder thereof, at any time from May 30, 2014 to July 7, 2019, and was not. The initial conversion price is US$9.3762 per common share (being C$10.2819) but is subject to adjustments. In the event of the exercise of a conversion right, the Company may, at its option, subject to applicable regulatory approval and provided no event of default has occurred and is continuing, elect to satisfy its obligation in cash equal to the market value of the underlying shares to be received.

As a result of the debt being denominated in a different functional currency than that of Just Energy, the conversion feature is recorded as a financial liability instead of a component of equity. Therefore, the conversion feature of the 6.5% convertible bonds has been accounted for as a separate financial liability with an initial value of US$8.5 million. The remainder of the net proceeds of the 6.5% convertible bonds has been recorded as long-term debt, which is being accreted up to the face value of $150.0 million over the term of the 6.5% convertible bonds using an effective interest rate of 8.8%. At each reporting period, the conversion feature is recorded at fair value with changes in fair value recorded through profit or loss. On July 29, 2019, the Company redeemed US$13.2 million of the 6.5% convertible bonds. The remaining lenders of $9.2 million of the 6.5% convertible bonds elected to extend the maturity date of the bonds from July 29, 2019 to December 31, 2020, pursuant to an option offered by the Company announced on July 17, 2019.

(g) Supplier finance and other costs for the year ended March 31, 2020 primarily consist of charges for extended payment terms.

As described within Note 3 of these consolidated financial statements, the Company has presented a Recapitalization plan which, if implemented, will impact the future payments and amounts with respect to its outstanding debt and interest payments.

17 REPORTABLE BUSINESS SEGMENTS

Just Energy's reportable segments are the Consumer segment and the Commercial segment.

The chief operating decision maker monitors the operational results of the Consumer and Commercial segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on certain non-IFRS measures such as base gross margin.

Transactions between segments are in the normal course of operations and are recorded at the exchange amount. Allocations made between segments for shared assets or allocated expenses are based on the number of residential customer equivalents in the respective segments.

Corporate and shared services report the costs related to management oversight of the business units, public reporting and filings, corporate governance and other shared services functions.

For the year ended March 31, 2020:

	Consumer	Commercial	Corporate and shared services	Consolidated
Sales	$ 1,670,775	$ 1,102,034	$ –	$ 2,772,809
Cost of goods sold	1,198,653	937,803	–	2,136,456
Gross margin	472,122	164,231	–	636,353
Depreciation of property and equipment	13,534	117	–	13,651
Amortization of intangible assets	24,690	3,307	–	27,997
Administrative expenses	36,423	24,391	107,122	167,936
Selling and marketing expenses	143,187	77,633	–	220,820
Other operating expenses	84,271	8,029	–	92,300
Segment profit (loss) for the year	$ 170,017	$ 50,754	$ (107,122)	$ 113,649
Finance costs				(106,945)
Unrealized loss of derivative instruments and other				(213,417)
Realized loss of derivative instruments				(24,386)
Other income, net				32,660
Impairment of goodwill, intangible assets and other				(92,401)
Provision for income taxes				7,393
Loss for the year from continuing operations				$ (298,233)
Loss from discontinued operations				(11,426)
Loss for the year				(309,659)
Capital expenditures	$ 12,881	$ 1,171	$ –	$ 14,052

As at March 31, 2020				
Total goodwill	$ 172,429	$ 100,262	$ –	$ 272,691
Total assets	$ 916,176	$ 299,657	$ –	$ 1,215,833
Total liabilities	$ 1,518,232	$ 192,890	$ –	$ 1,711,122

For the year ended March 31, 2019 (Restated):

	Consumer	Commercial	Corporate and shared services	Consolidated
Sales	$ 1,906,473	$ 1,131,965	$ –	$ 3,038,438
Cost of goods sold	1,419,509	940,358	–	2,359,867
Gross margin	486,964	191,607	–	678,571
Depreciation of property and equipment	4,362	153	–	4,515
Amortization of intangible assets	20,544	2,136	–	22,680
Administrative expenses	42,573	32,377	90,378	165,328
Selling and marketing expenses	142,560	69,178	–	211,738
Restructuring costs	2,741	3,289	8,814	14,844
Other operating expenses	123,798	5,406	–	129,204
Segment profit (loss) for the year	$ 150,386	$ 79,068	$ (99,192)	$ 130,262
Finance costs				(87,779)
Unrealized loss of derivative instruments and other				(87,459)
Realized loss of derivative instruments				(83,776)
Other income				2,312
Provision for income taxes				11,832
Loss for the year from continuing operations				$ (138,272)
Loss from discontinued operations				(128,259)
Loss for the year				(266,531)
Capital expenditures	$ 39,474	$ 4,068	$ –	$ 43,542
As at March 31, 2019				
Total goodwill	$ 181,358	$ 158,563	$ –	$ 339,921
Total assets	$ 1,238,922	$ 461,633	$ –	$ 1,700,555
Total liabilities	$ 1,665,752	$ 205,930	$ –	$ 1,871,682

Sales from external customers
The revenue is based on the location of the customer.

	Year ended March 31, 2020	Year ended March 31, 2019
Canada	**$ 323,802**	$ 413,836
U.S.	**2,449,007**	2,624,602
Total	**$ 2,772,809**	$ 3,038,438

In fiscal 2020, revenue generated from the sale of electricity made up 85%, while gas amounted to 15%. In comparison, fiscal 2019 generated 83% of revenue on electricity and 17% on gas.

Non-current assets
Non-current assets by geographic segment consist of property and equipment and intangible assets and are summarized as follows:

	As at March 31, 2020	As at March 31, 2019
Canada	**$ 233,678**	$ 266,776
U.S.	**166,074**	223,802
International	**–**	7,940
Total	**$ 399,752**	$ 498,518

18 BUSINESS COMBINATIONS AND DISPOSITIONS

(a) Filter Group

On October 1, 2018, Just Energy acquired Filter Group, a leading provider of subscription-based home water filtration systems to residential customers in Canada and the U.S. Headquartered in Toronto, Ontario, Filter Group currently provides under-counter and whole-home water filtration solutions to residential markets in the provinces of Ontario and Manitoba and the states of Nevada, California, Arizona, Michigan and Illinois.

Just Energy acquired all of the issued and outstanding shares of Filter Group and the shareholder loan owing by Filter Group. In addition, Filter Group had approximately $22 million of third party Filter Group debt. The aggregate consideration payable by Just Energy under the Purchase Agreement is composed of: (i) $14.3 million in cash, fully payable within 180 days of closing; and (ii) earn-out payments of up to 9.5 million Just Energy common shares (with up to an additional 2.4 million Just Energy common shares being issuable to satisfy dividends that otherwise would have been paid in cash on the Just Energy shares issuable pursuant to the earn-out payments (the "DRIP Shares")), subject to customary closing adjustments. The earn-out payments are contingent on the achievement by Filter Group of certain performance-based milestones specified in the Purchase Agreement in each of the first three years following the closing of the acquisition. In addition, the earn-out payments may be paid 50% in cash and the DRIP Shares 100% in cash, at the option of Just Energy.

The CEO of Filter Group is the son of the Executive Chair of Just Energy. As such, this is a related party transaction. The transaction was reviewed by the Strategic Initiatives Committee and it received a fairness opinion from National Bank Financial on the transaction.

Of the $14.3 million cash consideration for the acquisition of Filter Group, $1.3 million relates to the purchase of the shares of Filter Group. The remaining $13.0 million is for the assumption of a shareholder debt owed to a related party, of which $3.0 million was already paid on the closing date of October 1, 2018. Therefore, as at March 31, 2019, $11.3 million of the overall cash consideration payable is included in current trade and other payables of the consolidated statements of financial position, of which $11.1 million is for a related party. The outstanding balance accrued interest at a rate of 1% per month, beginning October 1, 2018, which resulted in $0.7 million of interest accrued as at March 31, 2019, of which $0.6 million is for a related party.

The contingent consideration relating to the potential earn-out payments over the next three years was valued at approximately $24.9 million on October 1, 2018, which is the mid-point of the calculated range of $23.1 million to $26.8 million. As it does not meet the definition of equity, it is carried at fair value through profit or loss and is revalued at each reporting period. Significant assumptions affecting the measurement of contingent consideration each quarter include the Just Energy share price and the performance of Filter Group.

Each quarter, the contingent consideration related to the Filter Group acquisition is revalued. To estimate the number of Just Energy common shares that are exchanged in each period, a Monte Carlo simulation model was used where the trailing 12-month adjusted EBITDA for each period is forecasted based on a Geometric Brownian Motion process. Inputs used in the Monte Carlo simulation model are as follows:

- Adjusted trailing 12-month EBITDA as at each quarter-end date;
- Average EBITDA forecasts for new periods;
- Implied asset volatility;
- Equity volatility of Just Energy;
- Underlying asset price of Just Energy common shares;
- Dividend yield; and
- Risk-free rate.

The following is the purchase price allocation for Filter Group:

NET ASSETS ACQUIRED	
Working capital	$ 898
Property and equipment	6,154
Intangible assets	15,600
Goodwill	38,217
Long-term debt	(21,611)
Total consideration	**$ 39,258**

Cash consideration	$ 3,000
Payable to shareholders	11,314
Contingent consideration	24,944
Total consideration	**$ 39,258**

The goodwill was calculated as the difference between the fair value of consideration transferred and the fair value of the assets acquired and liabilities assumed. The goodwill acquired as part of the acquisition primarily represents Filter Group's workforce, operational and strategic management processes and synergies between Just Energy and Filter Group. Goodwill is not amortized for accounting.

As of March 31, 2019, the acquisition accounting for Filter Group has been finalized and closed.

The Company had recorded, at estimated fair value, contingent consideration related to the Filter Group acquisition. As a result of the business not achieving its EBITDA earn-out targets, the fair value of the contingent consideration was reduced to $nil, resulting in other income of $29.1 million being recognized on the change in estimate of the earn-out value.

The reduction in the Filter Group earn-out obligation as at March 31, 2020 was a result of the business not achieving its 12-month EBITDA earn-out target for the year ended March 31, 2020, in addition to a reduced forecasted EBITDA, a reduction in the trading price of the shares of Just Energy and a reduction in Just Energy's dividend yield.

(b) Sale of Georgia operations

On December 31, 2019, the Company announced that it had sold all of its customer contracts and natural gas in storage assets in the State of Georgia to Infinite Energy, Inc., for $4.5 million. A gain on the sale of the Georgia customer contracts of $1.8 million was recorded in other income, net, within the consolidated statements of loss.

19 INCOME TAXES

(a) Tax expense

	2020	2019
Current tax expense	**$ 7,047**	$ 7,622
Deferred tax expense (benefit)		
Origination and reversal of temporary differences	**$ (90,459)**	$ (35,825)
Expense arising from previously unrecognized tax loss or temporary difference	**90,805**	40,035
Deferred tax (benefit) expense	**346**	4,210
Provision for income taxes	**$ 7,393**	$ 11,832

(b) Reconciliation of the effective tax rate

The provision for income taxes represents an effective rate different than the Canadian corporate statutory rate of 26.50% (2019 – 26.50%).

	2020	2019
Loss before income taxes	**$ (290,840)**	$ (126,440)
Combined statutory Canadian federal and provincial income tax rate	**26.50%**	26.50%
Income tax recovery based on statutory rate	**$ (77,073)**	$ (33,507)
Increase (decrease) in income taxes resulting from:		
Expense (benefit) of mark to market loss and other temporary differences not recognized	**$ 90,805**	$ 40,035
Variance between combined Canadian tax rate and the tax rate applicable to foreign earnings	**(5,554)**	(3,841)
Other permanent items	**(785)**	9,145
Total provision for income taxes	**$ 7,393**	$ 11,832

(c) Recognized net deferred income tax assets and liabilities

Recognized net deferred income tax assets and liabilities are attributed to the following:

	2020	2019
Mark to market losses on derivative instruments	**$ –**	$ 3,097
Tax losses and excess of tax basis over book basis	**23,191**	98,058
Total deferred income tax assets	**23,191**	101,155
Offset of deferred income taxes	**(22,550)**	(101,040)
Net deferred income tax assets	**$ 641**	$ 115
Partnership income deferred for tax purposes	**$ –**	$ (3,542)
Mark to market gains on derivative instruments	**–**	(20,683)
Book to tax differences on other assets	**(18,367)**	(70,742)
Convertible debentures	**(4,183)**	(6,073)
Total deferred income tax liabilities	**(22,550)**	(101,040)
Offset of deferred income taxes	**22,550**	101,040
Net deferred income tax liabilities	**$ –**	$ –

(d) Movement in deferred income tax balances

	Balance April 1, 2019	Recognized in profit or loss	Recognized in OCI	Other	Balance March 31, 2020
Partnership income deferred for tax	**$ (3,542)**	**$ 3,542**	**$ –**	**$ –**	**$ –**
Book to tax differences	**27,316**	**(23,364)**	**872**	**–**	**4,824**
Mark to market (gains) losses on derivative instruments	**(17,586)**	**17,586**	**–**	**–**	**–**
Convertible debentures	**(6,073)**	**1,890**	**–**	**–**	**(4,183)**
	$ 115	**$ (346)**	**$ 872**	**$ –**	**$ 641**

	Balance April 1, 2018	Recognized in profit or loss	Recognized in OCI	Other	Balance March 31, 2019
Partnership income deferred for tax	$ (6,249)	$ 2,707	$ –	$ –	$ (3,542)
Book to tax differences	48,345	(22,822)	(638)	2,431	27,316
Mark to market (gains) losses on derivative instruments	(36,578)	18,992	–	–	(17,586)
Convertible debentures	(2,986)	(3,087)	–	–	(6,073)
	$ 2,532	$ (4,210)	$ (638)	$ 2,431	$ 115

(e) Unrecognized deferred income tax assets

Deferred income tax assets not reflected as at March 31 are as follows:

	2020	2019
Mark to market losses on derivative instruments	**$ 31,897**	$ 7,239
Excess of tax over book basis	**47,038**	32,911

The group has tax losses of $381,023 ($293,795) available for carryforward (recognized and unrecognized) which are set to expire starting 2028 until 2040.

20 SHAREHOLDERS' CAPITAL

Just Energy is authorized to issue an unlimited number of common shares and 50,000,000 preference shares issuable in series, both with no par value. Shares outstanding have no preferences, rights or restrictions attached to them.

(a) Details of issued and outstanding shareholders' capital are as follows:

	Year ended March 31, 2020		Year ended March 31, 2019	
	Shares	**Amount**	Shares	Amount
Common shares:				
Issued and outstanding				
Balance, beginning of year	**149,595,952**	**$ 1,088,538**	148,394,152	$ 1,079,055
Share-based awards exercised	**2,018,286**	**11,326**	1,201,800	9,483
Balance, end of year	**151,614,238**	**$ 1,099,864**	149,595,952	$ 1,088,538
Preferred shares:				
Issued and outstanding				
Balance, beginning of year	**4,662,165**	**$ 146,965**	4,323,300	$ 136,771
Shares issued for cash	**–**	**–**	338,865	10,447
Preferred shares issuance cost	**–**	**–**	–	(253)
Balance, end of year	**4,662,165**	**$ 146,965**	4,662,165	$ 146,965
Shareholders' capital		**$ 1,246,829**		$ 1,235,503

Just Energy defines capital as shareholders' equity (excluding accumulated other comprehensive income) and long-term debt. Just Energy's objectives when managing capital are to maintain flexibility by:

(i) Enabling it to operate efficiently;

(ii) Providing liquidity and access to capital for growth opportunities; and

(iii) Providing returns and generating predictable cash flows for dividend payments to shareholders.

Just Energy manages the capital structure and adjusts to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year-over-year sustainable and profitable growth. Just Energy is not subject to any externally imposed capital requirements other than financial covenants in its long-term debts, and as at March 31, 2020 and 2019, all of these covenants have been met.

As described within Note 3 of these consolidated financial statements, the Company has presented a Recapitalization plan which, if implemented, will impact the outstanding common and preferred shares issued and outstanding.

(b) Dividends and distributions

In the second quarter of fiscal 2020, the Company made the decision to suspend its dividend on common shares. For the year ended March 31, 2020, dividends of $0.125 (2019 – $0.50) per common share were declared by Just Energy. These dividends amounted to $18,724 (2019 – $74,557) and were approved by the Board of Directors and were paid out during the year.

As a result of dividend suspension, distributions related to the dividends also ceased. Distributions in fiscal 2020 amounted to $849 (2019 – $1,284) which was paid in accordance with the terms of the Canadian and U.S. Plans during the year.

For the year ended March 31, 2020, dividends of US$1.0625 (2019 – $2.125) per preferred share were declared by Just Energy. These dividends amounted to $6,622 (2019 – $12,189) and were approved by the Board of Directors and were paid out during the year.

In connection with amendments to the credit facility and 8.75% loan agreement announced on December 2, 2019, the agreements governing both facilities have been changed to restrict the declaration and payment of dividends until the Company's senior debt to EBITDA ratio is no more than 1.50:1 for two consecutive fiscal quarters. Accordingly, as at December 2, 2019, the Company suspended the declaration and payment of dividends on the Series A Preferred Shares until the Company is permitted to declare and pay dividends under the agreements governing its facilities. However, dividends on the Series A Preferred Shares continue to accrue in accordance with Series A Preferred Share terms during the period in which dividends are suspended. Any dividend payment following the suspended period will be credited against the earliest accumulated but unpaid dividend.

As described within Note 3 of these consolidated financial statements, the Company has presented a Recapitalization plan which, if implemented, will impact the Series A Preferred Share dividend payments.

21 SHARE-BASED COMPENSATION PLANS

(a) Stock option plan

Just Energy may grant awards under its 2010 share option plan (formerly the 2001 Unit Option Plan) to directors, officers, full-time employees and service providers (non-employees) of Just Energy and its subsidiaries and affiliates. In accordance with the share option plan, Just Energy may grant options to a maximum of 11,300,000 shares. As at March 31, 2020, there were 814,166 options still available for grant under the plan. Of the options issued, 500,000 options remain outstanding as at March 31, 2020 with an exercise price of $7.88. The exercise price of the share options equals the closing market price of the Company's shares on the last business day preceding the grant date. The share options vest over periods ranging from three to five years from the grant date and expire after five or ten years from the grant date. There were no new grants during fiscal 2020.

(b) Restricted share grants

Just Energy grants awards under the 2010 RSGs Plan (formerly the 2004 unit appreciation rights) in the form of fully paid RSGs to senior officers, employees and service providers of its subsidiaries and affiliates. As at March 31, 2020, there were 1,071,162 RSGs (2019 – 2,717,774) still available for grant under the plan. Of the RSGs issued, 1,492,756 remain outstanding as at March 31, 2020 (2019 – 1,473,989). Except as otherwise provided, (i) the RSGs vest from one to five years from the grant date providing, in most cases, on the applicable vesting date the RSG grantee continues as a senior officer, employee or service provider of Just Energy or any affiliate thereof; (ii) the RSGs expire no later than ten years from the grant date; (iii) a holder of RSGs is entitled to payments at the same rate as dividends paid to JEGI shareholders; and (iv) when vested, the holder of an RSG may exchange one RSG for one common share.

There are 40,000 RSGs granted to senior management that do not receive dividend payments. In addition to a continued employment condition for vesting, there are certain share price targets that must be met.

RSGs available for grant

	2020	2019
Balance, beginning of year	**2,717,774**	3,004,624
Less: Granted	**(2,305,128)**	(788,211)
Add: Cancelled/forfeited	**658,516**	501,361
Balance, end of year	**1,071,162**	2,717,774

The average grant date fair value of RSGs granted in the year was $4.66 (2019 – $5.00). The RSG share-based compensation expense for the year ended March 31, 2020 amounted to $6.8 million compared to $1.8 million expensed in fiscal 2019.

(c) Performance bonus grants

Just Energy grants awards under the 2013 performance bonus incentive plan (the "PBG Plan") in the form of fully paid PBGs to senior officers, employees, consultants and service providers of its subsidiaries and affiliates. As at March 31, 2020, there were 1,479,699 (2019 – 2,182,302) PBGs still available for grant under the PBG Plan. Of the PBGs issued, 762,595 remain outstanding as at March 31, 2020 (2019 – 385,214). Except as otherwise provided, (i) the PBGs will entitle the holder to be paid in three equal installments as one-third on each of the first, second and third anniversaries of the grant date providing, in most cases, on the applicable vesting date the PBG grantee continues as a senior officer, employee, consultant or service provider of Just Energy or

any affiliate thereof; (ii) the PBGs expire no later than three years from the grant date; (iii) a holder of PBGs is entitled to payments at the same rate as dividends paid to JEGI shareholders; and (iv) when vested, Just Energy, at its sole discretion, shall have the option of settling payment for the PBGs, to which the holder is entitled in the form of either cash or in common shares.

PBGs available for grant

	2020	2019
Balance, beginning of year	**2,182,302**	2,270,480
Less: Granted	**(1,097,300)**	(331,196)
Add: Cancelled/forfeited	**394,697**	243,018
Balance, end of year	**1,479,699**	2,182,302

The average grant date fair value of PBGs granted in the year was $4.75 (2019 – $5.01). The PBG share-based compensation expense for the year ended March 31, 2020 amounted to $5.3 million compared to $3.9 million expensed in fiscal 2019.

(d) Deferred share grants

Just Energy grants awards under its 2010 Directors' Compensation Plan (formerly the 2004 Directors' deferred unit grants, "DUGs") to all independent directors on the basis that each director is required to annually receive 15% of their compensation entitlement in DSGs and may elect to receive all or any portion of the balance of their annual compensation in DSGs. Prior to the dividend suspension in the second quarter of fiscal 2020, the holders of DSGs were also granted additional DSGs on a quarterly basis equal to the monthly dividends paid to the shareholders of Just Energy. The DSGs vest on the earlier of the date of the director's resignation or three years following the date of grant and expire ten years following the date of grant. As at March 31, 2020, there were 82,727 DSGs (2019 – nil) available for grant under the plan. Of the DSGs issued, 203,028 DSGs (2019 – 184,430) remain outstanding as at March 31, 2020.

DSGs available for grant

	2020	2019
Balance, beginning of year	**–**	69,481
Less: Granted	**(80,150)**	(69,481)
Less: Granted overage from fiscal 2019	**(37,123)**	–
Add: Increase in DSGs available for grant	**200,000**	–
Balance, end of year	**82,727**	–

The weighted average grant date fair value of DSGs granted in the year was $1.78 (2019 – $4.48). The DSG share-based compensation expense for the year ended March 31, 2020 amounted to $0.1 million compared to $0.2 million expensed in fiscal 2019.

As described within Note 3 of these consolidated financial statements, the Company has presented a Recapitalization plan which, if executed, will impact the outstanding options, RSGs, PBGs, or DSGs.

22 OTHER EXPENSES

(a) Other operating expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Amortization of intangible assets	**$ 27,997**	$ 22,680
Depreciation of property and equipment	**13,651**	4,515
Bad debt expense	**80,050**	123,288
Share-based compensation	**12,250**	5,916
	$ 133,948	$ 156,399

(b) Employee benefits expense

	Year ended March 31, 2020	Year ended March 31, 2019
Wages, salaries and commissions	**$ 211,457**	$ 233,575
Benefits	**22,218**	22,315
	$ 233,675	$ 255,890

Employee benefit expenses of $80.4 million and $153.4 million are included in fiscal 2020 administrative expense and selling and marketing expenses, respectively, on the consolidated statements of loss and of $93.8 million and $162.1 million, respectively, in fiscal 2019.

23 LOSS PER SHARE

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
BASIC LOSS PER SHARE		
Loss from continuing operations available to shareholders	**$ (298,233)**	$ (138,272)
Dividend to preferred shareholders – net of tax	**10,643**	8,959
Loss from continuing operations available to shareholders – net	**(308,876)**	(147,231)
Basic weighted average shares outstanding	**151,033,844**	149,138,797
Basic loss per share from continuing operations available to shareholders	**$ (2.05)**	$ (1.00)
Basic loss per share available to shareholders	**$ (2.12)**	$ (1.86)
DILUTED LOSS PER SHARE		
Loss from continuing operations available to shareholders	**$ (308,876)**	$ (147,231)
Adjusted loss from continuing operations available to shareholders	**$ (308,876)**	$ (147,231)
Basic weighted average shares outstanding	**151,033,844**	149,138,797
Dilutive effect of:		
Restricted share and performance bonus grants	**2,665,121**[1]	2,409,990[1]
Deferred share grants	**291,743**[1]	142,928[1]
Convertible debentures	**39,574,831**[1]	39,574,831[1]
Shares outstanding on a diluted basis	**193,565,539**	191,266,546
Diluted loss from continuing operations per share available to shareholders	**$ (2.05)**	$ (1.00)
Diluted loss per share available to shareholders	**$ (2.12)**	$ (1.86)

1 The assumed conversion into shares results in an anti-dilutive position; therefore, these items have not been included in the computation of diluted loss per share. The potentially dilutive instruments are the convertible features on the 6.5% convertible bonds, 6.75% $160M convertible debentures and 6.75% $100M convertible debentures as well as the stock options and share grants.

24 DISCONTINUED OPERATIONS

(a) Loss from discontinued operations

In March 2019, Just Energy formally approved and commenced the process to dispose of its businesses in Germany, Ireland and Japan. In June 2019, as part of the Company's Strategic Review, the U.K. was added to the disposal group. The decision was part of a strategic transition to focus on the core business in North America. On November 29, 2019, Just Energy closed its previously announced sale of Hudson U.K. to Shell Energy Retail Limited. As at March 31, 2020, these operations were classified as a disposal group held for sale and as discontinued operations. In the past, these operations were reported under the Consumer segment while a portion of the U.K. operations was allocated to the Commercial segment. Just Energy's results for the prior fiscal period reported throughout the annual consolidated financial statements have been adjusted to reflect continuing operation results and figures with respect to these discontinued operations. The tax impact on the discontinued operations is minimal.

The results of the discontinued operations are presented below for the fiscal years ended March 31, 2020 and 2019. For the U.K. and Ireland, the results are a period of eight and nine months up to the disposal of operations as of November 29, 2019 and December 18, 2019, respectively:

	2020	2019
Sales	**$ 427,346**	$ 793,761
Gain on disposal of the U.K. and Ireland operations	**(45,138)**	–
Loss from discontinued operations	**(11,349)**	(132,004)
Provision for (recovery of) income taxes	**77**	(3,745)
LOSS FROM DISCONTINUED OPERATIONS	**$ (11,426)**	$ (128,259)

Assets and liabilities of the discontinued operations classified as held for sale as at March 31, 2020 were as follows:

	As at March 31, 2020	As at March 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	**$ 898**	$ 628
Current trade and other receivables	**4,978**	3,007
Income taxes recoverable	**12**	50
Other current assets	**1,140**	3,087
	7,028	6,772
Non-current assets		
Property and equipment	**38**	42
Intangible assets	**545**	2,157
ASSETS CLASSIFIED AS HELD FOR SALE	**$ 7,611**	$ 8,971
Liabilities		
Current liabilities		
Trade and other payables	**$ 4,823**	$ 4,902
Deferred revenue	**83**	298
LIABILITIES CLASSIFIED AS HELD FOR SALE	**$ 4,906**	$ 5,200

Sale of Just Energy Japan KK
On April 10, 2020, the Company announced that it has sold all of the shares of Just Energy Japan KK ("Just Energy Japan") to Astmax Trading, Inc. The purchase price was nominal, as the business was still in its start-up phase with more liabilities than assets and had fewer than 1,000 customers. The sale of the Japanese subsidiary resulted in a nominal gain on sale, which will be reported through profit (loss) from discontinued operations.

(b) Disposal of Hudson Energy Supply U.K. Limited ("Hudson U.K.")
On November 29, 2019, Just Energy closed its previously announced sale of Hudson U.K. to Shell Energy Retail Limited.

Pursuant to the share purchase agreement, the aggregate amount of the closing consideration received was £1.5 million ($2.5 million). While the capacity market payments were reinstated in the U.K. in late October, any contingent consideration due to Just Energy will be paid following the determination of Hudson U.K.'s ultimate capacity market payment for the period up to June 30, 2019, which is expected to be determined within 12 months of the closing date.

The results of the disposal of Hudson U.K. are presented below:

Proceeds from sale	$ 2,518
Carrying value of net liabilities disposed	74,570
Carrying value of goodwill disposed	(13,355)
Carrying value of intangible assets disposed	(8,544)
Reclassification of foreign currency translation reserve	(11,610)
Net gain on sale of U.K. operations	$ 43,579

(c) Disposal of Just Energy Ireland Limited ("Just Energy Ireland")

On December 18, 2019, Just Energy closed its previously announced sale of substantially all of the assets of Just Energy Ireland to Flogas Natural Gas Limited ("Flogas") for €0.6 million ($1.0 million). The Company received 75% of the purchase price in cash at closing and 25% of the purchase price five months after closing. The net consideration payable to the Company is subject to an adjustment based on the actual number of accounts transferred to Flogas.

The results of the disposal of Just Energy Ireland are presented below:

Proceeds from sale	$ 649
Carrying value of net liabilities disposed	910
Net gain on sale of Just Energy Ireland operations	$ 1,559

25 COMMITMENTS AND CONTINGENCIES

Commitments for each of the next five years and thereafter are as follows:

As at March 31, 2020

	Less than 1 year	1–3 years	4–5 years	More than 5 years	Total
Gas, electricity and non-commodity contracts	$ 1,463,615	$ 1,200,713	$ 322,590	$ 101,606	$ 3,088,524

Just Energy has entered into leasing contracts for office buildings and administrative equipment. These leases have a leasing period of between one and eight years. No purchase options are included in any major leasing contracts. Just Energy is also committed under long term contracts with customers to supply gas and electricity. These contracts have various expiry dates and renewal options.

(a) Surety bonds and letters of credit

Pursuant to separate arrangements with several bond agencies, The Hanover Insurance Group and Charter Brokerage LLC, Just Energy has issued surety bonds to various counterparties including states, regulatory bodies, utilities and various other surety bond holders in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required in order to operate in certain states or markets. Total surety bonds issued as at March 31, 2020 were $63.4 million.

As at March 31, 2020, Just Energy had total letters of credit outstanding in the amount of $72.5 million (Note 16(a)).

(b) Officers and directors

Corporate indemnities have been provided by Just Energy to all directors and certain officers of its subsidiaries and affiliates for various items including, but not limited to, all costs to settle suits or actions due to their association with Just Energy and its subsidiaries and/or affiliates, subject to certain restrictions. Just Energy has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. Each indemnity, subject to certain exceptions, applies for so long as the indemnified person is a director or officer of one of Just Energy's subsidiaries and/or affiliates. The maximum amount of any potential future payment cannot be reasonably estimated.

(c) Operations

In the normal course of business, Just Energy and/or Just Energy's subsidiaries and affiliates have entered into agreements that include guarantees in favour of third parties, such as purchase and sale agreements, leasing agreements and transportation agreements. These guarantees may require Just Energy and/or its subsidiaries to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulation or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The maximum payable under these guarantees is estimated to be $64.4 million.

(d) Legal proceedings

Just Energy's subsidiaries are party to a number of legal proceedings. Other than as set out below, Just Energy believes that each proceeding constitutes legal matters that are incidental to the business conducted by Just Energy and that the ultimate disposition of the proceedings will not have a material adverse effect on its consolidated earnings, cash flows or financial position.

In March 2012, Davina Hurt and Dominic Hill filed a lawsuit against Commerce Energy Inc. ("Commerce"), Just Energy Marketing Corp. and the Company in the Ohio Federal Court claiming entitlement to payment of minimum wage and overtime under Ohio wage claim laws and the Federal Fair Labor Standards Act ("FLSA") on their own behalf and similarly situated door-to-door sales representatives who sold for Commerce in certain regions of the United States. The Court granted the plaintiffs' request to certify the lawsuit as a class action. Approximately 1,800 plaintiffs opted into the federal minimum wage and overtime claims, and approximately 8,000 plaintiffs were certified as part of the Ohio state overtime claims. On October 6, 2014, the jury refused to find a willful violation but concluded that certain individuals were not properly classified as outside salespeople in order to qualify for

an exemption under the minimum wage and overtime requirements. On September 28, 2018, the Court issued a final judgment, opinion and order. Just Energy filed its appeal to the Court of Appeals for the Sixth Circuit on October 25, 2018. Oral testimony was heard on October 24, 2019. A decision is pending. Just Energy strongly believes it complied with the law which is consistent with the recent findings in Encino Motorcars, LLC v. Navarro, 138 S. Ct. 1134, 1142 (2018) and Kevin Flood, et al. v. Just Energy Marketing Group, et al. 2d Circular No. 17-0546.

In August 2013, Levonna Wilkins, a former door-to-door independent contractor for Just Energy Marketing Corp. ("JEMC"), filed a lawsuit against Just Energy Illinois Corp., Commerce Energy Inc., JEMC and the Company (collectively referred to as "Just Energy") in the Illinois Federal District Court claiming entitlement to payment of minimum wage and overtime under Illinois wage claim laws and the FLSA on her own behalf and similarly situated door-to-door sales representatives who sold in Illinois. On March 13, 2015, the Court certified the class of Illinois sales representatives who sold for Just Energy Illinois and Commerce, and on June 16, 2016, the Court granted Just Energy's motion for reconsideration which revised the class definition to exclude sales representatives who sold for Commerce. A trial commenced on August 5, 2019. On August 12, 2019, the jury ruled in favour of Just Energy, dismissing all claims of the Illinois class members. The plaintiff filed her appeal to the Court of Appeals for the Seventh Circuit (the "Seventh Circuit") on September 10, 2019. On February 19, 2020, with the agreement of the parties, the Seventh Circuit dismissed the appeal. The decision to dismiss all of the claims of the Illinois class members is final.

In May 2015, Kia Kordestani, a former door-to-door independent contractor sales representative for Just Energy Corp., filed a lawsuit against Just Energy Corp., Just Energy Ontario L.P. and the Company (collectively referred to as "Just Energy") in the Superior Court of Justice, Ontario, claiming status as an employee and seeking benefits and protections of the Employment Standards Act, 2000 such as minimum wage, overtime pay, and vacation and public holiday pay on his own behalf and similarly situated door-to-door sales representatives who sold in Ontario. On Just Energy's request, Mr. Kordestani was removed as a plaintiff but replaced with Haidar Omarali, also a former door-to-door sales representative. On July 27, 2016, the Court granted Omarali's request for certification, refused to certify Omarali's request for damages on an aggregate basis, and refused to certify Omarali's request for punitive damages. Omarali's motion for summary judgment was dismissed in its entirety on June 21, 2019. A trial date has been set commencing November 15, 2021.

On July 23, 2019, Just Energy announced that, as part of its Strategic Review process, management identified customer enrolment and non-payment issues, primarily in Texas. In response to this announcement, and in some cases in response to this and other subsequent related announcements, putative class action lawsuits have been filed in the United States District Court for the Southern District of New York, in the United States District Court for the Southern District of Texas and in the Ontario Superior Court of Justice, on behalf of investors that purchased Just Energy Group Inc. securities during various periods, ranging from November 9, 2017 through August 19, 2019. The U.S. lawsuits seek damages allegedly arising from violations of the United States Securities Exchange Act. The Ontario lawsuit seeks damages allegedly arising from violations of Canadian securities legislation and of common law. The U.S. lawsuits and the Ontario lawsuits have been consolidated, each with one lead plaintiff. Just Energy denies the allegations and will vigorously defend these claims.

In March of 2020, the seller representative with respect to the acquisition of Filter Group Inc. (the "Claimant") delivered a Notice of Dispute under the purchase agreement among the Claimant, Just Energy, a subsidiary of Just Energy (the "Buyer") and other sellers with respect to the purchase of Filter Group Inc. by the Buyer on September 10, 2018 (the "Purchase Agreement"). In this arbitral proceeding, the Claimant alleges, among other things, that the Buyer breached its responsibilities by failing to conduct the business of Filter Group Inc. in a commercially reasonable manner to reduce or avoid the achievement of the EBITDA targets contained in the Purchase Agreement and failed to honour the obligations to the Claimant that would have been owing had the target EBITDA been achieved in the first period under the Purchase Agreement. The Claimant seeks, among other things, the immediate exchange of the 9,500,000 class A special shares of the Buyer for common shares of Just Energy, being the number of common shares of Just Energy that would be exchanged if the entire earn-out under the Purchase Agreement was achieved. Just Energy denies the allegations and will vigorously defend the proceeding.

26 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial or operating decisions. The definition includes subsidiaries and other persons.

The acquisition of Filter Group gives rise to a related party transaction as the seller representative of Filter Group is the son of the Executive Chair of Just Energy. In April 2019, $10.6 million of a deferred purchase consideration related to the acquisition of Filter Group was repaid. Other than this transaction described throughout the consolidated financial statements, there have been no other related party transactions during the year ended March 31, 2020. Key management personnel are defined as those individuals having authority and responsibility for planning, directing and controlling the activities of Just Energy and consist of the Executive Chair, the Chief Executive Officer and the Chief Financial Officer.

	March 31, 2020	March 31, 2019
Salaries and benefits	**$ 2,334**	$ 2,493
Share-based compensation expense, net	**625**	1,163
	$ 2,959	$ 3,656

27 SUPPLEMENTAL CASH FLOW INFORMATION

(a) Net change in working capital

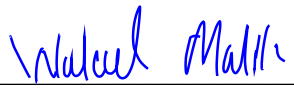
	Year ended March 31, 2020	Year ended March 31, 2019
Accounts receivable and unbilled revenue, net	**$ 33,839**	$ (35,427)
Gas in storage	**(3,234)**	(601)
Prepaid expenses and deposits	**(89,087)**	(128,911)
Provisions	**(4,607)**	4,309
Trade and other payables	**106,271**	174,958
Adjustments required to reflect net cash receipts from gas sales	**812**	4,186
	$ 43,994	$ 18,514

(b) Adjustments required to reflect net cash receipts from gas sales

	2020	2019
Changes in:		
Accrued gas receivable	**$ (12,972)**	$ 15,893
Gas delivered (drawn) in excess of consumption	**(4,866)**	2,716
Accrued gas payable	**11,266**	(12,261)
Deferred revenue	**7,384**	(2,162)
	$ 812	$ 4,186

TAB J

THIS IS EXHIBIT "J" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Interim condensed consolidated statements of financial position

(in thousands of Canadian dollars)

	Notes	As at Dec. 31, 2020 (Unaudited)	As at March 31, 2020 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents	12(c)	**$ 66,635**	$ 26,093
Restricted cash		**207**	4,326
Trade and other receivables, net	5(a)	**344,080**	403,907
Gas in storage		**16,185**	6,177
Fair value of derivative financial assets	7	**29,196**	36,353
Income taxes recoverable		**4,928**	6,641
Other current assets	6(a)	**143,145**	203,270
		604,376	686,767
Assets classified as held for sale	16	**2,571**	7,611
		606,947	694,378
Non-current assets			
Investments		**32,889**	32,889
Property and equipment, net		**20,638**	28,794
Intangible assets, net		**86,618**	98,266
Goodwill		**264,651**	272,692
Fair value of derivative financial assets	7	**20,071**	28,792
Deferred income tax assets		**3,414**	3,572
Other non-current assets	6(b)	**33,814**	56,450
		462,095	521,455
TOTAL ASSETS		**$ 1,069,042**	$ 1,215,833
LIABILITIES			
Current liabilities			
Trade and other payables	8	**$ 472,763**	$ 685,665
Deferred revenue		**8,909**	852
Income taxes payable		**3,434**	5,799
Fair value of derivative financial liabilities	7	**110,166**	113,438
Provisions	17(b)	**5,945**	1,529
Current portion of long-term debt	9	**3,535**	253,485
		604,752	1,060,768
Liabilities associated with assets classified as held for sale	16	**2,712**	4,906
		607,464	1,065,674
Non-current liabilities			
Long-term debt	9	**515,233**	528,518
Fair value of derivative financial liabilities	7	**136,329**	76,268
Deferred income tax liabilities		**2,715**	2,931
Other non-current liabilities		**23,144**	37,730
		677,421	645,447
TOTAL LIABILITIES		**$ 1,284,885**	$ 1,711,121
SHAREHOLDERS' DEFICIT			
Shareholders' capital	12	**$ 1,537,863**	$ 1,246,829
Equity component of convertible debentures		**–**	13,029
Contributed deficit		**(12,469)**	(29,826)
Accumulated deficit		**(1,829,210)**	(1,809,557)
Accumulated other comprehensive income		**88,388**	84,651
Non-controlling interest		**(415)**	(414)
TOTAL SHAREHOLDERS' DEFICIT		**(215,843)**	(495,288)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		**$ 1,069,042**	$ 1,215,833

Basis of presentation (Note 3)

Commitments and guarantees (Note 17)

See accompanying notes to the interim condensed consolidated financial statements

Scott Gahn
Chief Executive Officer and President

Stephen Schaefer
Corporate Director

Interim condensed consolidated statements of income (loss)

(unaudited in thousands of Canadian dollars, except where indicated and per share amounts)

	Notes	**Three months ended Dec. 31, 2020**	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
CONTINUING OPERATIONS					
Sales	10	**$ 540,067**	$ 658,521	**$ 1,782,803**	$ 2,097,126
Cost of goods sold	4	**359,622**	446,552	**1,112,510**	1,748,281
GROSS MARGIN		**180,445**	211,969	**670,293**	348,845
INCOME (EXPENSES)					
Administrative		**(30,408)**	(39,616)	**(112,507)**	(121,885)
Selling and marketing		**(42,269)**	(51,270)	**(137,140)**	(167,253)
Other operating expenses	13(a)	**(10,239)**	(28,878)	**(50,915)**	(104,485)
Finance costs	9	**(17,677)**	(28,178)	**(69,274)**	(80,175)
Restructuring costs	14	**–**	–	**(7,118)**	–
Gain on Recapitalization transaction, net	12(c)	**1,026**	–	**51,367**	–
Unrealized gain (loss) of derivative instruments and other	7	**(71,558)**	36,990	**(79,177)**	(139,547)
Realized gain (loss) of derivative instruments	4	**(56,905)**	(78,220)	**(276,808)**	78,348
Other income (expenses), net		**(1,431)**	1,649	**(4,488)**	29,734
Profit (loss) from continuing operations before income taxes		**(49,016)**	24,446	**(15,767)**	(156,418)
Provision for income taxes	11	**3,311**	3,845	**4,618**	3,604
PROFIT (LOSS) FROM CONTINUING OPERATIONS		**$ (52,327)**	$ 20,601	**$ (20,385)**	$ (160,022)
DISCONTINUED OPERATIONS					
Gain (Loss) from discontinued operations	16	**4,788**	6,293	**630**	(8,705)
PROFIT (LOSS) FOR THE PERIOD		**$ (47,539)**	**$** 26,894	**$ (19,755)**	**$** (168,727)
Attributable to:					
Shareholders of Just Energy		**$ (52,315)**	$ 20,614	**$ (20,260)**	$ (159,975)
Discontinued operations		**4,788**	6,293	**630**	(8,705)
Non-controlling interest		**(12)**	(13)	**(125)**	(47)
PROFIT (LOSS) FOR THE PERIOD		**$ (47,539)**	$ 26,894	**$ (19,755)**	$ (168,727)
Earnings (loss) per share from continuing operations	15				
Basic		**$ (1.09)**	$ 2.08	**$ (0.77)**	$ (16.25)
Diluted		**$ (1.09)**	$ 2.07	**$ (0.77)**	$ (16.25)
Earnings (loss) per share from discontinued operations	16				
Basic		**$ 0.10**	$ 0.64	**$ 0.02**	$ (0.88)
Diluted		**$ 0.10**	$ 0.63	**$ 0.02**	$ (0.88)
Earnings (loss) per share available to shareholders	15				
Basic		**$ (0.99)**	$ 2.72	**$ (0.75)**	$ (17.13)
Diluted		**$ (0.99)**	$ 2.70	**$ (0.75)**	$ (17.13)

See accompanying notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of comprehensive income (loss)

(unaudited in thousands of Canadian dollars)

	Notes	**Three months ended Dec. 31, 2020**	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
PROFIT (LOSS) FOR THE PERIOD		**$ (47,539)**	$ 26,894	**$ (19,755)**	$ (168,727)
Unrealized gain (loss) on translation of foreign operations, net of tax		**3,514**	(6,258)	**4,308**	(4,476)
Unrealized gain (loss) on translation of foreign operations from discontinued operations		**(945)**	–	**(156)**	4,721
Gain (loss) on translation of foreign operations disposed and reclassified to consolidated statement of income (loss)	16	**(1,248)**	11,610	**(415)**	11,610
		1,321	5,352	**3,737**	11,855
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX		**$ (46,218)**	$ 32,246	**$ (16,018)**	$ (156,872)
Total comprehensive income (loss) attributable to:					
Shareholders of Just Energy		**$ (46,206)**	$ 32,259	**$ (15,893)**	$ (156,825)
Non-controlling interest		**(12)**	(13)	**(125)**	(47)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX		**$ (46,218)**	$ 32,246	**$ (16,018)**	$ (156,872)

See accompanying notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of changes in shareholders' equity (deficit)

(unaudited in thousands of Canadian dollars)

	Notes	Nine months ended Dec. 31, 2020	Nine months ended Dec. 31, 2019
ATTRIBUTABLE TO THE SHAREHOLDERS			
Accumulated earnings, beginning of period		**$ 140,446**	$ 450,032
Profit (loss) for the period as reported, attributable to shareholders		**(19,630)**	(168,680)
Accumulated earnings, end of period		**$ 120,816**	$ 281,352
DIVIDENDS AND DISTRIBUTIONS			
Dividends and distributions, beginning of period		**(1,950,003)**	(1,923,808)
Dividends and distributions declared and paid	12(b)	**(23)**	(25,359)
Dividends and distributions, end of period		**$ (1,950,026)**	$ (1,949,167)
ACCUMULATED DEFICIT		**$ (1,829,210)**	$ (1,667,815)
ACCUMULATED OTHER COMPREHENSIVE INCOME			
Accumulated other comprehensive income, beginning of period		**$ 84,651**	$ 79,093
Other comprehensive income		**3,737**	11,855
Accumulated other comprehensive income, end of period		**$ 88,388**	$ 90,948
SHAREHOLDERS' CAPITAL	12		
Common shares			
Common shares, beginning of period		**$ 1,099,864**	$ 1,088,538
Issuance of shares due to Recapitalization	12(c)	**438,642**	–
Issuance cost associated with Recapitalization	12(c)	**(1,572)**	–
Share-based units exercised	12(c)	**929**	10,717
Common shares, end of period		**$ 1,537,863**	$ 1,099,255
Preferred shares	12		
Preferred shares, beginning of period		**$ 146,965**	$ 146,965
Settled with common shares	12(c)	**(146,965)**	**–**
Preferred shares, end of period		**$ –**	$ 146,965
SHAREHOLDERS' CAPITAL		**$ 1,537,863**	$ 1,246,220
EQUITY COMPONENT OF CONVERTIBLE DEBENTURES			
Balance, beginning of period		**$ 13,029**	$ 13,029
Settled with common shares	12(c)	**(13,029)**	–
Balance, end of period		**$ –**	$ 13,029
CONTRIBUTED DEFICIT			
Balance, beginning of period		**$ (29,826)**	$ (25,540)
Add: Share-based compensation expense	13(a)	**5,657**	10,469
Discontinued operations		**–**	254
Transferred from equity component		**13,029**	–
Less: Share-based units exercised		**(929)**	(10,717)
Share-based compensation adjustment		**(423)**	(3,470)
Non-cash deferred share grant distributions		**23**	(1,815)
Balance, end of period		**$ (12,469)**	$ (30,819)
NON-CONTROLLING INTEREST			
Balance, beginning of period		**$ (414)**	$ (399)
Foreign exchange impact on non-controlling interest		**124**	58
Loss attributable to non-controlling interest		**(125)**	(47)
Balance, end of period		**$ (415)**	$ (388)
TOTAL SHAREHOLDERS' DEFICIT		**$ (215,843)**	$ (348,825)

See accompanying notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of cash flows

(unaudited in thousands of Canadian dollars)

	Notes	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Net inflow (outflow) of cash related to the following activities			
OPERATING			
Profit (loss) from continuing operations before income taxes		**$ (15,767)**	$ (156,418)
Profit (loss) from discontinued operations before income taxes		**681**	(8,455)
Profit (loss) before income taxes		**(15,086)**	(164,873)
Items not affecting cash			
Depreciation and amortization	13(a)	**18,462**	28,817
Share-based compensation expense	13(a)	**5,657**	10,469
Financing charges, non-cash portion		**22,459**	16,138
Gain on sale of subsidiaries, net		**423**	(45,138)
Unrealized loss in fair value of derivative instruments and other	7	**79,177**	139,547
Gain from Recapitalization transaction	12(c)	**(78,792)**	–
Net change in working capital balances		**(30,387)**	37,191
Adjustment for discontinued operations		**(4,120)**	(4,649)
Income taxes paid		**(8,823)**	(9,367)
Cash inflow (outflow) from operating activities		**(11,030)**	8,135
INVESTING			
Purchase of property and equipment		**(333)**	(806)
Purchase of intangible assets		**(7,638)**	(11,918)
Payments for previously acquired business		**–**	(12,013)
Proceeds from disposition of subsidiaries		**4,618**	7,672
Cash outflow from investing activities		**(3,353)**	(17,065)
FINANCING			
Dividends/distributions paid		**–**	(25,335)
Repayment of long-term debt	9	**(4,204)**	(6,027)
Leased asset payments		**(3,062)**	(4,460)
Debt issuance costs	9	**(6,625)**	(1,737)
Share swap payout		**(21,488)**	–
Credit facility withdrawal (repayment)	9	**(3,770)**	54,794
Proceeds from issuance of common stock, net		**100,969**	–
Cash inflow from financing activities		**61,820**	17,235
Effect of foreign currency translation on cash balances		**(6,895)**	(244)
Net cash inflow		**40,542**	8,061
Cash and cash equivalents, beginning of period		**26,093**	9,927
Cash and cash equivalents, end of period		**$ 66,635**	$ 17,988
Supplemental cash flow information:			
Interest paid		**$ 46,815**	$ 54,480

See accompanying notes to the interim condensed consolidated financial statements

Notes to the interim condensed consolidated financial statements

For the nine months ended December 31, 2020
(unaudited in thousands of Canadian dollars, except where indicated and per share amounts)

1. ORGANIZATION

Just Energy Group Inc. ("Just Energy" or the "Company") is a corporation established under the laws of Canada to hold securities of its directly or indirectly owned operating subsidiaries and affiliates. The registered office of Just Energy is First Canadian Place, 100 King Street West, Toronto, Ontario, Canada. The unaudited interim condensed consolidated financial statements ("Interim Financial Statements") consist of Just Energy and its subsidiaries and affiliates. The Interim Financial Statements were approved by the Board of Directors on February 25, 2021.

2. OPERATIONS

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Operating in the United States ("U.S.") and Canada, Just Energy serves both residential and commercial customers, providing homes and businesses with a broad range of energy solutions that deliver comfort, convenience and control. Just Energy is the parent company of Amigo Energy, Filter Group Inc. ("Filter Group"), Hudson Energy, Interactive Energy Group, Tara Energy and terrapass.

Just Energy's current commodity product offerings include fixed, variable, index and flat rate options. By fixing the price of natural gas or electricity under its fixed-price or price-protected program contracts for a period of up to five years, Just Energy's customers offset their exposure to changes in the price of these essential commodities. Variable rate products allow customers to maintain competitive rates while retaining the ability to lock into a fixed price at their discretion. Flat-bill products allow customers to pay a flat rate each month regardless of usage. Just Energy derives its gross margin from the difference between the price at which it is able to sell the commodities to its customers and the related price at which it purchases the associated volumes from its suppliers.

Just Energy offers green products through its JustGreen program. The JustGreen electricity product offers customers the option of having all or a portion of their electricity sourced from renewable green sources such as wind, solar, hydropower or biomass, via power purchase agreements and renewable energy certificates. The JustGreen gas product offers carbon offset credits that allow customers to reduce or eliminate the carbon footprint of their homes or businesses. Additional green products offered through terrapass allow customers to offset their carbon footprint without buying energy commodity products and can be offered in all states and provinces without being dependent on energy deregulation. Through the Filter Group business, Just Energy provides subscription-based home water filtration systems to residential customers, including under-counter and whole-home water filtration solutions.

Just Energy markets its product offerings through multiple sales channels including digital, retail, door-to-door, brokers and affinity relationships.

In March 2019, Just Energy formally approved and commenced a process to dispose of its businesses in Germany, Ireland and Japan. In June 2019, Just Energy also formally approved and commenced a process to dispose of its business in the United Kingdom ("U.K."), as part of the Company's Strategic Review. The decision was part of a strategic transition to focus on the core business in North America. The U.K. and Ireland businesses were disposed of during the three months ended December 31, 2019 as described in Note 16. The disposal of operations in Japan was completed in April 2020, and the disposal of operations in Germany is expected to be completed in the near future. On November 30, 2020, the Company sold EdgePower. The disposal of these operations were reclassified and presented in discontinued operations. As at December 31, 2020, these operations were classified as a disposal group held for sale and as a discontinued operation as appropriate. Previously, these operations were reported within the Consumer segment, while a portion of the U.K. business was allocated to the Commercial segment. EdgePower was previously reported as a Commercial segment.

On September 28, 2020, the Company completed a comprehensive plan to strengthen and de-risk the business, positioning the Company for sustainable growth as an independent industry leader (the "Recapitalization"). The Recapitalization was undertaken through a plan of arrangement under the Canada Business Corporations Act ("CBCA"). See further discussion in Note 9 and Note 12.

3. FINANCIAL STATEMENT PRESENTATION

(a) Compliance with IFRS

These Interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"), utilizing the accounting policies Just Energy outlined in its March 31, 2020 annual audited consolidated financial statements, except the adoption of new International Financial Reporting Standards ("IFRS"). Accordingly, certain information and footnote disclosures normally included in the annual audited consolidated financial statements prepared in accordance with IFRS, as issued by the IASB, have been omitted or condensed.

(b) Basis of presentation and interim reporting

These Interim Financial Statements should be read in conjunction with and follow the same accounting policies and methods of application as those used in the annual audited consolidated financial statements for the fiscal year ended March 31, 2020.

The Interim Financial Statements are presented in Canadian dollars, the functional currency of Just Energy, and all values are rounded to the nearest thousands, except where otherwise indicated. The Interim Financial Statements are prepared on a going concern basis under the historical cost convention, except for certain financial assets and liabilities that are stated at fair value.

The interim operating results are not necessarily indicative of the results that may be expected for the full fiscal year ending March 31, 2021, due to seasonal variations resulting in fluctuations in quarterly results. Gas consumption by customers is typically highest in October through March and lowest in April through September. Electricity consumption is typically highest in January through March and July through September and lowest in October through December and April through June.

Certain figures in the comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the current period's Interim Financial Statements. Please refer to Note 4.

(c) Going concern

Due to the extreme cold weather throughout the State of Texas, the Company's ability to continue as a going concern for the next 12 months is dependent on the Company meeting the potential liquidity challenges and potential non-compliance with debt covenants from this event. Commencing on or about February 13, 2021 continuing through February 19, 2021, extreme cold weather caused increases in power demand from higher customer consumption. The increased demand and the rolling blackouts or forced outages demanded by the Electric Reliability Council of Texas (ERCOT) caused the Company to have to balance power supply at very high clearing prices. While the total impact of the weather event is uncertain at this time, based on currently available information the Company estimates substantial losses could be incurred. The total impact may also be impacted by ERCOT final settlement data, impacts of customer credit losses, any state government or regulatory actions, or potential litigation with respect thereto.

There can be no assurance that the Company will be able to address these challenges with its stakeholders or otherwise, and any inability or failure of the Company to appropriately address such challenges could materially and adversely impact the business, operations, financial condition and operating results of the Company. The Company may have further discussions with market participants, including existing stakeholders, regarding any further sources of financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern and accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These Interim Financial Statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. These adjustments could be material.

(d) Principles of consolidation

The Interim Financial Statements include the accounts of Just Energy and its directly or indirectly owned subsidiaries and affiliates as at December 31, 2020. Subsidiaries and affiliates are consolidated from the date of acquisition and control and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries and affiliates are prepared for the same reporting period as Just Energy using consistent accounting policies. All intercompany balances, sales, expenses and unrealized gains and losses resulting from intercompany transactions are eliminated on consolidation.

(e) Significant accounting judgments, estimates, and assumptions

The preparation of the Interim Financial Statements requires the use of estimates and assumptions to be made in applying the accounting policies that affect the reported amount of assets, liabilities, income and expenses. The estimates and related assumptions based on previous experience and other factors are considered reasonable under the circumstances, the results of which form the basis for making the assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. There have been no material changes from the disclosures from the Company's Audited Financial Statements and Notes for the year ended March 31, 2020 with respect to significant accounting judgments, estimates and assumptions.

COVID-19 impact

As a result of the continued and uncertain economic and business impact of the coronavirus disease ("COVID-19") pandemic, Just Energy has reviewed the estimates, judgments and assumptions used in the preparation of the Interim Financial Statements, including with respect to: the determination of whether indicators of impairment exist for the assets and cash-generating units ("CGUs") and the underlying assumptions used in the measurement of the recoverable amount of such assets or CGUs. Just Energy has also assessed the impact of the COVID-19 pandemic on the estimates and judgments used in connection with the measurement of deferred income tax assets and the credit risk of Just Energy's customers. Although Just Energy determined that no significant revisions to such estimates, judgments or assumptions were required for the period ended December 31, 2020, revisions may be required in future periods to the extent that the negative impacts on the business arising from the COVID-19 pandemic continue or worsen. Any such revision (due to the COVID-19 pandemic or otherwise) may result in, among other things, write-downs or impairments to the assets or CGUs, and/or adjustments to the carrying amount of the accounts receivable,

goodwill or to the valuation of the deferred income tax assets, any of which could have a material impact on the results of operations and financial condition. While Just Energy believes the COVID-19 pandemic to be temporary, the situation is dynamic and the impact of the COVID-19 pandemic on the Company's results of operations and financial condition, including the duration and the impact on overall customer demand, cannot be reasonably estimated at this time.

4. ACCOUNTING POLICIES AND NEW STANDARDS ADOPTED

Adoption of International Financial Reporting Interpretations Committee ("IFRIC") Agenda Decision 11, Physical Settlement of Contracts to Buy or Sell a Non-Financial Item ("Agenda Decision 11")

The IFRIC reached a decision on Agenda Decision 11 during its meeting on March 5 and 6, 2019. The decision was in respect to a request about how an entity applies IFRS 9 to particular contracts to buy or sell a non-financial item at a fixed price.

The Company reviewed the agenda decision and determined that a change was required in its accounting policy related to contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments. These are contracts the Company enters into that are accounted for as derivatives at fair value through profit or loss but physically settled by the underlying non-financial item. The IFRIC concluded that IFRS 9 neither permits nor requires an entity to reverse the accumulated gain or loss previously recognized on the derivative and recognize a corresponding adjustment to cost of goods sold or inventory when the contract is physically settled. The presentation of the interim condensed consolidated statements of income (loss) has been amended to comply with the IFRIC agenda decision.

Prior to the adoption of Agenda Decision 11, realized gains and losses on financial swap contracts and options were included in cost of goods sold. Upon adoption of Agenda Decision 11, realized gains and losses on financial swap contracts are recorded in the line item realized loss on derivative instruments. As a result of Agenda Decision 11, the amount of cost of goods sold previously reported for the three months ended December 31, 2019, has decreased by $69.5 million from $516.0 million previously reported, to $446.6 million, upon the adoption of IFRIC Agenda Decision 11 with an increase in realized losses on derivatives. The amount of cost of goods sold previously reported for the nine months ended December 31, 2019, has increased from $1,667.0 million previously reported, to $1,748.3 million, upon the adoption of IFRIC Agenda Decision 11 with a decrease in realized losses on derivatives.

5. TRADE AND OTHER RECEIVABLES, NET

(a) Trade and other receivables, net

	As at Dec. 31, 2020	As at March 31, 2020
Trade accounts receivable, net	**$ 169,360**	$ 241,969
Accrued gas receivables	**2,118**	7,224
Unbilled revenues, net	**113,529**	121,993
Commodity receivables and other	**59,073**	32,721
	$ 344,080	$ 403,907

(b) Aging of accounts receivable

Customer credit risk

The lifetime expected credit loss reflects Just Energy's best estimate of losses on the accounts receivable and unbilled revenue balances. Just Energy determines the lifetime expected credit loss by using historical loss rates and forward-looking factors, if applicable. Just Energy is exposed to customer credit risk on its continuing operations in Alberta, Texas, Illinois (gas), California and Ohio (electricity). Credit review processes have been implemented to perform credit evaluations of customers and manage customer default. If a significant number of customers were to default on their payments, it could have a material adverse effect on the operations and cash flows of Just Energy. Management factors default from credit risk in its margin expectations for all of the above markets.

In the remaining markets, the local distribution companies ("LDCs") provide collection services and assume the risk of any bad debts owing from Just Energy's customers for a fee that is recorded in cost of goods sold. Management believes that the risk of the LDCs failing to deliver payment to Just Energy is minimal. There is no assurance that the LDCs providing these services will continue to do so in the future.

The aging of the trade accounts receivable from the markets where the Company bears customer credit risk was as follows:

	As at Dec. 31, 2020	As at March 31, 2020
Current	**$ 64,195**	$ 83,431
1-30 days	**11,914**	26,678
31-60 days	**3,134**	6,513
61-90 days	**3,169**	5,505
Over 90 days	**15,698**	35,252
	$ 98,110	$ 157,379

(c) Allowance for doubtful accounts

Changes in the allowance for doubtful accounts related to the balances in the table above were as follows:

	As at Dec. 31, 2020	As at March 31, 2020
Balance, beginning of period	**$ 45,832**	$ 182,365
Provision for doubtful accounts	**26,959**	80,050
Bad debts written off	**(48,855)**	(138,514)
Foreign exchange	**4,625**	3,124
Assets classified as held for sale	**–**	(81,193)
Balance, end of period	**$ 28,561**	$ 45,832
Allowance for doubtful accounts on accounts receivable	**$ 25,583**	$ 43,127
Allowance for doubtful accounts on unbilled revenue	**2,978**	2,705
Total allowance for doubtful accounts	**$ 28,561**	$ 45,832

6. OTHER CURRENT AND NON-CURRENT ASSETS

(a) Other current assets

	As at Dec. 31, 2020	As at March 31, 2020
Prepaid expenses and deposits	**$ 18,531**	$ 55,972
Customer acquisition costs	**51,384**	77,939
Green certificates assets	**64,214**	63,728
Gas delivered in excess of consumption	**5,778**	2,393
Inventory	**3,238**	3,238
	$ 143,145	$ 203,270

(b) Other non-current assets

	As at Dec. 31, 2020	As at March 31, 2020
Customer acquisition costs	**$ 26,030**	$ 43,686
Other long-term assets	**7,784**	12,764
	$ 33,814	$ 56,450

7. FINANCIAL INSTRUMENTS

(a) Fair value of derivative financial instruments and other

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Management has estimated the value of financial swaps, physical forwards and option contracts for electricity, natural gas, carbon and renewable energy certificates, and generation and transmission capacity contracts using a discounted cash flow method, which employs market forward curves that are either directly sourced from third parties or developed internally based on third-party market data. These curves can be volatile, thus leading to volatility in the mark to market with no immediate impact to cash flows. Gas options and green power options have been valued using the Black option pricing model using the applicable market forward curves and the implied volatility from other market traded options. Management periodically uses non-exchange-traded swap agreements based on cooling degree days ("CDDs") and heating degree days ("HDDs") measured in its utility service territories to reduce the impact of weather volatility on Just Energy's electricity volumes, commonly referred to as "weather derivatives". The fair value of these swaps on a given measurement station indicated in the derivative contract is determined by calculating the difference between the agreed strike and expected variable observed at the same station.

The following table illustrates unrealized gains (losses) related to Just Energy's derivative financial instruments classified as fair value through profit or loss and recorded on the interim condensed consolidated statements of financial position as fair value of derivative financial assets and fair value of derivative financial liabilities, with their offsetting values recorded in unrealized loss in fair value of derivative instruments and other on the interim condensed consolidated statements of income (loss).

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Physical forward contracts and options (i)	**$ (58,098)**	$ 20,651	**$ (124,865)**	$ (108,787)
Financial swap contracts and options (ii)	**(19,349)**	3,320	**51,316**	(39,994)
Foreign exchange forward contracts	**(6,060)**	(1,804)	**(15,139)**	(106)
Share swap	**–**	2,188	**–**	(4,839)
Unrealized foreign exchange on 10.25% loan	**13,649**	–	**13,649**	–
Unrealized foreign exchange on the 6.5% convertible bond and 8.75% loan transferred to realized foreign exchange resulting from the Recapitalization	–	5,554	–	8,029
Weather derivatives (iii)	**(547)**	6,576	**(1,159)**	(4,362)
Other derivative options	**(1,153)**	505	**(2,979)**	10,512
Unrealized gain (loss) of derivative instruments and other	**$ (71,558)**	$ 36,990	**$ (79,177)**	$ (139,547)

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the interim condensed consolidated statement of financial position as at December 31, 2020:

	Financial assets (current)	**Financial assets (non-current)**	**Financial liabilities (current)**	**Financial liabilities (non-current)**
Physical forward contracts and options (i)	**$ 14,975**	**$ 12,585**	**$ 84,147**	**$ 124,423**
Financial swap contracts and options (ii)	**3,831**	**7,201**	**21,346**	**6,592**
Foreign exchange forward contracts	**–**	**–**	**3,494**	**4,091**
Weather derivatives (iii)	**7,478**	**–**	**547**	**642**
Other derivative options	**2,912**	**285**	**632**	**581**
As at December 31, 2020	**$ 29,196**	**$ 20,071**	**$ 110,166**	**$ 136,329**

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the consolidated statement of financial position as at March 31, 2020:

	Financial assets (current)	Financial assets (non-current)	Financial liabilities (current)	Financial liabilities (non-current)
Physical forward contracts and options (i)	$ 24,549	$ 17,673	$ 57,461	$ 51,836
Financial swap contracts and options (ii)	6,915	1,492	53,917	24,432
Foreign exchange forward contracts	4,519	3,036	–	–
Weather derivatives (iii)	–	–	280	–
Other derivative options	370	6,591	1,780	–
As at March 31, 2020	$ 36,353	$ 28,792	$ 113,438	$ 76,268

Below is a summary of the financial instruments classified through profit or loss as at December 31, 2020, to which Just Energy has committed:

(i) Physical forward contracts and options consist of:

- Electricity contracts with a total remaining volume of 26,332,493 MWh, a weighted average price of $46.10/MWh and expiry dates up to December 31, 2029.
- Natural gas contracts with a total remaining volume of 80,627,146 GJs, a weighted average price of $2.64/GJ and expiry dates up to October 31, 2025.
- Renewable energy certificates ("RECs") with a total remaining volume of 2,524,443 MWh, a weighted average price of $44.11/REC and expiry dates up to December 31, 2029.
- Electricity generation capacity contracts with a total remaining volume of 3,040 MWCap, a weighted average price of $4,796.40/MWCap and expiry dates up to May 31, 2024.
- Ancillary contracts with a total remaining volume of 963,600 MWh, a weighted average price of $16.98/MWh and expiry dates up to December 31, 2022.

(ii) Financial swap contracts and options consist of:

- Electricity contracts with a total remaining volume of 15,457,778 MWh, a weighted average price of $40.53/MWh and expiry dates up to December 31, 2024.
- Natural gas contracts with a total remaining volume of 107,841,936 GJs, a weighted average price of $3.19/GJ and expiry dates up to December 31, 2025.
- Ancillary contracts with a total remaining volume of 87,600 MWh, a weighted average price of $16.23/MWh and expiry dates up to December 31, 2021.

(iii) Weather derivatives consist of:

- HDD collar options with HDD strikes set at 0.8 to 1.32 degree day wide, total tick size of $12,500 per HDD and an expiry date of March 31, 2021.
- HDD natural gas swaps with price strikes ranging from US$2.19 to US$6.94/MmBTU and temperature strikes from 1,051 to 5,059 HDD and an expiry date of March 31, 2021.
- HDD natural gas swaps with price strikes to be set on futures index and temperature strikes from 1,051 to 5,059 HDD and an expiry date of March 31, 2022.
- HDD natural gas swaps with price strikes to be set on futures index and temperature strikes from 1,051 to 5,059 HDD and an expiry date of March 31, 2023.
- Put options for HDDs with temperature strikes at historical averages, total tick size of $11,600 per HDD and an expiry date of March 31, 2021

Share swap agreement

Just Energy had entered into a share swap agreement to manage the volatility associated with the Company's restricted share grants and deferred share grants plans. The value, on inception, of the 2,500,000 shares under this share swap agreement was approximately $33.8 million. On August 22, 2018, Just Energy reduced the notional value of the share swap to $23.8 million through a payment of $10.0 million and renewed the share swap agreement. On March 31, 2020, the share swap agreement

expired and settled. Net monthly settlements received (paid) under the share swap agreement were recorded in other income (expense) in the interim condensed consolidated statement of income (loss).

These derivative financial instruments create a credit risk for Just Energy since they have been transacted with a limited number of counterparties. Should any counterparty be unable to fulfill its obligations under the contracts, Just Energy may not be able to realize the financial assets' balance recognized in the Interim Financial Statements.

Fair value ("FV") hierarchy of derivatives

Level 1
The fair value measurements are classified as Level 1 in the FV hierarchy if the fair value is determined using quoted unadjusted market prices. Currently there are no derivatives carried in this level.

Level 2
Fair value measurements that require observable inputs other than quoted prices in Level 1, either directly or indirectly, are classified as Level 2 in the FV hierarchy. This could include the use of statistical techniques to derive the FV curve from observable market prices. However, in order to be classified under Level 2, significant inputs must be directly or indirectly observable in the market. Just Energy values its New York Mercantile Exchange ("NYMEX") financial gas fixed-for-floating swaps under Level 2.

Level 3
Fair value measurements that require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs are classified as Level 3 in the FV hierarchy. For the power supply contracts, Just Energy uses quoted market prices as per available market forward data and applies a price-shaping profile to calculate the monthly prices from annual strips and hourly prices from block strips for the purposes of mark to market calculations. The profile is based on historical settlements with counterparties or with the system operator and is considered an unobservable input for the purposes of establishing the level in the FV hierarchy. For the natural gas supply contracts, Just Energy uses three different market observable curves: (i) Commodity (predominately NYMEX), (ii) Basis and (iii) Foreign exchange. NYMEX curves extend for over five years (thereby covering the length of Just Energy's contracts); however, most basis curves extend only 12 to 15 months into the future. In order to calculate basis curves for the remaining years, Just Energy uses extrapolation, which leads natural gas supply contracts to be classified under Level 3.

Weather derivatives are non-exchange-traded financial instruments used as part of a risk management strategy to mitigate the impact adverse weather conditions have on gross margin. The fair values of the derivatives are determined using an internally developed model that relies upon both observable inputs and significant unobservable inputs. Accordingly, the fair values of these derivatives are classified as Level 3. Market and contractual inputs to these models vary by contract type and would typically include notional amounts, reference weather stations, strike prices, temperature strike values, terms to expiration, historical weather data and historical commodity prices. The historical weather data and commodity prices were utilized to value the expected payouts with respect to weather derivatives and, as a result, are the most significant assumptions contributing to the determination of fair value estimates, and changes in these inputs can result in a significantly higher or lower fair value measurement.

For the share swap agreement, Just Energy used a forward interest rate curve along with a volume weighted average share price to model out its value. As the inputs had no observable market, it was classified as Level 3.

Just Energy's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer.

Fair value measurement input sensitivity
The main cause of changes in the fair value of derivative instruments is changes in the forward curve prices used for the fair value calculations. Just Energy provides a sensitivity analysis of these forward curves under the "Market risk" section of this note. Other inputs, including volatility and correlations, are driven off historical settlements.

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at December 31, 2020:

	Level 1	**Level 2**	**Level 3**	**Total**
Derivative financial assets	**$ –**	**$ –**	**$ 49,267**	**$ 49,267**
Derivative financial liabilities	**–**	**(8,104)**	**(238,391)**	**(246,495)**
Total net derivative financial liabilities	**$ –**	**$ (8,104)**	**$ (189,124)**	**$ (197,228)**

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at March 31, 2020:

	Level 1	Level 2	Level 3	Total
Derivative financial assets	$ –	$ –	$ 65,145	$ 65,145
Derivative financial liabilities	–	(38,676)	(151,030)	(189,706)
Total net derivative financial liabilities	$ –	$ (38,676)	$ (85,885)	$ (124,561)

Commodity price sensitivity – Level 3 derivative financial instruments

If the energy prices associated with only Level 3 derivative financial instruments including natural gas, electricity, verified emission-reduction credits and RECs had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit (loss) before income taxes for the three month period ended December 31, 2020 would have increased (decreased) by $142.6 million ($141.7 million), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

A key assumption used when determining the significant unobservable inputs included in Level 3 of the FV hierarchy consists of up to 5% price extrapolation to calculate monthly prices that extend beyond the market observable 12- to 15-month forward curve.

The following table illustrates the changes in net fair value of financial liabilities classified as Level 3 in the FV hierarchy for the following periods:

	Nine months ended December 31, 2020	Year ended March 31, 2020
Balance, beginning of period	**$ (85,885)**	$ 17,310
Total losses	**(100,714)**	(3,822)
Purchases	**(41,180)**	(43,663)
Sales	**291**	14,549
Settlements	**38,364**	(70,259)
Balance, end of period	**$ (189,124)**	$ (85,885)

(b) Classification of non-derivative financial assets and liabilities

As at December 31, 2020 and March 31, 2020, the carrying value of cash and cash equivalents, restricted cash, trade and other receivables, and trade and other payables approximates their fair value due to their short-term nature.

Long-term debt recorded at amortized cost has a fair value as at December 31, 2020 of $518.8 million (March 31, 2020 – $596.2 million. The interest payable on outstanding amounts under the senior secured credit facility is at rates that vary with bankers' acceptances, London Interbank Offering Rate ("LIBOR"), Canadian bank prime rate or U.S. prime rate. The 10.25% term loan is classified as level 1 in the FV hierarchy. Prior to the exchange under the Recapitalization transaction, the 8.75% loan, 6.75% $100M convertible debentures, 6.75% $160M convertible debentures and 6.5% convertible bonds, were fair valued based on market value; the 6.75% $100M convertible debentures, 6.75% $160M convertible debentures and 6.5% convertible bonds were classified as Level 1 in the FV hierarchy.

The risks associated with Just Energy's financial instruments are as follows:

(i) Market risk

Market risk is the potential loss that may be incurred as a result of changes in the market or fair value of a particular instrument or commodity. Components of market risk to which Just Energy is exposed are discussed below.

Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investments in U.S. operations.

The performance of the Canadian dollar relative to the U.S. dollar could positively or negatively affect Just Energy's income, as a significant portion of Just Energy's income is generated in U.S. dollars and is subject to currency fluctuations upon translation to Canadian dollars. Due to its growing operations in the U.S., Just Energy expects to have a greater exposure to foreign currency fluctuations in the future than in prior years. Just Energy has economically hedged between 50% and 100% of forecasted cross border cash flows that are expected to occur within the next 12 months and between 0% and 50% of certain forecasted cross border cash flows that are expected to occur within the following 13 to 24 months. The level of economic hedging is dependent on the source of the cash flows and the time remaining until the cash repatriation occurs.

Just Energy may, from time to time, experience losses resulting from fluctuations in the values of its foreign currency transactions, which could adversely affect its operating results. Translation risk is not hedged.

With respect to translation exposure, if the Canadian dollar had been 5% stronger or weaker against the U.S. dollar for the three months ended December 31, 2020, assuming that all the other variables had remained constant, net loss for the three months ended December 31, 2020 would have been $4.3 million lower/higher and other comprehensive income (loss) would have been $10.8 million lower/higher.

Interest rate risk

Just Energy is only exposed to interest rate fluctuations associated with its floating rate credit facility. Just Energy's current exposure to interest rates does not economically warrant the use of derivative instruments. Just Energy's exposure to interest

rate risk is relatively immaterial and temporary in nature. Just Energy does not currently believe that its long-term debt exposes the Company to material interest rate risks but has set out parameters to actively manage this risk within its Risk Management Policy.

A 1% increase (decrease) in interest rates would have resulted in an increase (decrease) of approximately $1.5 million in profit (loss) before income taxes for the three months ended December 31, 2020 (December 31, 2019 – $0.6 million).

Commodity price risk

Just Energy is exposed to market risks associated with commodity prices and market volatility where estimated customer requirements do not match actual customer requirements. Management actively monitors these positions on a daily basis in accordance with its Risk Management Policy. This policy sets out a variety of limits, most importantly thresholds for open positions in the gas and electricity portfolios, which also feed a value at risk limit. Should any of the limits be exceeded, they are closed expeditiously or express approval to continue to hold is obtained. Just Energy's exposure to market risk is affected by a number of factors, including accuracy of estimation of customer commodity requirements, commodity prices, volatility and liquidity of markets. Just Energy enters into derivative instruments in order to manage exposures to changes in commodity prices. The derivative instruments that are used are designed to fix the price of supply for estimated customer commodity demand and thereby fix margins. Derivative instruments are generally transacted over the counter. The inability or failure of Just Energy to manage and monitor the above market risks could have a material adverse effect on the operations and cash flows of Just Energy. Just Energy mitigates the exposure to variances in customer requirements that are driven by changes in expected weather conditions through active management of the underlying portfolio, which involves, but is not limited to, the purchase of options including weather derivatives. Just Energy's ability to mitigate weather effects is limited by the degree to which weather conditions deviate from normal.

Commodity price sensitivity – all derivative financial instruments

If all the energy prices associated with derivative financial instruments including natural gas, electricity, verified emission-reduction credits and RECs had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit (loss) before income taxes for the three months ended December 31, 2020 would have increased (decreased) by $141.0 million ($140.1 million), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

For information on credit risk, refer to Note 5.

(ii) Physical supplier risk

Just Energy purchases the majority of the gas and electricity delivered to its customers through long-term contracts entered into with various suppliers. Just Energy has an exposure to supplier risk as the ability to continue to deliver gas and electricity to its customers is reliant upon the ongoing operations of these suppliers and their ability to fulfill their contractual obligations. As at December 31, 2020, Just Energy has applied an adjustment factor to determine the fair value of its financial instruments in the amount of $12.3 million (March 31, 2020 – $23.8 million) to accommodate for its counterparties' risk of default.

(iii) Counterparty credit risk

Counterparty credit risk represents the loss that Just Energy would incur if a counterparty fails to perform under its contractual obligations. This risk would manifest itself in Just Energy replacing contracted supply at prevailing market rates, thus impacting the related customer margin. Counter party limits are established within the Risk Management Policy. Any exceptions to these limits require approval from the Risk Committee of the Board of Directors of Just Energy. The Risk Department and Risk Committee monitor current and potential credit exposure to individual counterparties and also monitor overall aggregate counterparty exposure. However, the failure of a counterparty to meet its contractual obligations could have a material adverse effect on the operations and cash flows of Just Energy.

As at December 31, 2020, the estimated counterparty credit risk exposure amounted to $49.3 million (March 31, 2020 – $65.1 million), representing the risk relating to Just Energy's exposure to derivatives that are in an asset position.

8. TRADE AND OTHER PAYABLES

	As at Dec. 31, 2020	As at March 31, 2020
Commodity suppliers' accruals and payables	**$ 288,059**	$ 414,581
Green provisions and repurchase obligations	**74,124**	103,245
Sales tax payable	**25,460**	19,706
Non-commodity trade accruals and accounts payable	**56,920**	117,473
Current portion of payable to former joint venture partner	**12,539**	18,194
Accrued gas payable	**877**	3,295
Other payables	**14,784**	9,171
	$ 472,763	$ 685,665

9. LONG-TERM DEBT AND FINANCING

	Maturity	As at Dec. 31, 2020	As at March 31, 2020
Senior secured credit facility (a)	December 31, 2023	**$ 232,619**	$ 236,389
Less: Debt issue costs (a)		**(4,273)**	(1,644)
Filter Group financing (b)	October 25, 2023	**5,485**	9,690
7.0% $13M subordinated notes (c)	September 27, 2026	**13,393**	–
Less: Debt issue costs (c)		**(1,934)**	–
10.25% term loan (d)	March 31, 2024	**273,478**	–
8.75% loan (e)		**–**	280,535
6.75% $100M convertible debentures (f)		**–**	90,187
6.75% $160M convertible debentures (g)		**–**	153,995
6.5% convertible bonds (h)		**–**	12,851
		518,768	782,003
Less: Current portion		**(3,535)**	(253,485)
		$ 515,233	$ 528,518

Future annual minimum principal repayments are as follows:

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total
Senior secured credit facility (a)	$ –	$ 232,619	$ –	$ –	$ 232,619
Filter Group financing (b)	3,535	1,950	–	–	5,485
7.0% $13M subordinated notes (c)	–	–	–	13,393	13,393
10.25% term loan (d)	–	–	273,478	–	273,478
	$ 3,535	$ 234,569	$ 273,478	$ 13,393	$ 524,975

Interest is expensed based on the effective interest rate. The following table details the finance costs for the indicated periods:

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	Nine months ended Dec. 31, 2020	Nine months ended Dec. 31, 2019
Senior secured credit facility (a)	**$ 4,712**	$ 5,854	**$ 15,229**	$ 17,900
Filter Group financing (b)	**165**	99	**540**	600
7.0% $13M subordinated notes (c)	**280**	–	**280**	–
10.25% Term Loan (d)	**8,242**	–	**8,242**	–
8.75% loan (e)	**–**	8,655	**18,055**	26,275
6.75% $100M convertible debentures (f)	**–**	2,372	**4,762**	7,046
6.75% $160M convertible debentures (g)	**–**	3,462	**6,948**	10,354
6.5% convertible bonds (h)	**–**	262	**536**	2,479
Supplier finance and others (i)	**4,278**	7,474	**14,682**	15,521
	$ 17,677	$ 28,178	**$ 69,274**	$ 80,175

(a) As part of the Recapitalization, Just Energy extended the $335 million senior secured credit facility to December 2023, which was previously scheduled to mature in December 2020. Certain principal amounts outstanding under the letter of credit facility is guaranteed by Export Development Canada under its Account Performance Security Guarantee Program.Just Energy's obligations under the $335 million senior secured credit facility are supported by guarantees of certain subsidiaries and affiliates and secured by a general security agreement and a pledge of the assets and securities of Just Energy and the majority of its operating subsidiaries and affiliates excluding, primarily, Filter Group and German operations. Just Energy has also entered into an inter-creditor agreement in which certain commodity and hedge providers are also secured by the same collateral. As at December 31, 2020, the Company was compliant with all of its covenants. The tables below show Just Energy's available capacity and its scheduled mandatory commitment reductions.

Senior secured credit facility as at December 31, 2020:	
Total commitments	**$ 335,000**
Outstanding advances	**(232,619)**
Letters of credit outstanding	**(77,816)**
Remaining capacity	**$ 24,565**

Scheduled mandatory commitment reductions[1]:	
March 31, 2021	**$ 35,000**
September 30, 2021	**35,000**
March 31, 2022	**35,000**
September 30, 2022	**35,000**
March 31, 2023	**35,000**
September 30, 2023	**35,000**

1 In addition to the scheduled mandatory commitment reductions in the table above, Just Energy will be required to reduce the commitments for the sale of unrestricted subsidiaries and for asset dispositions in any fiscal year greater than $500,000. On November 30, 2021, the facility will also be reduced by the lesser of (a) $30 million less the aggregate of all commitment reductions made related to the after-tax proceeds from certain assets on or before November 30,2021, and (b) the cumulative EBITDA for the trailing five fiscal quarters measured at September 30, 2021 less $176.0 million.

Under the terms of the senior secured credit facility, Just Energy is able to make use of Bankers' Acceptances and LIBOR advances at stamping fees of 5.25%. Prime rate advances are at a rate of bank prime (Canadian bank prime rate or U.S. prime rate) plus 4.25% and letters of credit are at a rate of 5.25%. Interest rates are adjusted quarterly based on certain financial performance indicators.

Prior to the Recapitalization, interest was payable on outstanding loans at rates that varied with Bankers' Acceptance rates, LIBOR, Canadian bank prime rate or U.S. prime rate. Under the terms of the operating credit facility, Just Energy was able to make use of Bankers' Acceptances and LIBOR advances at stamping fees of 3.750%. Prime rate advances were at a rate of bank prime (Canadian bank prime rate or U.S. prime rate) plus 2.750% and letters of credit were at a rate of 3.750%.

As at December 31, 2020, the Canadian prime rate was 2.45% and the U.S. prime rate was 3.25%. As at December 31, 2020, $232.6 million has been drawn against the facility and total letters of credit outstanding as of December 31, 2020 amounted to $77.8 million (March 31, 2020 – $72.5 million).

(b) Filter Group has a $5.5 million outstanding loan payable to Home Trust Company ("HTC"). The loan is a result of factoring receivables to finance the cost of rental equipment over a period of three to five years with HTC and bears interest at 8.99% per annum. Principal and interest are repayable monthly.

(c) As part of the Recapitalization, Just Energy issued $15 million principal amount of 7.0% subordinated notes ("7.0% $13M subordinated notes") to holders of the subordinated convertible debentures, which has a six-year maturity. The 7.0% subordinated notes bear an annual interest rate of 7.0% payable in-kind semi-annually on March 15 and September 15. The balance at December 31, 2020 includes an accrual of $0.2 million for capitalized interest payable on the notes. A $2.0 million fee related to the issuance of the notes was capitalized at inception to be amortized over the term of the agreement. The 7.0% $13M subordinated notes had a principal amount of $15 million as at September 28, 2020, which was reduced to $13.2 million through a tender offer for no consideration, on October 19, 2020.

(d) As part of the Recapitalization, Just Energy issued a US$205.9 million principal note (the "10.25% term loan") maturing on March 31, 2024. The note bears interest at 10.25% and payments will be capitalized into the note. The interest is capitalized on a semi-annual basis on September 30 and March 31. The balance at December 31, 2020 includes an accrual of $7.1 million for capitalized interest payable on the notes. Upon achieving certain financial measures, the Company will pay either 50% or 100% of the interest in cash at a 9.75% rate on a semi-annual basis. Certain senior debt to EBITDA ratios have been established as well as minimum EBITDA requirements for a trailing four quarter period. Voluntary prepayments are allowed within the agreement subject to a prepayment penalty of 5.0%. The 5.0% prepayment penalty is amortized as finance costs over the term of the agreement.

(e) As part of the Recapitalization, the 8.75% loan was exchanged for its pro-rata share of the 10.25% term loan and 786,982 common shares. The loan had US$207.0 million outstanding plus accrued interest.

(f) As part of the Recapitalization, the 6.5% $100M convertible debentures were exchanged for 3,592,069 common shares along with it's pro-rata share of the 7.0% $13M subordinated notes and the payment of accrued interest.

(g) As part of the Recapitalization, the 6.75% $160M convertible debentures were exchanged for 5,747,310 common shares along with its pro-rata share of the 7.0% $13M subordinated notes and the payment of accrued interest.

(h) As part of the Recapitalization, the 6.5% convertible bonds were exchanged for its pro-rata share of the 10.25% term loan and 35,737 common shares. $9.2 million of the 6.5% convertible bonds were outstanding plus accrued interest.

(i) Supplier finance and other costs for the quarter ended December 31, 2020 primarily consists of charges for extended payment terms.

10. REPORTABLE BUSINESS SEGMENTS

Just Energy's reportable segments are the Consumer segment and the Commercial segment.

The chief operating decision maker monitors the operational results of the Consumer and Commercial segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on certain non-IFRS measures such as Base EBITDA, Base gross margin and Embedded gross margin as defined in the Company's Management Discussion and Analysis.

Transactions between segments are in the normal course of operations and are recorded at the exchange amount. Allocations made between segments for shared assets or allocated expenses are based on the number of residential customer equivalents in the respective segments.

Corporate and shared services report the costs related to management oversight of the business units, public reporting and filings, corporate governance and other shared services functions.

For the three months ended December 31, 2020:

	Consumer	**Commercial**	**Corporate and shared services**	**Consolidated**
Sales	**$ 324,002**	**$ 216,065**	**$ –**	**$ 540,067**
Cost of goods sold	**197,612**	**162,010**	**–**	**359,622**
Gross margin	**126,390**	**54,055**	**–**	**180,445**
Depreciation and amortization	**4,470**	**876**	**–**	**5,346**
Administrative expenses	**8,860**	**4,199**	**17,349**	**30,408**
Selling and marketing expenses	**25,538**	**16,731**	**–**	**42,269**
Other operating expenses	**3,699**	**1,194**	**–**	**4,893**
Segment profit for the period	**$ 83,823**	**$ 31,055**	**$ (17,349)**	**$ 97,529**
Finance costs				**(17,677)**
Gain on Recapitalization transaction, net				**1,026**
Unrealized loss of derivative instruments and other				**(71,558)**
Realized loss of derivative instruments				**(56,905)**
Other expense, net				**(1,431)**
Provision for income taxes				**(3,311)**
Loss for the period from continuing operations				**$ (52,327)**
Profit from discontinued operations				**4,788**
Loss for the period				**(47,539)**
Capital expenditures	**$ 2,947**	**$ 352**	**$ –**	**$ 3,299**

For the three months ended December 31, 2019:

	Consumer	Commercial	Corporate and shared services	Consolidated
Sales	$ 390,757	$ 267,764	$ –	$ 658,521
Cost of goods sold	254,129	192,423	–	446,552
Gross margin	136,628	75,341	–	211,969
Depreciation and amortization	6,441	758	–	7,199
Administrative expenses	8,241	5,061	26,314	39,616
Selling and marketing expenses	32,377	18,893	–	51,270
Other operating expenses	19,717	1,962	–	21,679
Segment profit for the period	$ 69,852	$ 48,667	$ (26,314)	$ 92,205
Finance costs				(28,178)
Unrealized gain of derivative instruments and other				36,990
Realized loss of derivative instruments				(78,220)
Other income, net				1,649
Provision for income taxes				(3,845)
Profit for the period from continuing operations				$ 20,601
Profit from discontinued operations				6,293
Profit for the period				26,894
Capital expenditures	$ 2,290	$ 626	$ –	$ 2,916

For the nine months ended December 31, 2020:

	Consumer	Commercial	Corporate and shared services	Consolidated
Sales	**$ 1,098,701**	**$ 684,102**	**$ –**	**$ 1,782,803**
Cost of goods sold	**632,465**	**480,045**	**–**	**1,112,510**
Gross margin	**466,236**	**204,057**	**–**	**670,293**
Depreciation and amortization	**15,608**	**2,690**	**–**	**18,298**
Administrative expenses	**27,760**	**14,796**	**69,951**	**112,507**
Selling and marketing expenses	**82,760**	**54,380**	**–**	**137,140**
Other operating expenses	**24,767**	**7,850**	**–**	**32,617**
Segment profit for the period	**$ 315,341**	**$ 124,341**	**$ (69,951)**	**$ 369,731**
Finance costs				**(69,274)**
Restructuring costs				**(7,118)**
Gain on Recapitalization transaction, net				**51,367**
Unrealized loss of derivative instruments and other				**(79,177)**
Realized loss of derivative instruments				**(276,808)**
Other expense, net				**(4,488)**
Provision for income taxes				**(4,618)**
Loss for the period from continuing operations				**(20,385)**
Profit from discontinued operations				**630**
Loss for the period				**$ (19,755)**
Capital expenditures	**$ 7,163**	**$ 809**	**$ –**	**$ 7,972**
As at December 31, 2020				
Total goodwill	**$ 167,997**	**$ 96,654**	**$ –**	**$ 264,651**
Total assets	**$ 875,850**	**$ 193,192**	**$ –**	**$ 1,069,042**
Total liabilities	**$ 1,247,896**	**$ 36,989**	**$ –**	**$ 1,284,885**

For the nine months ended December 31, 2019:

	Consumer	Commercial	Corporate and shared services	Consolidated
Sales	$ 1,274,964	$ 822,162	$ –	$ 2,097,126
Cost of goods sold	987,042	761,239		1,748,281
Gross margin	287,922	60,923	–	348,845
Depreciation and amortization	24,955	2,208	–	27,163
Administrative expenses	28,765	17,740	75,380	121,885
Selling and marketing expenses	108,755	58,498	–	167,253
Other operating expenses	72,070	5,252	–	77,322
Segment profit (loss) for the period	$ 53,377	$ (22,775)	$ (75,380)	$ (44,778)
Finance costs				(80,175)
Unrealized loss of derivative instruments and other				(139,547)
Realized gain of derivative instruments				78,348
Other income, net				29,734
Provision for income taxes				(3,604)
Loss for the period from continuing operations				$ (160,022)
Loss from discontinued operations				(8,705)
Loss for the period				(168,727)
Capital expenditures	$ 11,546	$ 1,176	$ –	$ 12,722
As at December 31, 2019				
Total goodwill	$ 164,799	$ 158,336	$ –	$ 323,135
Total assets	$ 884,560	$ 409,645	$ –	$ 1,294,205
Total liabilities	$ 1,349,179	$ 210,776	$ –	$ 1,559,955

Sales from external customers

The revenue is based on the location of the customer.

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Canada	**$ 79,559**	$ 77,691	**$ 201,597**	$ 219,843
United States	**460,508**	580,830	**1,581,206**	1,877,283
Total	**$ 540,067**	$ 658,521	**$ 1,782,803**	$ 2,097,126

Non-current assets

Non-current assets by geographic segment consist of goodwill, property and equipment and intangible assets and are summarized as follows:

	As at Dec. 31, 2020	As at March 31, 2020
Canada	**$ 232,113**	$ 233,678
United States	**139,794**	166,074
Total	**$ 371,907**	$ 399,752

11. INCOME TAXES

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Current income tax expense	**$ 3,311**	$ 2,905	**$ 4,676**	$ 6,417
Deferred income tax expense (recovery)	**–**	940	**(58)**	(2,813)
Provision for (recovery of) income taxes	**$ 3,311**	$ 3,845	**$ 4,618**	$ 3,604

12. SHAREHOLDERS' CAPITAL

Just Energy is authorized to issue an unlimited number of common shares and 50,000,000 preference shares issuable in series, both with no par value. Shares outstanding have no preferences, rights or restrictions attached to them.

(a) Details of issued and outstanding shareholders' capital are as follows:

	Nine months ended Dec. 31, 2020		Year ended March 31, 2020	
	Shares	**Amount**	Shares	Amount
Common shares:				
Issued and outstanding				
Balance, beginning of period	**4,594,371**	**$ 1,099,864**	4,533,211	$ 1,088,538
Share-based awards exercised	**91,854**	**929**	61,160	11,326
Issuance of shares due to Recapitalization	**43,392,412**	**438,642**	–	–
Issuance cost	**–**	**(1,572)**	–	–
Balance, end of period	**48,078,637**	**$ 1,537,863**	4,594,371	$ 1,099,864
Preferred shares:				
Issued and outstanding				
Balance, beginning of period	**4,662,165**	**$ 146,965**	4,662,165	$ 146,965
Exchanged to common shares	**(4,662,165)**	**(146,965)**	–	–
Balance, end of period	**–**	**$ –**	4,662,165	$ 146,965
Shareholders' capital	**48,078,637**	**$ 1,537,863**	9,256,536	$ 1,246,829

The above table reflects the impacts of the Recapitalization including the extinguished convertible debentures, the settlement of the preferred shares and the issuance of new common shares. The common shares have been adjusted retrospectively to reflect the 33:1 share consolidation as part of Recapitalization (Note 12c).

(b) Dividends and distributions

On August 14, 2019, the Company suspended its dividend on common shares. For the quarters ended December 31, 2020 and December 31, 2019, respectively, no dividends per common share were declared by Just Energy. For the nine months ended December 31, 2020, no dividends per common share were declared by Just Energy. For the nine months ended December 31, 2019 one dividend of $0.125 per common share was declared by Just Energy resulting in a total dividend paid of $18.7 million.

As a result of the dividend suspension, distributions related to the dividends also ceased. There were no distributions during the three months ended December 31, 2020, consistent with the same quarter in fiscal 2020.

On December 2, 2019, the Board suspended the dividend on its Series A Preferred Shares. For the quarters ended December 31, 2020 and December 31, 2019 no dividends per preferred shares were declared by Just Energy. For the nine months ended December 31, 2020, no dividends per preferred share were declared by Just Energy. For the nine months ended December 31, 2019 dividends of $1.0625 per preferred share was declared by Just Energy resulting in a total dividend paid of $6.6 million.

Under the senior secured credit facility and the 10.25% term loan, Just Energy is not allowed to pay dividends to the shareholders of Just Energy.

(c) Recapitalization transaction

On September 28, 2020, the Company completed a comprehensive plan to strengthen and de-risk the business, positioning the Company for sustainable growth as an independent industry leader (the "Recapitalization"). The Recapitalization was undertaken through a plan of arrangement under the CBCA and included:

- The consolidation of the Company's common shares on a 1-for-33 basis;
- Exchange of the 6.75% $100M convertible debentures and the 6.75% $160M convertible debentures for common shares and $15 million principal amount of new subordinated notes ("7.0% $13M subordinated notes"). The 7.0% $13M subordinated notes had a principal amount of $15 million as at September 28, 2020 which was reduced to $13.2 million through a tender offer for no consideration on October 19, 2020;
- Extension of $335 million of the Company's senior secured credit facilities to December 2023, with revised covenants and a schedule of commitment reductions throughout the term;
- Existing 8.75% loan and the remaining convertible bonds due December 31, 2020 were exchanged for a new term loan due March 2024 (the "10.25% term loan") and common shares, with interest on the new term loan to be initially paid-in-kind until certain financial measures are achieved;
- Exchange of all of the 8.50%, fixed-to-floating rate, cumulative, redeemable, perpetual preferred shares for common shares;
- Accrued and unpaid interest paid in cash on the subordinated convertible debentures until September 28, 2020;
- The payment of certain expenses of the ad hoc group of convertible debenture holders;
- The issuance of approximately $3.7 million of common shares by way of an additional private placement to the Company's term loan lenders at the same subscription price available to all securityholders pursuant to the new equity subscription offering, proceeds of which partially offset the incremental cash costs to the ad hoc group noted above;
- The entitlement of holders of Just Energy's existing 8.75% loan, 6.5% convertible bonds, the subordinated convertible debentures, preferred shares and common shares as of July 23, 2020 to subscribe for post-consolidation common shares at a price per share of $3.412, with subscriptions totaling 15,174,950 common shares resulting in cash proceeds for Just Energy of approximately $51.8 million;
- Pursuant to the previously announced backstop commitments, the acquisition of 14,137,580 common shares by the backstop parties, on a post-consolidation basis resulting in cash proceeds for Just Energy of approximately $48.2 million; for a total aggregate proceeds from the equity subscription option of approximately $100.0 million, which was used to reduce debt and for general corporate purposes. In accordance with the Plan of Arrangement, the Board of Directors of Just Energy determined that the value of the equity subscription offer on September 28, 2020 was $4.868 per share;
- The settlement of litigation related to the 2018 acquisition of Filter Group Inc. pursuant to which shareholders of the Filter Group received an aggregate of $1.8 million in cash and 429,958 common shares; and
- The implementation of a new management equity incentive plan that will permit the granting of various types of equity awards, including stock options, share appreciation rights, restricted shares and deferred shares.

The Recapitalization resulted in total net gain of $51.4 million for the nine months ended December 31, 2020. The net gain reported in the consolidated statements of income (loss) is made up of the gain of $78.8 million related to reduction in debt, partially offset by $27.4 million of expense incurred in relation to the Recapitalization, which was not capitalized.

The Recapitalization did not result in tax expense or cash taxes since any debt forgiveness resulting from the exchange of the convertible debentures was fully reduced by operating and capital losses previously not used.

(d) Stock based compensation

Under the Company's 2020 Equity Compensation Plan (the "Equity Plan") approved as part of the Recapitalization, Just Energy is allowed to issue Options, Restricted Share Units ("RSUs"), Deferred Share Units ("DSUs") and Performance Share Units ("PSUs") for the employees and directors of the Company. Under the Equity Plan, during the three months ended December 31, 2020, 650,000 Options were issued to management on October 12, 2020 with an exercise price of $8.46. The exercise price was based on the higher of the closing price on October 9, 2020 or the 5-day volume weighted trading price as of October 9, 2020. The Company also issued an aggregate of 186,929 DSUs to the directors in lieu of materially all of their annual cash retainers based on the 5-day volume weighted trading price as of October 9, 2020 of $8.37. In addition, the Company issued 23,513 RSUs to one employee based on the 5-day volume weighted trading price as of October 9, 2020 of $8.37.

13. OTHER EXPENSES

(a) Other operating expenses

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Amortization of intangible assets	**$ 3,840**	$ 4,953	**$ 12,458**	$ 19,414
Depreciation of property and equipment	**1,506**	2,246	**5,840**	7,749
Bad debt expense	**3,358**	19,996	**26,960**	66,853
Share-based compensation	**1,535**	1,683	**5,657**	10,469
	$ 10,239	$ 28,878	**$ 50,915**	$ 104,485

(b) Employee expenses

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
Wages, salaries and commissions	**$ 33,459**	$ 50,422	**$ 112,474**	$ 163,687
Benefits	**3,790**	5,317	**11,026**	16,556
	$ 37,249	$ 55,739	**$ 123,500**	$ 180,243

For the three months ended December 31, 2020, employee expenses of $11.8 million and $25.4 million are included in administrative expense and selling and marketing expenses, respectively, compared to an amount of $18.8 million and $36.9 million, respectively, in the three months ended December 31, 2019. For the nine months ended December 31, 2020, employee expenses of $46.4 million and $77.1 million are included in administrative expense and selling and marketing expenses, respectively compared to an amount of $57.9 million and $122.3 million, respectively, in the nine months ended December 31, 2019.

14. RESTRUCTURING COSTS

For the nine months ended December 31, 2020, the Company incurred $7.1 million in restructuring costs in relation to the evolution of its senior management team announced in September 2020. These include management costs, structural reorganization and employee-related costs. Approximately $2.5 million of this remains unpaid as at December 31, 2020.

15. PROFIT (LOSS) PER SHARE

	Three months ended Dec. 31, 2020	Three months ended Dec. 31, 2019	**Nine months ended Dec. 31, 2020**	Nine months ended Dec. 31, 2019
BASIC EARNINGS (LOSS) PER SHARE				
Profit (loss) from continuing operations	**$ (52,327)**	$ 20,601	**$ (20,385)**	$ (160,022)
Earnings (loss) available to shareholders	**(47,539)**	26,894	**(19,755)**	(168,727)
Basic weighted average shares outstanding	**48,043,495**	9,881,771	**26,355,407**	9,844,806
Basic earnings (loss) per share from continuing operations	**(1.09)**	2.08	**(0.77)**	(16.25)
Basic earnings (loss) per share available to shareholders	**$ (0.99)**	$ 2.72	**$ (0.75)**	$ (17.13)
DILUTED EARNINGS (LOSS) PER SHARE				
Profit (loss) from continuing operations	**$ (52,327)**	$ 20,601	**$ (20,385)**	$ (160,022)
Adjusted earnings (loss) from continuing operations available to shareholders	**$ (47,539)**	$ 26,894	**$ (19,755)**	$ (168,727)
Basic weighted average shares outstanding	**48,043,495**	9,881,771	**26,355,407**	9,844,806
Dilutive effect of:				
Restricted share grants	**3,253**	76,896	**44,370**	118,358
Deferred share grants	**187**	5,618	**4,296**	8,163
Restricted share units	**17,053**	–	**5,643**	–
Deferred share units	**164,579**	–	**55,059**	–
Options	**572,283**	–	**192,153**	–
Shares outstanding on a diluted basis	**48,800,850**[1]	9,964,285	**26,656,928**[1]	9,971,327[1]
Diluted earnings (loss) from continuing operations per share available to shareholders	**(1.09)**	2.07	**(0.77)**	(16.25)
Diluted earnings (loss) per share available to shareholders	**$ (0.99)**	$ 2.70	**$ (0.75)**	$ (17.13)

1 The assumed settlement of shares results in an anti-dilutive position; therefore, these items have not been included in the computation of diluted earnings (loss) per share.

16. DISCONTINUED OPERATIONS

In March 2019, Just Energy formally approved and commenced the process to dispose of its businesses in Germany, Ireland and Japan. In June 2019, the U.K. was added to the disposal group. The decision was part of a strategic transition to focus on the core business in North America. On November 29, 2019, Just Energy closed its previously announced sale of Hudson U.K. to Shell Energy Retail Limited. On December 29, 2020, Just Energy received £ 2.2 million in contingent consideration related to the U.K. disposition which has been included in profit from discontinued operations. On April 10, 2020, the Company announced that it has sold all of the shares of Just Energy Japan KK to Astmax Trading, Inc. The purchase price was nominal, as the business was still in its start-up phase with more liabilities than assets and had fewer than 1,000 customers. The sale of the Japanese subsidiary resulted in a loss on sale of $1.1 million primarily due to the realization of cumulative translation adjustments of exchange differences from accumulated other comprehensive income, which is included in profit (loss) from discontinued operations. As at December 31, 2020, the remaining operations were classified as discontinued operations. The tax impact on the discontinued operations is minimal. During the quarter ended December 31, 2020, Just Energy sold EdgePower resulting in a gain of $1.5 million and the results of which have been included in profit from discontinued operations.

Assets and liabilities classified under discontinued operations were as follows:

	As at Dec. 31, 2020	As at March 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	**$ 1,784**	$ 898
Current trade and other receivables, net	**702**	4,978
Income taxes recoverable	**16**	12
Other current assets	**69**	1,140
	2,571	7,028
Non-current assets		
Property and equipment	**–**	38
Intangible assets	**–**	545
ASSETS CLASSIFIED AS HELD FOR SALE	**$ 2,571**	$ 7,611
Liabilities		
Current liabilities		
Trade and other payables	**$ 1,690**	$ 4,823
Deferred revenue	**83**	83
Provisions	**939**	–
LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE	**$ 2,712**	$ 4,906

17. COMMITMENTS AND CONTINGENCIES

Commitments for each of the next five years and thereafter are as follows:

As at December 31, 2020

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total
Gas, electricity and non-commodity contracts	$ 336,773	$ 1,713,758	$ 384,634	$ 105,477	$ 2,540,642

(a) Surety bonds and letters of credit

Pursuant to separate arrangements with several bond agencies, Just Energy has issued surety bonds to various counterparties including states, regulatory bodies, utilities and various other surety bond holders in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required in order to operate in certain states or markets. Total surety bonds issued as at December 31, 2020 amounted to $46.3 million (March 31, 2020 – $63.4 million).

As at December 31, 2020, Just Energy had total letters of credit outstanding in the amount of $77.8 million (Note 9(a)).

(b) Legal proceedings

Just Energy's subsidiaries are party to a number of legal proceedings. Other than as set out below, Just Energy believes that each proceeding constitutes legal matters that are incidental to the business conducted by Just Energy and that the ultimate disposition of the proceedings will not have a material adverse effect on its consolidated earnings, cash flows or financial position.

In March 2012, Davina Hurt and Dominic Hill filed a lawsuit against Commerce Energy Inc. ("Commerce"), Just Energy Marketing Corp. and the Company in the Ohio Federal Court claiming entitlement to payment of minimum wage and overtime under Ohio wage claim laws and the Federal Fair Labor Standards Act ("FLSA") on their own behalf and similarly situated door-to-door sales representatives who sold for Commerce in certain regions of the United States. The Court granted the plaintiffs' request to certify the lawsuit as a class action. Approximately 1,800 plaintiffs opted into the federal minimum wage and overtime claims, and approximately 8,000 plaintiffs were certified as part of the Ohio state overtime claims. On October 6, 2014, the jury refused to find a willful violation but concluded that certain individuals were not properly classified as outside salespeople in order to qualify for an exemption under the minimum wage and overtime requirements. On September 28, 2018, the Court issued a final judgment, opinion and order. Just Energy filed its appeal to the Court of Appeals for the Sixth Circuit on October 25, 2018. On August 31, 2020 the Appeals Court denied the appeal in a 2-1 decision. Just Energy is planning to file a petition for certiorari seeking the United States Supreme Court review to resolve the newly created circuit split with the

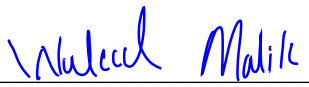
Court of Appeals for the Second Circuit unanimous decision in Flood v. Just Energy, 904 F.3d 219 (2d Cir. 2018) and with the inconsistency with the Supreme Court's recent decision in Encino Motorcars, LLC v Navarro, 138 S. Ct. 1134, 1142 (2018), with broad, national, unsustainable implications for all employers who have outside sales employees. Notwithstanding Just Energy's petition, the Company accrued approximately $6.0 million in the second quarter of fiscal 2021 in connection with this matter.

In May 2015, Kia Kordestani, a former door-to-door independent contractor sales representative for Just Energy Corp., filed a lawsuit against Just Energy Corp., Just Energy Ontario L.P. and the Company (collectively referred to as "Just Energy") in the Superior Court of Justice, Ontario, claiming status as an employee and seeking benefits and protections of the Employment Standards Act, 2000, such as minimum wage, overtime pay, and vacation and public holiday pay on his own behalf and similarly situated door-to-door sales representatives who sold in Ontario. On Just Energy's request, Mr. Kordestani was removed as a plaintiff but replaced with Haidar Omarali, also a former door-to-door sales representative. On July 27, 2016, the Court granted Omarali's request for certification, but refused to certify Omarali's request for damages on an aggregate basis, and refused to certify Omarali's request for punitive damages. Omarali's motion for summary judgment was dismissed in its entirety on June 21, 2019. The matter is currently set for trial in November 2021. Just Energy denies the allegations and will vigorously defend against these claims.

On July 23, 2019, Just Energy announced that, as part of its Strategic Review process, management identified customer enrolment and non-payment issues, primarily in Texas. In response to this announcement, and in some cases in response to this and other subsequent related announcements, putative class action lawsuits were filed in the United States District Court for the Southern District of New York, in the United States District Court for the Southern District of Texas and in the Ontario Superior Court of Justice, on behalf of investors that purchased Just Energy Group Inc. securities during various periods, ranging from November 9, 2017 through August 19, 2019. The U.S. lawsuits have been consolidated in the United States District Court for the Southern District of Texas with one lead plaintiff and the Ontario lawsuits have been consolidated with one lead plaintiff. The U.S. lawsuit seeks damages allegedly arising from violations of the United States Securities Exchange Act. The Ontario lawsuit seeks damages allegedly arising from violations of Canadian securities legislation and of common law. The Ontario lawsuit was subsequently amended to, among other things, extend the period to July 7, 2020. On September 2, 2020, pursuant to Just Energy's plan of arrangement, the Superior Court of Justice (Ontario) ordered that all existing equity class action claimants shall be irrevocably and forever limited solely to recovery from the proceeds of the insurance policies payable on behalf of Just Energy or its directors and officers in respect of any such existing equity class action claims, and such existing equity class action claimants shall have no right to, and shall not, directly or indirectly, make any claim or seek any recoveries from any of the released parties or any of their respective current or former officers and directors in respect of any existing equity class action claims, other than enforcing their rights to be paid by the applicable insurer(s) from the proceeds of the applicable insurance policies. Just Energy denies the allegations and will vigorously defend against these claims.

TAB K

THIS IS EXHIBIT "K" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

bp

Eddie Pinkerton
Head of End Use Supply - Power

BP Energy Company
North American Gas and Power
201 Helios Way
Houston, TX 77079
eddie.pinkerton@bp.com
713-323-3672 office
832-857-9273 cell

March 4, 2021

Michael Carter
Chief Financial Officer
Just Energy
5251 Westheimer Rd., Suite 1000
Houston, TX 77056

Dear Michael:

Thank you for your multiple communications and briefings over the last several days concerning recent developments with Just Energy (U.S.) Corp. and its affiliates ("Just Energy"). BP values its longstanding relationship with Just Energy and remains committed to working with Just Energy and its other creditors to explore potential paths forward.

Before proceeding further, however, we want to advise you that we disagree with how you have characterized and positioned BP's claims in your Situation Update and Action Plan dated March 3, 2021. As all commodity sales to Just Energy were made pursuant to master trading agreements, the corresponding amounts due from Just Energy are properly characterized as Supplier AP positioned in Tier 1 rather than as ISO Service Obligations split across Tiers 2 and 3.

BP requests that Just Energy correct this mischaracterization and circulate updated Situation Update Materials to all interested parties to avoid any lingering confusion as more detailed restructuring conversations commence.

Should you have any questions or require any additional information, please feel free to contact me at 832-857-9273 or eddie.pinkerton@bp.com.

Sincerely,

Eddie Pinkerton
Head of End Use Supply - Power

Cc: Scott Gahn and Jim Brown

TAB L

THIS IS EXHIBIT "L" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

PRIVATE AND CONFIDENTIAL

Via Email

March 5, 2021

BP Energy Company
North American Gas and Power
201 Helios Way
Houston, Texas 77079
Attention: Eddie Pinkerton, Head of End Use Supply – Power

Re: Just Energy Group Inc. ("Just Energy") and BP Energy Company ("BP")

Dear Eddie:

Thank you for your letter dated March 4, 2021 with respect to BP's characterization of the ISO service obligations. We are happy to look into the matter, but believe that it is largely an intercreditor issue that will be resolved over time as Just Energy rectifies its liquidity challenges.

Just Energy also values its long term-relationship with BP and continues to be committed to working with BP on the challenges presented by the extreme Texas weather event. Further to our recent discussions, I will be in touch shortly regarding paths forward.

Yours truly,

Michael Carter,
Chief Financial Officer

TAB M

THIS IS EXHIBIT "M" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

Execution Version

NINTH AMENDED AND RESTATED CREDIT AGREEMENT

AMONG

JUST ENERGY ONTARIO L.P.
and
JUST ENERGY (U.S.) CORP.
as Borrowers

AND

NATIONAL BANK OF CANADA,
as Administrative Agent, Co-Lead Arranger and Joint Bookrunner

AND

CANADIAN IMPERIAL BANK OF COMMERCE,
as Co-Lead Arranger and Joint Bookrunner

AND

NATIONAL BANK OF CANADA,
CANADIAN IMPERIAL BANK OF COMMERCE,
and EACH OTHER PERSON
from time to time party hereto as a Canadian Lender,
as Canadian Lenders

AND

NATIONAL BANK OF CANADA,
CANADIAN IMPERIAL BANK OF COMMERCE,
and EACH OTHER PERSON
from time to time party hereto as a US Lender,
as US Lenders

AND

CANADIAN IMPERIAL BANK OF COMMERCE,
as LC Lender

MADE AS OF
September 28, 2020

TABLE OF CONTENTS

NINTH AMENDED AND RESTATED CREDIT AGREEMENT

THIS NINTH AMENDED AND RESTATED CREDIT AGREEMENT is made as of September 28, 2020

AMONG:

JUST ENERGY ONTARIO L.P., a limited partnership existing under the laws of the Province of Ontario (hereinafter referred to as the "**Canadian Borrower**")

- and -

JUST ENERGY (U.S.) CORP., a corporation incorporated under the laws of the State of Delaware (hereinafter referred to as the "**US Borrower**")

- and -

NATIONAL BANK OF CANADA, in its capacity as Administrative Agent (hereinafter referred to as the "**Agent**")

- and -

NATIONAL BANK OF CANADA, CANADIAN IMPERIAL BANK OF COMMERCE, and each other Person from time to time party to this Agreement as a Canadian Lender (hereinafter in such capacities individually referred to as a "**Canadian Lender**" and collectively in such capacities referred to as, the "**Canadian Lenders**")

- and -

NATIONAL BANK OF CANADA, CANADIAN IMPERIAL BANK OF COMMERCE, and each other Person from time to time party to this Agreement as a US Lender (hereinafter in such capacities individually referred to as a "**US Lender**" and collectively in such capacities referred to as, the "**US Lenders**")

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as the LC Lender (hereinafter in such capacity referred to as the "**LC Lender**").

WHEREAS JEC, the US Borrower, the Agent and certain Lenders were party to a credit agreement made as of November 1, 2004, as amended by a first amendment dated as of December 1, 2004 and a second amendment dated as of March 29, 2005 (collectively, the "**Original Credit Agreement**");

AND WHEREAS the Original Credit Agreement was amended and restated (the "**First Amended and Restated Credit Agreement**") by the parties thereto as of October 31, 2005, pursuant to which *inter alia*, JEC assigned and the Canadian Borrower assumed all of JEC's Obligations under, pursuant to or in connection with the Original Credit Agreement;

AND WHEREAS the First Amended and Restated Credit Agreement was amended and restated by the parties thereto as of October 30, 2006, as further amended by a first amendment made as of April 4, 2007, a second amendment made as of April 30, 2007, a third amendment made as of October 26, 2007, a fourth amendment made as of June 26, 2008, a fifth amendment made as of November 21, 2008 and a sixth amendment made as of March 24, 2009 (collectively, the "**Second Amended and Restated Credit Agreement**");

AND WHEREAS the Second Amended and Restated Credit Agreement was amended and restated by the parties thereto as of July 1, 2009, as further amended by a first amendment made as of March 25, 2010 (the "**Third Amended and Restated Credit Agreement**");

AND WHEREAS the Third Amended and Restated Credit Agreement was amended and restated by the parties thereto as of January 1, 2011, as further amended by a first amendment made as of October 3, 2011, a second amendment dated as of June 28, 2012, a third amendment dated as of August 8, 2012, a fourth amendment dated as of December 11, 2012, a fifth amendment dated as of June 27, 2013 and a sixth amendment dated as of September 30, 2013 (the "**Fourth Amended and Restated Credit Agreement**");

AND WHEREAS the Fourth Amended and Restated Credit Agreement was amended and restated by the parties thereto as of October 2, 2013, as further amended by a first amendment made as of January 29, 2014, a second amendment dated as of March 31, 2014, a third amendment dated as of June 27, 2014 and a fourth amendment dated as of September 30, 2014 (the "**Fifth Amended and Restated Credit Agreement**");

AND WHEREAS the Fifth Amended and Restated Credit Agreement was amended and restated by the parties thereto as of September 1, 2015, as amended by a first amendment made as of September 21, 2016 (the "**Sixth Amended and Restated Credit Agreement**");

AND WHEREAS the Sixth Amended and Restated Credit Agreement was amended and restated by the parties thereto as of December 30, 2016 (the "**Seventh Amended and Restated Credit Agreement**");

AND WHEREAS the Seventh Amended and Restated Credit Agreement was amended and restated by the parties thereto as of April 18, 2018, as amended by the first amendment and consent agreement dated September 12, 2018, a second amendment to the eighth amended and restated credit agreement and consent agreement dated as of December 21, 2018, a third amendment to eighth amended and restated credit agreement and consent agreement dated as of June 25, 2019, a fourth amendment to eighth amended and restated credit agreement dated as of July 23, 2019, a fifth amendment to eighth amended and restated credit agreement and consent agreement dated as of November 30, 2019, a sixth amendment to eighth amended and restated credit agreement and consent agreement dated as of March 31, 2020, a seventh amendment to eighth amended and restated credit agreement dated as of June 30, 2020, an eighth

amendment to eighth amended and restated credit agreement and consent agreement dated as of July 8, 2020 and a ninth amendment to eighth amended and restated credit agreement dated as of August 19, 2020 (the "**Eighth Amended and Restated Credit Agreement**");

AND WHEREAS pursuant to the administrative agent succession agreement dated as of March 1, 2019, CIBC resigned as the Agent under the Credit Agreement and the other Credit Documents to which it is a party, and National Bank of Canada was appointed and designated by the Lenders to act as the Agent under the Credit Agreement and the other Credit Documents;

AND WHEREAS pursuant to the collateral agent succession agreement dated as of March 1, 2019, CIBC resigned as the Collateral Agent under the Intercreditor Agreement and the Security Documents, and National Bank of Canada was appointed and designated by the Senior Creditors (as defined in the Intercreditor Agreement) to act as the Collateral Agent under the Intercreditor Agreement and the Security Documents;

AND WHEREAS the parties hereto wish to amend and restate the Eighth Amended and Restated Credit Agreement on the terms hereof to be effective on the Effective Date;

AND WHEREAS the Lenders wish the Agent to act on their behalf with regard to certain matters associated with the Credit Facilities;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

In this Agreement unless something in the subject matter or context is inconsistent therewith:

"**$15 Million Subordinated Note**" means the $15,000,000 aggregate principal amount of 7% subordinated note (plus any interest or fee in respect of such indebtedness that is Paid in Kind) issued by JustEnergy maturing September 27, 2026, issued on September 28, 2020 pursuant to the $15 Million Subordinated Note Indenture.

"**$15 Million Subordinated Note Indenture**" means the note indenture made as of September 28, 2020 between JustEnergy and Computershare Trust Company of Canada, as trustee, as may be supplemented, amended or restated from time to time in accordance with the terms of this Agreement, pursuant to which the $15 Million Subordinated Note is issued.

"**2020 Subordinated Debt**" means up to US$205,900,000 aggregate principal amount of indebtedness (plus any interest or fee in respect of such indebtedness that is Paid in Kind) incurred by JustEnergy pursuant to the Subordinated Facility Agreement, which indebtedness is subject to the terms of the 2020 Subordinated Debt Subordination Agreement and is unsecured.

"**2020 Subordinated Debt Subordination Agreement**" means the amended and restated subordination and postponement agreement dated as of September 28, 2020 between Computershare Trust Company of Canada, as administrative agent under the Subordinated Facility Agreement, the Agent, JustEnergy and the other Obligors, in form and substance satisfactory to all of the Lenders and as may be supplemented, modified, amended or restated from time to time in accordance with the terms of this Agreement.

"**Acquisition**" means, with respect to any Person, any purchase or other acquisition, regardless of how accomplished or effected (including any such purchase or other acquisition effected by way of amalgamation, merger, arrangement, business combination or other form of corporate reorganization or by way of purchase, lease or other acquisition arrangements), of (a) any other Person (including any purchase or acquisition of such number of the issued and outstanding securities of, or such portion of an equity interest in, such other Person that such other Person becomes a Subsidiary of the purchaser or of any of its Affiliates) or of all or substantially all of the Property of any other Person, or (b) any division, business, operation or undertaking of any other Person or of all or substantially all of the Property of any division, business, operation or undertaking of any other Person.

"**Additional Compensation**" has the meaning set forth in Section 14.01.

"**Advance**" means a borrowing by a Borrower by way of a Prime Rate Advance, a US Prime Rate Advance, a US Base Rate Advance, a BA Equivalent Note, a LIBOR Advance, a Canadian Swingline Loan, a US Swingline Loan, acceptance by a Canadian Lender of a draft or depository bill presented for acceptance as a Bankers' Acceptance, or the issuance of a Letter of Credit by a Canadian Issuing Lender, the US Issuing Lender or LC Lender and any reference relating to the amount of Advances will mean the sum of the principal amount of all outstanding Prime Rate Advances, US Prime Rate Advances, US Base Rate Advances, LIBOR Advances, Canadian Swingline Loan and US Swingline Loan, whether as a result of an Advance, deemed advance, Conversion or Rollover, plus the face amount of all outstanding Bankers' Acceptances and BA Equivalent Notes plus the maximum amount payable under all Letters of Credit.

"**Affected Financial Institution**" means (a) any EEA Financial Institution, or (b) any UK Financial Institution.

"**Affected Loan**" has the meaning set forth in Section 14.02.

"**Affiliate**" has the meaning ascribed thereto in the *Business Corporations Act* (Ontario) and for greater certainty, with respect to JustEnergy includes a Subsidiary of JustEnergy.

"**Agent**" means National Bank of Canada in its capacity as administrative agent for the Lenders and the Lender Hedge Providers, including any successor agent pursuant to Section 13.08 hereof.

"**Agent's Cdn. Payment Branch**" means the main branch of the Agent located at **[Address Redacted]**, or such other office that the Agent may from time to time designate by notice to the Canadian Borrower and the Canadian Lenders.

"**Agent's US Payment Branch**" means the branch of the Agent located at **[Address Redacted]** or such other office that the Agent may from time to time designate by notice to the US Borrower and the US Lenders.

"**Aggregate Swap Exposure**" means, at any time, the negative net marked to market amount, if any, that would be carried in the accounts of the Borrowers on a Modified Consolidated Basis at such time with respect to Hedges (other than Commodity Hedges) with Lender Hedge Providers as a liability in accordance with GAAP.

"**Agreement**" means this ninth amended and restated credit agreement, the schedules and all amendments made hereto in accordance with the provisions hereof as amended, revised, replaced, supplemented or restated from time to time.

"**Alberta Utilities Commission Debt**" means Debt in the aggregate principal amount of approximately $3,900,000 incurred by an Obligor from time to time owing to Her Majesty the Queen in Right of Alberta or Balancing Pool, a corporation established by the *Electric Utilities Act* (Alberta) or, in each case, any agency thereof, in connection with the utility payment deferral programs established or to be established under the *Utility Payment Deferral Program Act* (Alberta), including for certainty, any Debt incurred by (i) Just Energy Alberta L.P. pursuant to a loan agreement between Just Energy Alberta L.P. and Her Majesty the Queen in Right of Alberta, as represented by the Associate Minister of Natural Gas and Electricity, (ii) Hudson Energy Canada Corp. pursuant to a loan agreement between Hudson Energy Canada Corp. and Her Majesty the Queen in Right of Alberta, as represented by the Associate Minister of Natural Gas and Electricity, (iii) Just Energy Alberta L.P. pursuant to a funding agreement between Just Energy Alberta L.P. and Balancing Pool, and (iv) Hudson Energy Canada Corp. pursuant to a funding agreement between Hudson Energy Canada Corp. and Balancing Pool.

"**Anti-Corruption Laws**" means the *Corruption of Foreign Public Officials Act* (Canada), the FCPA and all other similar Applicable Law with respect to the prevention of corruption and bribery.

"**Applicable Law**" means, in respect of any Person, property, transaction, event or other matter, as applicable, all domestic and foreign laws, rules, statutes, regulations, treaties, orders, judgments and decrees and, to the extent they have the force of law, all official directives, rules, guidelines, orders, policies and other requirements of any Governmental Authority (collectively the "**Law**") and will also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation in each case having the force of law relating or applicable to such Person, property, transaction, event or other matter.

"**Applicable Margin**" means with respect to any Advance the percentage rate per annum determined in accordance with clauses (a) and (b) below based on the Total Debt to EBITDA Ratio as at the end of the JustEnergy's most recently completed Fiscal Quarter (in this definition such Fiscal Quarter is the "**Relevant Quarter**"). The Applicable Margin to be applied with respect to an Advance shall be the Applicable Margin on the relevant date of the Drawdown, Conversion or Rollover, as the case may be. The Applicable Margin shall change, if required, only once per Fiscal Quarter, on the third Business Day (the "**Applicable Margin Adjustment**

Date") after the earlier of (i) the date the unaudited quarterly financial statements required to be delivered pursuant to Section 9.03(2) for the Relevant Quarter and the related Compliance Certificate required to be delivered pursuant to Section 9.03(3) are delivered to the Agent, and (ii) the date such financial statements and Compliance Certificate are required to be delivered to the Agent. Each Applicable Margin shall be adjusted on the Applicable Margin Adjustment Date. In accordance with Sections 4.01, 4.02 and 4.03, Prime Rate Advances, US Base Rate Advances and US Prime Rate Advances, respectively, will be subject to adjustment on such date. Notwithstanding anything else in this definition, for the purpose of determining the Applicable Margin, if the Borrowers fail to deliver financial statements or a Compliance Certificate when required, the Total Debt to EBITDA Ratio shall be deemed to be Level I until such documents have been delivered. For greater certainty, there shall be no adjustments to LIBOR Advances, Bankers' Acceptances and BA Equivalent Notes that are outstanding on the Applicable Margin Adjustment Date.

(a) **[Rates Redacted]**

(b) Upon the occurrence of, and during the continuance of, an Event of Default, the Applicable Margin (other than the Standby Fee Rate) will be at the then applicable Level, plus 2.00% per annum.

"**Applicable Margin Adjustment Date**" has the meaning set forth in the definition of Applicable Margin.

"**Applicable Order**" means any applicable domestic or foreign order, judgment, award or decree made by any court or Governmental Authority.

"**Arm's Length**" has the meaning specified in the definition of "**Non Arm's Length**".

"**Arrangement Agreement**" means the arrangement agreement made as of the 26th day of May, 2010 among the Fund, JEEC, JustEnergy and JEC and approved by the Court of Queen's Bench of Alberta, Judicial District of Calgary on June 30, 2010, as supplemented, modified or amended.

"**Assignment Agreement**" has the meaning specified in Section 15.02.

"**Associate**" means an "associate" as defined in the *Business Corporations Act* (Ontario).

"Available Supply" means, at any time, the amount of natural gas, electricity or JustGreen Products (whether physical or financial) contracted for by the Obligors under existing Supplier Contracts, less any sales of excess of such commodity already contracted for under existing Supplier Contracts at such time.

"**Average Net Senior Debt Utilization to EBITDA Ratio**" means, for any Fiscal Quarter, the ratio of (a) the daily average of (i) the amount of the Senior Debt, less (ii) the aggregate amount of the cash on deposit in the bank accounts of the Obligors and any Cash Equivalents (determined on a Modified Consolidated Basis), each measured at 5:00 p.m. Toronto time on each day in such Fiscal Quarter, and (b) EBITDA in respect of the immediately preceding Four Quarter Period.

"**BA Discount Proceeds**" means, with respect to a particular Bankers' Acceptance or BA Equivalent Note, the following amount:

$$\frac{F}{1+\frac{D \times T}{365}}$$

where

F - means the face amount of such Bankers' Acceptance or BA Equivalent Note;

D - means the applicable BA Discount Rate for such Bankers' Acceptance or BA Equivalent Note; and

T - means the number of days to maturity of such Bankers' Acceptance or BA Equivalent Note,

with the amount as so determined being rounded up or down to the fifth decimal place and .000005 being rounded up.

"**BA Discount Rate**" means, (a) for any Bankers' Acceptance or BA Equivalent Note to be accepted by a BA Lender that is a Schedule I Lender on any Drawdown Date, Rollover Date or Conversion Date, as the case may be, CDOR on such Drawdown Date, Rollover Date or Conversion Date, as the case may be, for a period identical to the term to maturity of the relevant Bankers' Acceptance or BA Equivalent Note and (b) for any Bankers' Acceptance or BA Equivalent Note to be accepted by a BA Lender that is not a Schedule I Lender, the lesser of (i) such Lender's own bankers' acceptance rate and (ii) CDOR plus 0.10% per annum in either case for a period identical to the term to maturity of the relevant Bankers' Acceptance or BA Equivalent Note.

"**BA Equivalent Note**" has the meaning set forth in Section 5.01(1).

"**BA Lender**" means any Lender which has not notified the Agent in writing that it is unwilling or unable to accept Drafts as provided for in Article 5.

"**BA Stamping Fee**" means the amount calculated by multiplying the face amount of a Bankers' Acceptance or a BA Equivalent Note by the BA Stamping Fee Rate and then multiplying the result by a fraction, the numerator of which is the number of days to elapse from and including the date of acceptance of such Bankers' Acceptance or purchase of such BA Equivalent Note by a Canadian Lender up to but excluding the maturity date of such Bankers' Acceptance or BA Equivalent Note and the denominator of which is 365.

"**BA Stamping Fee Rate**" means, with respect to a Bankers' Acceptance or a BA Equivalent Note, the applicable percentage rate per annum indicated below the references to "Bankers' Acceptance" and "BA Equivalent Note" in the definition of "Applicable Margin" relevant to the period in respect of which a determination is being made, as adjusted pursuant to the definition of "Applicable Margin".

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bankers' Acceptance**" means a depository bill, as defined in the *Depository Bills and Notes Act* (Canada) in Canadian Dollars that is in the form of a Draft signed by or on behalf of the Canadian Borrower and accepted by a BA Lender as contemplated under Section 5.01 or, for Lenders not participating in clearing services as contemplated in that Act, a draft or other bill of exchange in Canadian Dollars that is signed on behalf of the Canadian Borrower and accepted by a Lender.

"**Basel III**" means (a) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated; and (b) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III".

"**Beneficial Ownership Certification**" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"**Beneficial Ownership Regulation**" means 31 C.F.R. § 1010.230.

"**Billed Accounts Receivable**" means all present and future amounts in respect of gas, electricity or JustGreen Products that has been delivered to a Customer pursuant to a Customer Contract, and that have been billed to such Customer and assigned or sold to an LDC pursuant to a Collection Service Agreement.

"**Borrowers**" means, collectively, the Canadian Borrower and the US Borrower and "**Borrower**" means either one of them and includes their respective successors and assigns.

"**Borrowers' Counsel**" means the firm of Fasken Martineau DuMoulin LLP or such other firm or firms of legal counsel as the Borrowers may from time to time designate.

"**Borrowing Base**" means, as at the time of determination, the lesser of:

(a) the Maximum Facility Amount in effect at such time; and

(b) for the Borrowers and the Restricted Subsidiaries, the sum of:

(i) cash or Cash Equivalents held by such Obligors;

(ii) the present value (calculated at a 10% discount rate) of 75% of Net Gross Margin After Tax for the Year-One Period;

(iii) the present value (calculated at a 10% discount rate) of 60% of the Net Gross Margin After Tax for the Year-Two Period;

(iv) the present value (calculated at a 10% discount rate) of 45% of the Net Gross Margin After Tax for the Year-Three Period;

(v) the present value (calculated at a 10% discount rate) of 30% of the Net Gross Margin After Tax for the Year-Four Period;

(vi) the present value (calculated at a 10% discount rate) of 15% of the Net Gross Margin After Tax for the Year-Five Period; and

(vii) less the amount of Priority Supplier Payables.

A sample calculation of which is attached hereto as Schedule I.

"**Borrowing Base Certificate**" means a certificate in the Form of Schedule J executed by a senior officer of either Borrower which shall contain a calculation of the Borrowing Base, at the close of business on the last day of the preceding Fiscal Quarter and, on a semi-annual basis, a table in the form of Schedule I.1 showing (a) the results of Key Assumption testing and (b) (i) the corporate tax rate in Canada and the U.S. used for such period and (ii) the foreign exchange rates calculated on a forecasted basis for such period using the published current and long term foreign exchange rates (US$ and Cdn.$) of one or more banks named in Schedule I of the *Bank Act* (Canada).

"**Breakage Costs**" means all costs, losses and expenses incurred by any Lender by reason of the liquidation or deployment of deposits or other funds, the breakage of hedging or LIBOR contracts, the redeployment of funds, or for any other reason whatsoever resulting from the prepayment of any LIBOR Advance, Bankers' Acceptance or BA Equivalent Note prior to expiry of the Interest Period applicable thereto, all as set out in a certificate (with detailed calculations of such costs, losses and expenses) delivered to a Borrower by any Lender entitled to receive same which amounts such Borrower agrees will be *prima facie* evidence thereof, absent manifest error.

"**Business**" means the business carried on by the Obligors consisting of (i) the purchase of natural gas, electricity and JustGreen Products under Supplier Contracts, (ii) the marketing and sale of natural gas, electricity and JustGreen Products to Customers under Customer Contracts, (iii) the marketing, sale and lease of home and business solutions, including smart thermostats, energy monitoring and management applications, smart sprinkler controllers and other smart home and business devices, (iv) the management of consumers' and businesses' energy consumption, (v) the marketing and sale of solar energy products; (vi) the ownership and operation of green energy generation assets; and (vii) the generating of sales leads of other third party products.

"**Business Day**" means, for all purposes other than in respect of a LIBOR Advance or an Advance to the US Borrower, a day on which banks are generally open for business and on which dealings in foreign currency and exchange between banks may be carried on in Montreal, Quebec and in Toronto, Ontario and, in respect of an Advance to the US Borrower, a day on which banks are generally open for business and on which dealings in foreign currency and exchange between banks may be carried on in Montreal, Quebec, in Toronto, Ontario and in New York, New York and, in respect of a LIBOR Advance, a day on which banks are generally open for business and on which dealings in foreign currency and exchange between banks may be carried on in Montreal, Quebec, in Toronto, Ontario, in New York, New York and in London, England.

"**Canadian Assignment Agreement**" means an assignment agreement substantially in the form of Schedule E to this Agreement.

"**Canadian Borrower**" means the Canadian Borrower hereunder being Just Energy Ontario L.P., an Ontario limited partnership.

"**Canadian Dollars**", "**Cdn. Dollars**", "**Cdn.$**" and "**$**" mean the lawful money of Canada.

"**Canadian Issuing Lender**" means CIBC, National Bank of Canada and any other Canadian Lenders approved by each of the Canadian Borrower and the Agent, and any successor Lender, in its capacity as such.

"**Canadian Lenders**" means the Lenders designated as such in Schedule A annexed hereto providing the Canadian Revolving Facility to the Canadian Borrower pursuant to this Agreement.

"**Canadian Pension Plan**" means any "pension plan" or "plan" that is subject to the funding requirements of the *Pension Benefits Act* (Ontario) or applicable pension benefits legislation in any other Canadian jurisdiction and is applicable to employees resident in Canada of an Obligor.

"**Canadian Revolver Amount**" means the amount set forth in Schedule A hereto as the "Total Commitment" for the Canadian Revolving Facility.

"**Canadian Revolving Facility**" has the meaning set forth in Section 2.01(1).

"**Canadian Swingline Facility**" has the meaning set forth in Section 2.05(1).

"**Canadian Swingline Lender**" means CIBC in its capacity as such.

"**Canadian Swingline Loan**" has the meaning set forth in Section 2.05(2).

"**Canadian Welfare Plan**" means any medical, health, hospitalization, insurance or other employee benefit or welfare plan or arrangement applicable to employees resident in Canada of an Obligor, but excluding (a) any Canadian Pension Plans and (b) plans established by statute or administered by a Governmental Authority, including the Canada Pension Plan, the Quebec Pension Plan or plans administered pursuant to federal or provincial health, workers compensation and employment insurance legislation.

"**Cash Equivalents**" means:

(a) marketable direct obligations issued by, or unconditionally guaranteed by, the government of Canada or the government of the United States or any agency or instrumentality of either of them, and backed by the full faith and credit of Canada or the United States, as the case may be, in each case maturing within one year from the date of acquisition;

(b) demand deposits, term deposits, certificates of deposit or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of Canada or the United States or any state thereof whose long term debt is rated at least A or the equivalent thereof by S&P or at least A2 or the equivalent thereof by Moody's; and

(c) commercial paper of an issuer rated at least A-1+ or the equivalent thereof by S&P or at least P-1 or the equivalent thereof by Moody's or at least R-1 (High) or the equivalent thereof by DBRS, and in each case maturing within six months from the date of acquisition.

"**Cash Security Deposit**" means an amount required to be paid by an Obligor to an LDC pursuant to a Collection Service Agreement following the occurrence of an event of default thereunder, in respect of amounts owing by such Obligor to such LDC pursuant to such Collection Service Agreement.

"**CDOR**" means, for any day and relative to Cdn. Dollar Bankers' Acceptances or BA Equivalent Notes having any specified term and face amount, the average of the annual rates for Cdn. Dollar Bankers' Acceptances having such specified term and face amount (or a term and face amount as closely as possible comparable to such specified term and face amount) of the banks named in Schedule I of the *Bank Act* (Canada) that appears on the Reuters Screen CDOR page as of 10:00 a.m. on such day (or, if such day is not a Business Day, as of 10:00 a.m. (Toronto time) on the preceding Business Day), provided that if such rate does not appear on the Reuters Screen CDOR page at such time on such date, CDOR for such date will be the annual discount rate of interest as of 10:00 a.m. (Toronto time) on such date at which the Agent is then offering to purchase bankers' acceptances accepted by it having a comparable aggregate face amount and identical maturity date to the aggregate face amount and maturity date of such Bankers' Acceptances or BA Equivalent Notes, as the case may be; provided however that in no event shall CDOR be less than zero (0).

"**CERCLA**" means the *Comprehensive Environmental Response Compensation and Liability Act of 1980*, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq., and any future amendments thereto.

"**Change of Control**" means, following the Effective Date, with respect to JustEnergy, the occurrence of any of the following: (a) the acquisition by any Person or group of Persons who are associates (as such term is defined in the *Securities Act* (Ontario)), or who act together in concert for such purpose, of (i) common shares or other voting securities of JustEnergy to which

are attached more than 50% of the votes that may be cast to elect the directors, or (ii) the ability, through operation of law or otherwise, to elect or cause the election or appointments of a majority of the directors. Where control is exercised *de-facto* by contract or representation on the board of directors of JustEnergy, any change in the foregoing relationship where a reasonable Person would deem control to have been acquired as a result of such change, will constitute a Change of Control; (b) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, plan of arrangement, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of JustEnergy and its Subsidiaries taken as a whole to any Person or group of Persons acting jointly or in concert for purposes of such transaction; (c) the adoption of a plan relating to the liquidation or dissolution of JustEnergy, which is not otherwise permitted under this Agreement; or (d) the first day on which a majority of the members of the board of directors of JustEnergy are not Continuing Directors.

"**CIBC**" means Canadian Imperial Bank of Commerce.

"**CIBC US**" means Canadian Imperial Bank of Commerce, New York Branch.

"**Code**" means the *Internal Revenue Code of 1986* of the United States, as amended, and any successor statute thereto.

"**Collateral Agent**" means National Bank of Canada, in its capacity as collateral agent under the Security Documents and the Intercreditor Agreement, or such other Person from time to time appointed as collateral agent in accordance with the terms of the Intercreditor Agreement.

"**Collection Service Agreement**" means a collection service agreement entered into from time to time between an Obligor and a LDC providing for billing and collection services by such LDC on behalf of such Obligor with respect to its Customers, as supplemented, amended or restated from time to time.

"**Commercial Customer**" means a Customer with annual consumption over 15 RCEs.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"**Commitment**" means, in respect of each Lender from time to time, the maximum amount of Advances which the Lender has covenanted to make as set forth in Schedule A to this Agreement (which will be amended and distributed to all parties by the Agent from time to time as other persons become Lenders), which for greater certainty will in each case be reduced by such Lender's Proportionate Share of the amount of any permanent repayments, reductions or prepayments required or made hereunder.

"Commodity Hedges" means any agreement for the hedging or fixing of the cost of commodities used in the ordinary course of business so long as such obligations are settled by the payment of money and not by the delivery of such commodities.

"**Compliance Certificate**" means the certificate required pursuant to Section 9.03(3), substantially in the form annexed as Schedule D and signed by a senior officer of the Canadian Borrower.

"**Computer Equipment**" means all computers, software or other equipment that includes computing technology or embedded logic such as microchips and sensors whether owned or leased.

"**Confirmation**" means the acknowledgement and confirmation agreement made as of the Effective Date by each Obligor in favour of the Collateral Agent, the Agent and the Lenders confirming the continuing validity, force and effect of (a) their respective obligations under this Agreement or guarantees previously delivered by them, as applicable, and (b) the Security given by them in favour of the Collateral Agent therefor.

"**Contingent Obligation**" means, with respect to any Person, calculated without duplication, obligations of such Person in respect of synthetic lease obligations, contingent liabilities in respect of letters of credit, letters of guarantee and similar instruments, capital stock which in accordance with GAAP is not included in shareholders' equity, net obligations under Hedges, contingent liabilities required to be treated as a liability on a balance sheet of such Person in accordance with GAAP and contingent liabilities under any guarantee, including without limitation, under any guarantee of any of the foregoing, but excluding operating leases and trade payables arising in the ordinary course of business.

"**Continuing Directors**" means, as of any date of determination, any member of the board of directors of JustEnergy who: (a) was a member of the board of directors of JustEnergy on the Effective Date (after giving effect to the implementation of the Recapitalization Plan); or (b) was nominated for election or elected to the board of directors of JustEnergy with the approval of a majority of the Continuing Directors who were members of the board of directors at the time of such nomination or election.

"**Controlled Group**" means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control, which together with a Borrower and any of its subsidiaries, are treated as a single employer under Section 414 of the Code or Section 4001 of ERISA.

"**Conversion**" means a conversion of an Advance pursuant to Section 2.10(1).

"**Conversion Date**" means the date specified by a Borrower as being the date on which a Borrower has elected to convert one type of Advance into another type of Advance and which will be a Business Day.

"**Conversion Notice**" means the Notice of Request for Advance substantially in the form annexed hereto as Schedule B to be given to the Agent by the Canadian Borrower or by the US Borrower, in either case pursuant to Section 2.10.

"**Credit Card Payment Account**" means a bank account maintained by an Obligor into which Customers make credit card payments in respect of exit fees and other payments in respect of the Business and in respect of which a security interest is granted to a merchant services provider.

"**Credit Documents**" means (a) this Agreement, the Security Documents, all guarantees delivered by any Obligor pursuant to this Agreement, and each agreement delivered to the Agent or to the Collateral Agent by an Obligor on the Original Closing Date or on or before the Effective Date which continues in effect on the Effective Date; (b) the fee letters and arrangements letter referred to in Section 4.07; (c) all Hedges, agreements evidencing treasury facilities and cash management products provided by any Lender or any Lender Hedge Provider to any Obligor or any affiliate of any such Lender or Lender Hedge Provider; (d) all agreements from time to time entered into (including those in existence on the Effective Date) between an Obligor and a Lender (or an Affiliate thereof) respecting cash management arrangements (including treasury, depository, overdraft, credit or debit card, electronic funds transfer, mirror accounting, payroll and other cash management or banking services arrangements) provided by such Lender (or Affiliate thereof); (e) all present and future agreements delivered by any Obligor to the Agent, the Collateral Agent or the Lenders pursuant to, or in respect of the agreements referred to in clauses (a), (b), (c) and (d) inclusive of this definition; and (f) all other present and future agreements delivered by any Obligor to the Agent, the Collateral Agent or the Lenders pursuant to, or in respect of, any of the agreements referred to in clause (e) of this definition, in each case as the same may be supplemented, amended or restated from time to time, and "**Credit Document**" will mean any one of the Credit Documents.

"**Credit Facilities**" means the Canadian Revolving Facility, the US Revolving Facility and the LC Facility collectively and "**Credit Facility**" means any one of them.

"**Currency Hedge**" means any agreement, whether in the form of a futures or forward contract, swap or otherwise, for the hedging of a currency risk in Canadian Dollars or US Dollars.

"Customer Contracts" means contracts entered into from time to time by Obligors with Customers in connection with the Business.

"**Customers**" means residential, small to mid-size commercial and small industrial purchasers of products of the Business from an Obligor.

"**DBRS**" means DBRS Limited, and its successors.

"**Debt**" means, with respect to any Person, without duplication, the aggregate of the following amounts, at the date of determination: (a) the principal amount of all indebtedness of such Person for borrowed money, (b) the principal amount of all obligations of such Person for the deferred purchase price of Property or services in excess of 90 days which constitute indebtedness, (c) the principal amount of all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) the principal amount of all obligations of such Person created or arising under any conditional sale or other title retention agreement (other than operating leases) with respect to property acquired by such Person (whether or not the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Lease Obligations of such Person, (f) the undrawn amount of all letters of credit issued on behalf of such Person and the full face amount of all bankers' acceptances issued by or on behalf of such Person, (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any partnership or shareholder or other equity interests of such Person, (h) all Contingent Obligations of such Person in respect of any of the foregoing items,

(i) all Hedges, (j) all Debt referred to in clauses (a) through (i) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Encumbrance on property (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt, limited to the fair market value of such property, and (k) any other obligation arising under arrangements or agreements that, in substance, constitute indebtedness for borrowed money of such Person.

"**Deferred Compensation Plan**" means the deferred compensation plan pursuant to which rights to common shares of JustEnergy are issued to directors in lieu of fees payable in cash and are exchangeable into common shares of JustEnergy, as supplemented, amended or restated from time to time.

"Depreciation Expense" means, for any period with respect to the Borrowers, depreciation, amortization (excluding the amortization of contract initiation costs), depletion and other like reductions to income of the Borrowers for such period not involving any outlay of cash, determined, without duplication, on a Modified Consolidated Basis in accordance with GAAP and includes, for greater certainty, amortization of any up front financing fees.

"**Designated Disposition**" means a Disposition by JustEnergy or any of its Subsidiaries of (i) any shares or other equity interests in Ecobee Inc., (ii) any shares or other equity interests in a Filter Entity, or (iii) any Property of a Filter Entity.

"**Disposition**" means any sale, assignment, transfer, conveyance, permanent user license or other disposition of any nature or kind whatsoever of any Property or of any right, title or interest in or to any Property, and the verb "**Dispose**" will have a correlative meaning.

"Distributions" means the payment by a Person: (a) of any dividends or distributions on any equity interests, (b) of any interest, premium or fees (including, without limitation, the Subordinated Debt Fees) owing on any indebtedness, including any indebtedness which is subordinate to the indebtedness owing to the Lenders (including, without limitation, in respect of Existing Intercompany Debt, Future Intercompany Debt, Permitted Unrestricted Subsidiary Debt, the 2020 Subordinated Debt and the $15 Million Subordinated Note), (c) distributions paid in cash under the Restricted Share Grant Plan or the Deferred Compensation Plan, (d) non-cash distributions of Share Based Compensation, (e) the application of such Person's assets to the purchase, redemption or other acquisition or retirement of any of its shares, partnership, or trust units, as applicable, (f) permanent repayments (partial or full) of the principal amount of the 2020 Subordinated Debt, the $15 Million Subordinated Note or the Alberta Utilities Commission Debt, or (g) any other like distributions of funds whatsoever by such Person; for greater certainty, any payments of interest or fees in respect of the 2020 Subordinated Debt (including any Subordinated Debt Fees) that are Paid in Kind shall not constitute a Distribution.

"**Domestic Lender**" has the meaning set forth in Section 2.09(3).

"**Draft**" has the meaning set forth in Section 5.01(1).

"**Drawdown**" means:

(a) the advance of a Prime Rate Advance, a US Prime Rate Advance, a US Base Rate Advance or a LIBOR Advance;

(b) the issue of Bankers' Acceptances or BA Equivalent Notes; or

(c) the issue of a Letter of Credit.

"**Drawdown Date**" means the date on which a Drawdown is made by a Borrower pursuant to the provisions hereof and which will be a Business Day.

"**Drawdown Notice**" means the Notice of Request for Advance substantially in the form annexed hereto as Schedule B to be given to the Agent by the Canadian Borrower or the US Borrower in either case pursuant to Article 6.

"EBITDA" means, for any period for the Borrowers determined on a Modified Consolidated Basis, net income for such period:

(a) increased by the sum of (without duplication):

(i) Total Interest Expense for such period;

(ii) Income Tax Expense for such period;

(iii) Depreciation Expense for such period (which for greater certainty does not include any amortization of contract initiation costs);

(iv) non-cash losses resulting from the fair value of derivative financial investments for such period;

(v) accrued (but not yet actually realized) foreign exchange translation losses;

(vi) losses on the purchase or redemption of securities issued by any of the Borrowers and the Restricted Subsidiaries for such period;

(vii) any other cash or non-cash extraordinary, unusual or non-recurring losses for such period, excluding, for greater certainty, (A) provisions made for litigation and other similar proceedings and (B) losses associated with trading, settlement or balancing of Commodity Hedges; and

(viii) Share Based Compensation to the extent settled with shares of JustEnergy (i.e. non-cash);

(b) decreased by the sum of (without duplication):

(i) non-cash gains resulting from the fair value of derivative financial investments for such period;

(ii) accrued (but not yet actually realized) foreign exchange translation gains;

(iii) gains on the purchase or redemption of securities issued by any of the Borrowers and the Restricted Subsidiaries for such period;

(iv) any reduction in deferred tax recovery for such period; and

(v) any other cash or non-cash extraordinary, unusual or non-recurring gains for such period, excluding, for greater certainty, gains associated with trading, settlement or balancing of Commodity Hedges.

"**EDC**" means Export Development Canada.

"**EDC Documents**" means, collectively, (a) each EDC Guarantee, (b) the EDC Indemnity, (c) the EDC side fee letter, dated as of August 28, 2020, entered into by the LC Lender and EDC and acknowledged by the Borrowers; and (d) all present and future agreements delivered by (i) any Obligor to the Agent, the Collateral Agent, EDC or the LC Lender and (ii) the Agent or the LC Lender to EDC, in each case, pursuant to, or in respect of the agreements referred to in clauses (a), (b) and (c) inclusive of this definition, in each case as the same may from time to time be supplemented, amended or restated from time to time, and "**EDC Document**" will mean any one of the EDC Documents.

"**EDC Guarantee**" means a guarantee made by EDC in favour of the LC Lender and related certificate of cover issued by EDC to the LC Lender, each in form and substance satisfactory to the LC Lender, with respect to any Letter of Credit issued by the LC Lender under the LC Facility, as such guarantees and certificates of cover may be amended, restated, supplemented or otherwise modified from time to time. For greater certainty, no EDC Guarantee will be issued in respect of a Letter of Credit issued under the Revolving Facilities.

"**EDC Indemnity**" means the bonding products declaration and indemnity dated December 30, 2016, provided by each Obligor in favour of EDC.

"**EEA**" means the European Economic Area.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Effective Date**" means the date on which the conditions precedent provided in Section 3.01 have been fulfilled in accordance with the terms thereof.

"**Electricity Service Agreements**" means electricity service agreements entered into between an Obligor and an LDC regarding such Obligor's electricity Customers.

"Eligible Customer Contracts" means Customer Contracts for sales entered into in connection with the Business in Canada, the United States or such other jurisdiction as the Majority Lenders consent to in writing and in each case that are subject to the Security.

"**Encumbrance**" means, in respect of any Person, any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such Person's Property, or any lease in respect of a Right of Use Asset by such Person as lessee or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation, and "**Encumbrances**", "**Encumbrancer**", "**Encumber**" and "**Encumbered**" will have corresponding meanings.

"**Equity Hedges**" means any agreement, whether in the form of a futures or forward contract, swap or otherwise for the hedging of the price of shares.

"**Equivalent Amount**" means with respect to any two currencies, the amount obtained in one such currency when an amount in the other currency is converted into the first currency using the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Business Day, then at close of business on the immediately preceding Business Day) and, in either case, if no such rate is quoted, the spot rate of exchange quoted for wholesale transactions by the Agent in Toronto, Ontario on the Business Day such conversion is to be made in accordance with its normal practice.

"**ERISA**" means the *Employee Retirement Income Security Act of 1974* of the United States, together with the regulations thereunder as the same may be amended from time to time. Reference to Sections of ERISA also refer to any successive Sections thereto.

"**ERISA Plan**" means an "employee welfare benefit plan" or "employee pension benefit plan" as such terms are defined in Sections 3(1) and 3(2) of ERISA.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Event of Default**" means any of the events described in Section 11.01.

"**Excluded Swap Obligation**" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason not to constitute an "eligible

contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

"**Excluded Taxes**" means in the case of each Lender, the Agent or any other recipient of any payment to be made by or on account of any obligation of the Obligors hereunder (i) Taxes imposed on or measured by its net income (however denominated), net worth, net profits, capital and franchise taxes imposed on it in lieu of net income taxes and branch profits taxes, in each case, (A) by the jurisdiction under the laws of which such Lender or the Agent (as the case may be) is organized or has its principal office or applicable lending office or any political subdivision thereof or (B) that are Other Connection Taxes; (ii) any withholding Taxes imposed on interest payable to or for the account of such Lender or the Agent pursuant to law in effect on the date on which such Lender or the Agent became a Lender or the Agent hereunder (except to the extent such Taxes were not considered Excluded Taxes with respect to such Lender's or the Agent's immediate assignor); (iii) Taxes attributable to such Lender's failure to comply with Sections 14.04(3), 14.04(4) or 14.04(5); (iv) any Canadian withholding Tax imposed on a payment by or on account of any obligation of an Obligor hereunder as a result of: (A) the recipient and the Obligor being Non-Arm's Length; (B) the recipient being a "specified non-resident shareholder" of the Obligor or being Non-Arm's Length with a "specified shareholder" of the Obligor (in each case, within the meaning of the *Income Tax Act* (Canada)), or (C) such payment being a payment of interest that is paid or payable in respect of a debt or other obligation to pay an amount to a person with whom the payer is Non-Arm's Length, other than in each case where the Non-Arm's Length, "specified shareholder" or "specified non-resident shareholder" relationship arises in connection with or as a result of a Lender or Agent having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under or received or enforced any rights under any Credit Document; and (v) any United States withholding Taxes imposed under FATCA.

"**Existing CIBC Letters of Credit**" means each of the Letters of Credit identified on the attached Schedule H.1.

"**Existing CIBC US Letters of Credit**" means each of the Letters of Credit identified on the attached Schedule H.2.

"Existing Intercompany Debt" means any Debt owing by an Obligor to any other Obligor, in each case in existence on the Effective Date.

"**Existing LC Facility Letters of Credit**" means each of the Letters of Credit identified on the attached Schedule H.3.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code, and any agreements

(including any intergovernmental agreements or any laws, rules or practices implementing such intergovernmental agreements) implementing the foregoing (including, for greater certainty, Part XVIII of the *Income Tax Act* (Canada)).

"**FCPA**" means the Foreign Corrupt Practices Act, 15 U.S.C. §§78dd-1, et seq.

"**Federal Funds Effective Rate**" means, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Effective Rate for any day is less than zero, the Federal Funds Effective Rate for such day will be deemed to be zero.

"**Fin/Phys Accumulated Balance**" means, for any calendar month, the aggregate account payable calculated on a Modified Consolidated Basis as the balance of net cash received, less cash paid in respect of Fin/Phys Transactions, measured on the last Business Day of such calendar month**.**

"**Fin/Phys Accumulated Balance Limit**" means **[Dollar Amount Redacted]**.

"**Fin/Phys Transaction**" means, a series of wholesale commodity trades involving both the physical delivery of a commodity as well as the financial settlement of certain trades thereunder entered into with a Priority Supplier that are intended to mitigate the collateral risk of the Obligors and are not related to deliveries to the Customers of the Obligors.

"**Financial Assistance**" means, without duplication and with respect to any Person (a) all loans granted by that Person and Contingent Obligations incurred by that Person for the purpose of or having the effect of providing financial assistance to another Person or Persons, including, without limitation, letters of guarantee, letters of credit, legally binding comfort letters or indemnities issued in connection therewith, endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business), obligations to purchase assets regardless of the delivery or non-delivery thereof and obligations to make advances or otherwise provide financial assistance to any other entity, or (b) all acquisitions of any equity interests or investments made by that Person in another Person or Persons, and for greater certainty "**Financial Assistance**" will include any guarantee of any third party lease obligations.

"Filter Entities" means, collectively, Filter Group Inc. and Filter Group USA Inc., and a "**Filter Entity**" means any of them.

"Fiscal Quarter" means each three month period of JustEnergy's Fiscal Year ending on June 30, September 30, December 31 and March 31 of each calendar year.

"**Fiscal Year**" means the 12 month fiscal period of JustEnergy ending on the last day of (i) March, or (ii) upon the election by the Borrowers in accordance with Section 9.04(12), December, in any calendar year.

"**Fitch**" means Fitch Ratings, Inc. and its successors.

"Four Quarter Period" means as at the last day of any particular Fiscal Quarter, the period of four consecutive Fiscal Quarters which includes such Fiscal Quarter (including the last day thereof) and the immediately preceding three Fiscal Quarters.

"**Fund**" means Just Energy Income Fund, a trust which was established under the laws of the Province of Ontario and was liquidated and dissolved pursuant to the Arrangement Agreement.

"Future Intercompany Debt" means Debt incurred after the Effective Date by any Obligor and owing to any other Obligor; provided same is subject to the Encumbrance of a Security Document and is subject to the Restricted Subsidiary Subordination Agreement.

"**Future Intercompany Equity**" means any equity (whether in the form of shares in capital stock, partnership interest, trust units or otherwise) issued after the Effective Date by any Obligor or any Unrestricted Subsidiary to any Obligor provided same is (i) subject to the Encumbrance of a Security Document; (ii) evidenced by a certificate; and (iii) such certificate is delivered to the Collateral Agent forthwith after its creation, together with a duly executed transfer power in respect of same; provided that clauses (i) and (iii) will not apply to equity issued by an Unrestricted Subsidiary.

"**GAAP**" means those accounting principles which are recognized as being generally accepted in Canada and which are in effect from time to time, as published in the Handbook of the Chartered Professional Accountants of Canada, or International Financial Reporting Standards, as the case may be; provided that all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under any Financial Accounting Standard to value any Debt or other liabilities of any Obligor or any Subsidiary of any Obligor at "fair value" as defined in any such Financial Accounting Standard.

"**Governmental Authority**" means the government of any nation, province, territory, municipality, state or other political subdivision of any nation, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"Gross Margin" means, for any Fiscal Quarter, the net cash receipts, including accruals recorded in accordance with GAAP, (calculated in Canadian dollars) generated by Eligible Customer Contracts by the Borrowers and the Restricted Subsidiaries on a Modified Consolidated Basis in such Fiscal Quarter less the cost of goods sold, recorded in accordance with GAAP, in such Fiscal Quarter, as determined as of the last day of such Fiscal Quarter in respect of the immediately preceding Four Quarter Period.

"**Gross Margin per RCE**" means, collectively, Gross Margin per RCE (Residential) and Gross Margin per RCE (Commercial).

"**Gross Margin per RCE (Residential)**" means for any Fiscal Quarter, Gross Margin in such Fiscal Quarter divided by the average number of RCEs for Residential Customers of the Obligors during such period.

"**Gross Margin per RCE (Commercial)**" means for any Fiscal Quarter, Gross Margin in such Fiscal Quarter divided by the average number of RCEs for Commercial Customers of the Obligors during such period.

"**Guarantee**" has the meaning set forth in Schedule 10.01 hereto.

"**Guarantors**" means each of the Persons listed in Schedule M to this Agreement and any other Person who from time to time guarantees the obligations of either Borrower hereunder, and each of their successors and assigns and "**Guarantor**" means any one of them.

"**Hazardous Substance**" means any substance, product, waste, pollutant, material, chemical, contaminant, dangerous goods, constituent or other material listed, regulated, or addressed under any Requirements of Environmental Law, including, without limitation, asbestos, petroleum, polychlorinated biphenyls and any "hazardous substance" as defined by CERCLA and any "hazardous waste" as defined by the *Resource Conservation and Recovery Act* of the United States.

"**Hedge Cap**" means at any time, an Aggregate Swap Exposure equal to **[Dollar Amount Redacted]**.

"**Hedges**" means, collectively, Interest Rate Hedges, Currency Hedges, Commodity Hedges and Equity Hedges.

"**Hostile Take-Over Bid**" means a Take-Over Bid by an Obligor or in which an Obligor is involved, in respect of which the board of directors (or persons performing similar functions) of the Person whose securities are subject to such Take-Over Bid has recommended rejection of such Take-Over Bid.

"**IFRS 16**" means the International Financial Reporting Standard 16: *Leases*.

"**Income Tax Expense**" means, with respect to the Borrowers, for any period, the aggregate, without duplication, of all Taxes on the income of such Person for such period, whether current or deferred, determined on a Modified Consolidated Basis.

"**Information**" has the meaning set forth in Section 16.01(1).

"**Insolvency Legislation**" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and the *Bankruptcy Code* (United States).

"**Intellectual Property**" means the intellectual property in patents, patent applications, trade-marks, trade-mark applications, trade names, service marks, copyrights, copyright registrations and trade secrets including, without limitation, customer lists and information and business opportunities, industrial designs, technology and other similar intellectual property rights.

"**Interbank Reference Rate**" means the interest rate expressed as a percentage per annum which is customarily used by the Agent when calculating interest due by it or owing to it arising from correction of errors and other adjustments between it and other Canadian chartered banks.

"**Intercreditor Agreement**" means the sixth amended and restated intercreditor agreement dated as of September 1, 2015 between the Collateral Agent, the Agent on behalf of the Lenders and the Lender Hedge Providers, Shell Energy, the Other Commodity Suppliers (as defined therein), the Borrowers, the Restricted Subsidiaries and such other persons as from time to time become party thereto.

"**Interest Payment Date**" means,

(a) with respect to each Prime Rate Advance, US Prime Rate Advance and US Base Rate Advance, the first Business Day of each calendar month; and

(b) with respect to each LIBOR Advance, the last Business Day of each applicable Interest Period.

"**Interest Period**" means,

(a) with respect to each Prime Rate Advance, US Prime Rate Advance and US Base Rate Advance, the period commencing on the applicable Drawdown Date or Conversion Date, as the case may be, and terminating on the date selected by a Borrower hereunder for the Conversion of such Advance into another type of Advance or for the repayment of such Advance;

(b) with respect to each Bankers' Acceptance and BA Equivalent Note, a period of one month commencing on the Drawdown Date, Rollover Date or Conversion Date of such Advance;

(c) with respect to each LIBOR Advance, a period of either one week or one month, subject to availability, commencing on the applicable Drawdown Date, Rollover Date or Conversion Date, as the case may be; and

(d) with respect to a Letter of Credit, the period commencing on the date of issuance of the Letter of Credit and terminating on the last day that the Letter of Credit is outstanding;

provided that in any case the last day of each Interest Period will be also the first day of the next Interest Period and further provided that the last day of each Interest Period will be a Business Day and if the last day of an Interest Period selected by a Borrower is not a Business Day such Borrower will be deemed to have selected an Interest Period the last day of which is the Business Day next following the last day of the Interest Period otherwise selected unless such next following Business Day falls in the next calendar month in which event such Borrower will be deemed to have selected an Interest Period the last day of which is the Business Day next preceding the last day of the Interest Period otherwise selected and further provided that the last Interest Period of any Advance under the Canadian Revolving Facility or the US Revolving Facility will expire on or prior to the Maturity Date.

"Interest Rate Hedge" means any agreement, whether in the form of a futures or forward contract, swap or otherwise for the hedging of interest on Debt.

"**JEBPO**" means JEBPO Services LLP, a limited liability partnership incorporated in India and an indirect Subsidiary of JustEnergy.

"**JEBPO Accounts**" means the bank accounts maintained by JEBPO.

"**JEC**" means Just Energy Corp., an Ontario corporation, formerly known as Ontario Energy Savings Corp.

"**JEC Assignment Agreement**" means the Assignment, Assumption, Consent and Release Agreement dated as of August 1, 2005 between JEC, the Canadian Borrower and Shell Energy.

"**JEEC**" means Just Energy Exchange Corp., a Canada corporation.

"**Judgment Conversion Date**" has the meaning set forth in Section 16.05(1)(b).

"**Judgment Currency**" has the meaning set forth in Section 16.05(1).

"**JustEnergy**" means Just Energy Group Inc., a Canada corporation.

"JustGreen Products" means environmental derivative products, including carbon offsets, carbon credits, renewable energy certificates or attributes and the equivalents thereof.

"Key Assumption" means, in connection with the calculation of the Borrowing Base, any of the following assumptions calculated on a prior 12-month basis: (a) renewal rate for Canadian natural gas, (b) renewal rate of US natural gas, (c) renewal rate for Canadian electricity, (d) renewal rate for US electricity, (e) attrition rate for Canadian natural gas, (f) attrition rate for US natural gas, (g) attrition rate for Canadian electricity, (h) attrition rate for US electricity, (i) Gross Margin per RCE for Canadian natural gas, (j) Gross Margin per RCE for Canadian electricity, (k) Gross Margin per RCE for U.S. natural gas, (l) Gross Margin per RCE for U.S. electricity and (m) general and administrative expenses, allocated at 30% thereof. A sample calculation of Key Assumption testing is attached hereto as Schedule I.1.

"Key Assumption Variance Limit" means, in respect of any Key Assumption set out in clauses (a) through (m) in the definition of Key Assumption, variance by more than 10% (whether positive or negative) from the actual prior 12-month period figure for such Key Assumption.

"**Late Payment Rate**" means, in the case of amounts payable in Canadian Dollars, the then applicable Prime Rate Margin plus 2% and, in the case of amounts payable in US Dollars by the Canadian Borrower the then applicable US Base Rate Margin plus 2% or by the US Borrower the then applicable US Prime Rate Margin plus 2%.

"**LC Facility**" means has the meaning set forth in Section 2.03.

"**LC Facility Amount**" means **[Dollar Amount Redacted]**.

"**LC Fee**" has the meaning set forth in Section 5.02(9).

"**LC Lender**" means CIBC and EDC to the extent that EDC has acceded to the obligations, rights and benefits of the LC Lender pursuant to the operation of Section 5.03.

"**L/C Fronting Exposure**" has the meaning set forth in Section 13.16(2).

"**LDC Agreements**" means Collection Service Agreements and Transportation Agreements and the Electricity Service Agreements listed on Schedule G hereto as such agreements are in effect on the date hereof and as from time to time supplemented, amended restated or replaced from time to time and any such agreement entered into with LDCs after the date hereof, whether or not scheduled.

"LDCs" means (i) local distribution companies to whom volumes of natural gas are delivered by an Obligor and with whom such Obligor has Transportation Agreements and Collection Service Agreements and (ii) local electricity distribution companies, which deliver electricity to Customers for and on behalf of an Obligor and with whom such Obligor has an Electricity Service Agreement.

"**Lease Obligations**" means, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) any Right of Use Asset which obligations are required to be recorded on a balance sheet of such Person in accordance with IFRS 16. For the purposes of this Agreement, including all calculations of any Lease Obligations to be made hereunder, any lease which would be accounted for as an operating lease under the International Financial Reporting Standards as in effect on December 31, 2018 shall be, notwithstanding any subsequent change in the International Financial Reporting Standards, deemed to be accounted for as an operating lease under such prior IFRS rules (regardless of whether such lease is entered into or assumed before or after December 31, 2018) and the obligations thereunder shall not be Lease Obligations for the purpose of this Agreement.

"**Lender Group Commitment**" means, with respect to a particular Lender Group, the amount set forth in Schedule A hereto as the Lender Group Commitment of such Lender Group under the Revolving Facilities as the same may be increased or reduced pursuant to this Agreement.

"**Lender Groups**" means, collectively, (a) CIBC, (b) National Bank of Canada, (c) HSBC Bank Canada, (d) Morgan Stanley Senior Funding, Inc., and (e) any assignee of a Lender Group which has delivered an Assignment Agreement, and "**Lender Group**" means any one of the Lender Groups.

"**Lender Hedge Provider**" means each financial institution that is a counterparty to a Hedge (including, for greater certainty, a Hedge that was entered into prior to the Effective Date) with an Obligor if at the time that such financial institution entered into such Hedge it was a Lender or an Affiliate of a Lender even if thereafter it ceases to be a Lender.

"**Lender-Related Distress Event**" means, with respect to any Lender or any Person that directly or indirectly controls such Lender (each, a "**Distressed Person**"), (a) a voluntary or involuntary case with respect to such Distressed Person under any Insolvency Legislation or (b) a custodian, conservator, receiver or similar official is appointed for such Distressed Person or any substantial

part of such Distressed Person's assets, or (c) such Distressed Person is subject to a forced liquidation, merger, sale or other change of control supported in whole or in part by guaranties or other support (including, without limitation, the nationalization or assumption of ownership or operating control by the government of Canada, the United States or other Governmental Authority), or (d) such Distressed Person makes a general assignment for the benefit of its creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person or its assets to be, insolvent, bankrupt, or deficient in meeting any capital adequacy or liquidity standard of any such Governmental Authority, or (e) such Distressed Person becomes the subject of a Bail-In Action.

"**Lenders**" means CIBC and the Persons from time to time designated in Schedule A annexed hereto as either a Canadian Lender, a US Lender, a Canadian Issuing Lender, a US Issuing Lender, the LC Lender, the Canadian Swingline Lender or the US Swingline Lender and reference to "Lender" in this Agreement may mean that Lender in its capacity as a Canadian Lender, a US Lender, a Canadian Issuing Lender, a US Issuing Lender, the LC Lender, the Canadian Swingline Lender or the US Swingline Lender, as the case may be, if the context so requires and "**Lender**" means any one of the Lenders and includes each of their successors and permitted assigns.

"**Lenders' Counsel**" means the firm of McCarthy Tétrault LLP or such other firm of legal counsel as the Agent may from time to time designate and any and all local agent counsel retained by McCarthy Tétrault LLP for and on behalf of the Agent.

"**Letter of Credit Fee Rate**" means, with respect to a Letter of Credit, the annual percentage per annum indicated below the reference to "Letters of Credit" in the definition of "Applicable Margin" relevant to the period in respect of which determination is being made, as adjusted pursuant to the definition of "Applicable Margin".

"**Letters of Credit**" means a letter of credit or letter of guarantee issued by (a) a Canadian Issuing Lender pursuant to the Canadian Revolving Facility, (b) the US Issuing Lender pursuant to the US Revolving Facility, or (c) the LC Lender pursuant to the LC Facility, in each case, at the request and for the account of a Borrower under this Agreement; and "**Letter of Credit**" means any one thereof.

"**Leverage Ratio Test**" has the meaning set forth in paragraph (e)(i)A of the definition of "Permitted Distribution".

"**LIBO Rate**" means, for each Interest Period for each LIBOR Advance, the interest rate expressed as a percentage rate per annum calculated on the basis of a 360 day year, equal to:

(a) the rate set by ICE Benchmark Administration Limited (or any display substituted therefor or any successor thereto) for deposits in United States Dollars for a period comparable to such LIBOR Interest Period which appears on Bloomberg, currently the BBAM01 page (or such other page as the Agent, after consultation with the Lenders, will nominate which replaces that page for the purpose of displaying offered rates of leading banks for London inter-bank deposits in US Dollars) for a period comparable to such LIBOR Interest Period as of 11:00 a.m.

(London, England time) on the second Business Day preceding the first day of such LIBOR Interest Period; or

(b) if a rate is not determinable pursuant to clause (a) of this definition at the relevant time, as determined by the Agent, such rate, as determined by the Agent, to be the average (rounded upward, if necessary, to the nearest whole multiple of 1/16 of one percent per annum of the rates per annum) of the rates per annum at which deposits in US Dollars are offered by the principal lending office in London, England of the Agent to leading banks in the London inter-bank market at approximately 11:00 a.m. (London, England time) on the second Business Day preceding the first day of such LIBOR Interest Period for a period comparable to the LIBOR Interest Period and in an amount comparable to the amount of the LIBOR Advance to be outstanding during such LIBOR Interest Period; or

(c) if the rate is not determinable pursuant to clause (a) or (b) of this definition at the relevant time in respect of the relevant period, Section 2.14(2) will apply,

provided however that in no event shall the LIBO Rate be less than zero (0).

"**LIBO Rate Margin**" means, for any period, the applicable percentage rate per annum applicable to that period as indicated below the reference to "LIBOR Advance" in the definition of "Applicable Margin", as adjusted pursuant to the definition of "Applicable Margin".

"**LIBOR Advance**" means an Advance in, or Conversion into, United States Dollars made by the Lenders to a Borrower with respect to which such Borrower has specified that interest is to be calculated by reference to the LIBO Rate.

"**LIBOR Interest Period**" means an Interest Period applicable to any LIBOR Advance.

"**Liquidity Test**" has the meaning set forth in paragraph (e)(i)B of the definition of "Permitted Distribution".

"**Majority Lenders**" means Lenders holding at least **[Percentage Redacted]** of the Commitments under the Credit Facilities or if to be determined with respect to any Credit Facility, the Lenders holding at least **[Percentage Redacted]** of the Commitments under such Credit Facility, as applicable; provided that if at any time there are only two Lenders hereunder, "Majority Lenders" means both such Lenders or if to be determined with respect to any Credit Facility and at any time there are only two Lenders under such Credit Facility, "Majority Lenders" means both such Lenders. For greater certainty: (i) Lenders who are affiliated with the same financial institution shall be considered one Lender for the purposes of calculating "Majority Lenders" hereunder and (ii) Obligations under Hedges owing to Lender Hedge Providers shall be excluded from such determination.

"**Material Adverse Effect**" means (a) a material adverse effect on the business, operations, properties, assets, or condition (financial or otherwise) of all Obligors on a consolidated basis; (b) an adverse effect on the legality, validity or enforceability of any of the Credit Documents which could reasonably be considered material having regard to the Credit Documents considered as a whole, including the validity, enforceability, perfection or priority of any

Encumbrance created under any of the Security; (c) a material adverse effect on the right, entitlement or ability of the Obligors as a whole, to pay or perform any of its debts, liabilities or obligations under any of the Credit Documents; or (d) a material adverse effect on the right, entitlement or ability of the Agent or the Lenders to enforce their rights or remedies under any of the Credit Documents. For greater certainty, the following shall not constitute a Material Adverse Effect: (i) the restatement of JustEnergy's financial statements for its Fiscal Year ended March 31, 2019 as described in Management's Discussion and Analysis dated July 8, 2020; and (ii) the disclosure in Note 3(b) to JustEnergy's audited financial statements for its Fiscal Year ended March 31, 2020 filed with SEDAR on July 8, 2020.

"**Material Contracts**" means, collectively, (i) all material LDC Agreements; (ii) all Supplier Contracts, excluding (A) those Supplier Contracts that are immaterial (provided that the supply under Supplier Contracts excluded in this subparagraph (A) does not exceed, in the aggregate, 10% of the total supply under all Supplier Contracts) and (B) Supplier Contracts entered into by an Unrestricted Subsidiary; and (iii) any other agreement entered into by an Obligor which:

(a) if not complied with or terminated, could reasonably be expected to have a Material Adverse Effect; or

(b) is necessary for the business of an Obligor and not replaceable in the commercial marketplace on commercially reasonable terms.

"**Material Licences**" means, collectively, each licence, permit or approval issued by any Governmental Authority, or any applicable stock exchange or securities commission, to any Obligor, the breach or default of which could reasonably be expected to result in a Material Adverse Effect.

"**Maturity Date**" means the earliest to occur of the following; (i) December 31, 2023; and (ii) the date on which any Credit Facility is terminated pursuant to Section 11.02.

"Maximum Facility Amount" means $335,000,000, as such amount shall be reduced pursuant to Section 6.09 and may be additionally reduced pursuant to Sections 6.03, 6.06, 6.07 and 6.08 from time to time on a cumulative basis.

"Modified Consolidated Basis" means the consolidated financial position or results of JustEnergy, the Borrowers and the Restricted Subsidiaries, as determined in accordance with GAAP.

"**Moody's**" means Moody's Investors Service, Inc. and its successors.

"**Net Gross Margin After Tax**" means the projected gross margin of Eligible Customer Contracts, net of projected administration costs and taxes.

"**Non-Arm's Length**" and similar phrases have the meaning attributed thereto for the purposes of the *Income Tax Act* (Canada); and "**Arm's Length**" will have the opposite of such meaning.

"**Non BA Lender**" means any Lender which is not a BA Lender.

"**Non-Funding Lender**" means any Lender (i) that has failed to fund any payment or Advances required to be made by it hereunder or to purchase all participations required to be purchased by it hereunder and under the Credit Documents, or (ii) that has given verbal or written notice to the Borrowers, the Agent or any Lender or has otherwise publicly announced that it believes that it will be unable to fund advances under credit arrangements to which it is a party, or (iii) with respect to which one or more Lender-Related Distress Events has occurred, or (iv) with respect to which the Agent has knowledge that such Lender has defaulted in fulfilling its obligations (whether as an agent, lender or letter of credit issuer) under one or more other syndicated credit facilities, or (v) with respect to which the Agent has concluded, acting reasonably, and has advised the Lenders in writing that it is of the view that, there is a reasonable chance that such Lender shall become a "Non-Funding Lender" pursuant to any of (i), (ii) or (iii) above and that such Lender has been deemed a "Non-Funding Lender".

"**Obligations**" means, with respect to any Obligor, all of its present and future indebtedness, liabilities and obligations of any and every kind, nature or description whatsoever (whether direct or indirect, joint or several or joint and several, absolute or contingent, matured or unmatured, in any currency and whether as principal debtor, guarantor, surety or otherwise, including without limitation any interest that accrues thereon after or would accrue thereon but for the commencement of any case, proceeding or other action, whether voluntary or involuntary, relating to the bankruptcy, insolvency or reorganization whether or not allowed or allowable as a claim in any such case, proceeding or other action) to each of the Agent, the Lenders, the Lender Hedge Providers and each of them under, in connection with, relating to or with respect to each of the Credit Documents, and any unpaid balance thereof; provided, however, that, with respect to any Guarantor, Obligations guaranteed by such Guarantor shall exclude all Excluded Swap Obligations.

"**Obligors**" means, collectively, the Borrowers and the Guarantors and each of their respective successors and assigns and "**Obligor**" means any one of them.

"**OFAC**" means The Office of Foreign Assets Control of the US Department of Treasury.

"**Operating Budget**" means (i) the annual operating budget of JustEnergy in substantially the form attached hereto as Schedule L, consisting of a statement of cash available for distribution and a cash flow forecast and (ii) forecasted calculations in respect of each Fiscal Quarter for the purposes of (A) the financial covenants in Section 9.02 and (B) Section 9.05(4) (and which, for greater certainty, shall include in respect of all Unrestricted Subsidiaries of JustEnergy only separate select information concerning the RCE's and Gross Margin (as if such definition applied to Unrestricted Subsidiaries *mutatis mutandis*) of such Unrestricted Subsidiaries calculated on an annual basis).

"**Organizational Documents**" means, with respect to any Person, such Person's articles or other charter documents, by-laws, unanimous shareholder agreement, partnership agreement, joint venture agreement, operating agreement, limited liability company agreement or trust agreement, as applicable, and any and all other similar agreements, documents and instruments relative to such Person, setting forth the manner of election or duties of the directors, officers or managing members of such Person or the designation, amount or relative rights, limitations and preferences of any equity interests of such Person.

"**Original Closing Date**" means November 1, 2004.

"**Other Connection Taxes**" means, with respect to any recipient, Taxes imposed as a result of a former or present connection between such recipient and the jurisdiction imposing the Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Advance or Credit Document).

"**Paid in Kind**" means, with respect of any payments in respect of the 2020 Subordinated Debt (including any Subordinated Debt Fees) or the $15 Million Subordinated Note, payments made in kind (and not in cash) and added and capitalized to the outstanding principal amount of such Debt.

"**Participant**" has the meaning set forth in Section 15.03(1).

"**Participant Register**" has the meaning set forth in Section 15.03(3).

"**Patriot Act**" has the meaning set forth in Section 8.01(42).

"**PB Plan**" means the Performance Bonus Plan under which employees and sales representatives are awarded securities of JustEnergy as bonuses, as amended or replaced from time to time.

"**Pending Event of Default**" means an event which, but for the requirement for the giving of notice, lapse of time, or both, or but for the satisfaction of any other condition subsequent to such event, would constitute an "Event of Default".

"**Permitted Asset Dispositions**" means Dispositions by an Obligor of:

(a) tangible personal property in the normal course of its Business for fair market value and on customary trade terms;

(b) any Property pursuant to a Designated Disposition;

(c) tangible personal property other than pursuant to clauses (a), (b) or (d) hereof where the value of all such Property Disposed in any Fiscal Year pursuant to this clause (c) does not exceed in the aggregate **[Dollar Amount Redacted]**;

(d) tangible or intangible personal property to any other Obligor;

(e) Billed Accounts Receivable and Sold Unbilled Accounts Receivable under the Customer Contracts to LDCs in accordance with the LDC Agreements;

(f) intangible personal property, other than pursuant to clauses (d) and (e) hereof, in the normal course of its Business for fair market value where the value of all such intangible property disposed in any Fiscal Year by all Obligors does not exceed **[Dollar Amount Redacted]**in the aggregate; or

(g) all of the shares or equity interests in, or all or substantially all of the Property of, EdgePower Inc. (collectively, the "**EdgePower Property**") so long as the following conditions are satisfied: (i) no Pending Event of Default or Event of Default has occurred and is continuing at the time of such Disposition or will arise as a result of the implementation of any of the transactions contemplated by such Disposition; (ii) JustEnergy, the Borrowers and the Restricted Subsidiaries shall have received all necessary consents and approvals of any Governmental Authorities and other third parties (including the Priority Suppliers) required for JustEnergy, the Borrowers and the Restricted Subsidiaries to consummate such Disposition and release of the Security over the shares, equity interests and Property of EdgePower Inc.; (iii) such Disposition will be on Arm's Length terms; and (iv) the net after-tax proceeds arising from such Disposition shall be subject to Section 6.07 of this Agreement.

"Permitted Debt" means:

(a) Debt under this Agreement;

(b) Hedges permitted hereunder;

(c) Debt in respect of Purchase Money Security Interests and Lease Obligations in an outstanding amount not to exceed **[Dollar Amount Redacted]**in the aggregate for all Obligors;

(d) Existing Intercompany Debt;

(e) Future Intercompany Debt;

(f) Permitted Unrestricted Subsidiary Debt;

(g) the 2020 Subordinated Debt;

(h) guarantees of any Debt (other than in respect of the $15 Million Subordinated Note) otherwise permitted hereunder;

(i) Debt under (i) Canadian Dollar corporate credit cards of the Obligors provided that the amount of all such Debt at no time exceeds **[Dollar Amount Redacted]**in the aggregate for all Obligors and (ii) US Dollar corporate credit cards of the Obligors provided that the amount of all such Debt at no time exceeds **[Dollar Amount Redacted]**in the aggregate for all Obligors;

(j) the Alberta Utilities Commissions Debt;

(k) the EDC Indemnity;

(l) the $15 Million Subordinated Note, provided that the trustee of the $15 Million Subordinated Note has issued a confirmation in favour of the Agent and the

Collateral Agent that the Obligations constitute "Senior Indebtedness" under the $15 Million Subordinated Note Indenture; and

(m) Debt consented to in writing by the Majority Lenders from time to time.

"Permitted Distributions" means:

(a) Distributions from one Obligor to another Obligor;

(b) Distributions by way of issuance of common shares or preferred shares of JustEnergy to the public (including, for greater certainty, by way of private placement);

(c) non-cash Distributions of Share Based Compensation;

(d) non-cash Distributions under the Restricted Share Grant Plan, the PB Plan or under the Deferred Compensation Plan; and

(e) bi-annual payments of interest in respect of the 2020 Subordinated Debt and the Subordinated Debt Fees (collectively, the "**Subordinated Payments**" and each a "**Subordinated Payment**"); provided that,

(i) one hundred percent (100%) of each Subordinated Payment shall be Paid in Kind, unless the following conditions are satisfied:

A. the Average Net Senior Debt Utilization to EBITDA Ratio at the end of the Fiscal Quarter immediately preceding the Fiscal Quarter in which such Subordinated Payment is due and payable is less than **[Ratio Redacted]** (the "**Leverage Ratio Test**");

B. the amount of cash or Cash Equivalents (determined on a Modified Consolidated Basis) plus the undrawn amount of the Credit Facilities (the "**Total Liquidity**") at the time of making such Subordinated Payment, after taking into account the amount required to make such Subordinated Payment in cash, would be on a pro forma basis equal to or greater than **[Dollar Amount Redacted]** (the "**Liquidity Test**");

C. the due date for such Subordinated Payment is on or after March 31, 2022;

D. no Pending Event of Default or Event of Default has occurred and is continuing or will arise as a result of making such Subordinated Payment; and

E. the Agent will have received a certificate of an officer of the Borrowers certifying as to the matters set forth in paragraphs A to

D above and attaching supporting calculations in reasonable detail where applicable.

(ii) in the event that both the Leverage Ratio Test and the Liquidity Test are satisfied (i) with respect to the Subordinated Payment that is due and payable on March 31, 2022, fifty percent (50%) of such Subordinated Payment may be made in cash with the remaining fifty percent (50%) to be Paid in Kind, (ii) with respect to the Subordinated Payment that is due and payable on September 30, 2022, fifty percent (50%) of such Subordinated Payment may be made in cash with the remaining fifty percent (50%) to be Paid in Kind, (iii) with respect to the Subordinated Payment that is due and payable on March 31, 2023, one hundred percent (100%) of such Subordinated Payment may be made in cash, and (iv) with respect to the Subordinated Payment that is due and payable on September 30, 2023, one hundred percent (100%) of such Subordinated Payment may be made in cash; provided that in each case,

A. no Pending Event of Default or Event of Default shall have occurred and be continuing or arise as a result of making such Subordinated Payment; and

B. the Agent shall have received a certificate of an officer of the Borrowers certifying as to the satisfaction of the Leverage Ratio Test and the Liquidity Test and the matters set forth in the foregoing paragraph (A), and attaching supporting calculations in reasonable detail where applicable; and

(iii) for greater certainty, each Subordinated Payment that is due and payable on a date that is prior to March 31, 2022 shall be fully Paid in Kind and under no circumstances shall any Subordinated Payment (or any portion thereof) be paid in cash or Cash Equivalents before March 31, 2022;

(f) Distributions on the account of any Alberta Utilities Commission Debt, provided that each such Distribution shall be made solely with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts; and

(g) interest payments on the $15 Million Subordinated Note that are Paid in Kind.

"**Permitted Encumbrances**" means, with respect to any Person, the following:

(a) Encumbrances for Taxes not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(b) Encumbrances in respect of claims for unpaid wages, vacation pay, worker's compensation, unemployment insurance premiums, pension plan contributions, employee or non-resident withholding tax source deductions, realty taxes (including utility charges and business taxes which are collectable like realty taxes), unremitted goods and services taxes, provincial sales taxes, customs duties or similar statutory obligations secured by an Encumbrance on any Obligor's assets ranking prior to or *pari passu* with the Security, but only if the obligations secured by such Encumbrances are paid before they become delinquent or they are being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(c) undetermined or inchoate liens, rights of distress and charges incidental to current operations which relate to obligations not yet due, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person or they do not exceed **[Dollar Amount Redacted]** in the aggregate;

(d) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workmen's compensation, unemployment insurance, letters of credit, surety or appeal bonds, or costs of litigation when required by law in any case not to exceed **[Dollar Amount Redacted]** or the Equivalent Amount in US$ in aggregate outstanding at any time, liens and claims incidental to current construction, mechanics', warehousemen's, landlords', carriers', surety bonds and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;

(e) the Encumbrance created by a judgment of a court of competent jurisdiction, so long as the same does not result in an Event of Default;

(f) Encumbrances on real property which consist of (i) reservations, limitations, provisos and conditions expressed in the original grant from the Crown, (ii) any general qualifications to title imposed under the land registry system in which any real property is situate, (iii) any encroachments, variations in description or by-law infractions which might be revealed by an up-to-date survey of the real property, (iv) any agreement with a municipality with respect to the development of the buildings, fixtures and improvements on the real property, (v) restrictions or restrictive covenants disclosed by registered title, (vi) any easement or right-of-way disclosed by registered title and (vii) any easement for the supply of utilities to the real property;

(g) liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts (including segregated deposit accounts for Customers if required by Applicable Law) or other funds maintained with a financial institution;

(h) the Security;

(i) Purchase Money Security Interests and Encumbrances securing Lease Obligations, provided that the aggregate outstanding amount of Debt secured thereby or arising thereunder does not exceed **[Dollar Amount Redacted]** or the Equivalent Amount in US$ at any time;

(j) security securing Existing Intercompany Debt or Future Intercompany Debt if required pursuant to Section 10.02;

(k) any Encumbrance granted by any Obligor to LDCs in respect of Billed Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 9.04(1);

(l) any Encumbrance granted by any Obligor to LDCs in respect of Sold Unbilled Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 9.04(1);

(m) any Encumbrance granted by any Obligor to LDCs in respect of Unbilled Accounts Receivable in accordance with Collection Service Agreements, provided that the aggregate value of such Unbilled Accounts Receivable Encumbered at any time shall not exceed **[Dollar Amount Redacted]**;

(n) any Encumbrance granted by any Obligor to LDCs in respect of Cash Security Deposits in accordance with Collection Service Agreements, provided that the aggregate value of such Cash Security Deposits Encumbered at any time shall not exceed **[Dollar Amount Redacted]**;

(o) any Encumbrance granted by an Obligor to an LDC in respect of natural gas in storage with such LDC if required by such LDC or the tariff applicable to such LDC; provided that the aggregate volume of such natural gas in storage so Encumbered shall not at any time exceed 10% of the aggregate volume of all such natural gas in storage;

(p) Encumbrances over Credit Card Payment Accounts to secure obligations of certain Obligors to certain deposit banks pursuant to merchant services agreements;

(q) Encumbrances over any and all cash, monies and interest bearing instruments delivered to, deposited with or held by an exchange for natural gas and any rights to payment or performance owing from an exchange for natural gas including, without limitation, accounts payable owed by the exchange to an Obligor to the extent that such proceeds are to be used as security for future transactions and all proceeds of any of the foregoing, provided that the aggregate value of such Encumbrances at any time shall not exceed **[Dollar Amount Redacted]**; and

(r) such other Encumbrances as agreed to in writing by the Lenders in accordance with this Agreement.

"Permitted Unrestricted Subsidiary Debt" means Debt owing by the Obligors to Unrestricted Subsidiaries in an amount not to exceed **[Dollar Amount Redacted]** in the aggregate at any time; provided that such Debt is subordinated and postponed to the Obligations pursuant to the terms of a Subordination Agreement.

"**Person**" is to be broadly interpreted and will include an individual, a corporation, a limited liability company, an unlimited liability company, a partnership, a trust, an incorporated organization, a joint venture, financial institution, the government of a country or any political subdivision of a country, or an agency or department of any such government, any other Governmental Authority and the executors, administrators or other legal representatives of an individual in such capacity.

"**Pledged Securities**" means all of the issued and outstanding equity (whether in the form of shares in capital stock, partnership interests, trust units or otherwise) held by any Obligor in any other Obligor and all Future Intercompany Equity.

"**Prime Rate**" means a fluctuating rate of interest per annum, expressed on the basis of a year of 365 or 366 days, as applicable, which is equal at all times to the greater of (a) the reference rate of interest (however designated) of the Agent for determining interest chargeable by it on Canadian Dollar commercial loans made in Canada; and (b) 1.0% above CDOR from time to time for one month Canadian Dollar bankers' acceptances.

"**Prime Rate Advance**" means an Advance in or a Conversion into Canadian Dollars made by the Lenders to the Canadian Borrower with respect to which the Canadian Borrower has specified that interest is to be calculated by reference to the Prime Rate.

"**Prime Rate Margin**" means, for any period, the applicable percentage rate per annum applicable to that period as indicated below the reference to "Prime Rate Advance" in the definition of "Applicable Margin", as adjusted pursuant to the definition of "Applicable Margin".

"**Priority Suppliers**" means, the Shell Energy Entities (as defined in the Intercreditor Agreement) and the Other Commodity Suppliers (as defined in the Intercreditor Agreement).

"**Priority Supplier Payables**" means all accrued amounts that remain unpaid and owing to the Priority Suppliers for the physical supply of electricity or gas that has been delivered to a Customer.

"**Priority Supplier Payables Certificate**" means the certificate required pursuant to Section 9.03(10), substantially in the form annexed as Schedule O and signed by a senior officer of the Canadian Borrower.

"**Proceedings**" means the proceedings commenced by JustEnergy on July 8, 2020 under section 192 of the *Canada Business Corporations Act* before the Ontario Superior Court of Justice (Commercial List) in Toronto, Ontario.

"**Property**" means, with respect to any Person, all or any portion of its undertaking, property and assets, both real and personal, including, for greater certainty, (i) any share in the capital of a corporation or ownership interest in any other Person and (ii) its interest under all Supplier Contracts, LDC Agreements and related permits.

"**Proportionate Share**" means in respect of each Lender from time to time, (a) with respect to a Credit Facility or each Credit Facility, the percentage of such Credit Facility or of each of the Credit Facilities, as the case may be, which a Lender has agreed to advance to the Borrowers, determined by dividing the Lender's Commitment in respect of such Credit Facility or of each of the Credit Facilities, as the case may be, by the aggregate of all of the Lenders' Commitments with respect to such Credit Facility or each of the Credit Facilities, (b) with respect to an Advance, such percentage of the Credit Facility (determined in accordance with paragraph (a) above, less the amount of the Canadian Swingline Facility and the US Swingline Facility) under which such Advance is made, (c) with respect to the Obligations, *pro rata* in accordance with the aggregate unpaid amount of the Obligations owed to such Lender, and (d) with respect to any reduction in the Maximum Facility Amount and the Commitment of such Lender, the percentage obtained by dividing such Lenders' aggregate Commitments in respect of all of the Credit Facilities by the Maximum Facility Amount then in effect.

"**Purchase Money Security Interest**" means an Encumbrance created or assumed by an Obligor securing Debt incurred to finance the unpaid acquisition price (including any installation costs or costs of construction) of Property provided that (a) such Encumbrance is created substantially concurrently with the acquisition of such Property, (b) such Encumbrance does not at any time encumber any Property other than the Property and the proceeds thereof financed or refinanced (to the extent the principal amount is not increased) by such Debt, (c) the amount of Debt secured thereby is not increased subsequent to such acquisition, and (d) the principal amount of Debt secured by any such Encumbrance at no time exceeds 100% of the original purchase price of such Property at the time it was acquired, installed or constructed and for the purposes of this definition the term "acquisition" will include a lease in respect of a Right of Use Asset and the term "acquire" will have a corresponding meaning.

"**Qualified ECP Guarantor**" means, in respect of any Swap Obligation, each Obligor that has total assets exceeding $10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"**RCE**" means a residential customer equivalent which is a unit of measurement to a customer using, as regards natural gas, 2,815 m3 (or 106 GJ's) of natural gas on an annual basis and, as regards electricity, 10,000 kWh of electricity on an annual basis, which represents respectively the approximate amount of gas and electricity used by a typical household.

"**Recapitalization Plan**" means the amended and restated plan of arrangement dated as of September 2, 2020 in respect of JustEnergy pursuant to the *Canada Business Corporations Act*,

which plan shall be in form and substance satisfactory to the Agent and the Lenders, acting reasonably.

"**Receiving Lender**" has the meaning set forth in Section 13.12.

"**Register**" has the meaning set forth in Section 15.02(3).

"**Release**" means a "release", as such term is defined in CERCLA.

"**Relevant Jurisdiction**" means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada, any state of the United States or the District of Columbia, or any other country or political subdivision thereof, in which such Person has its jurisdiction of formation, chief executive office, registered office or chief place of business or has tangible Property (other than vehicles) and, for greater certainty, at the Effective Date includes the jurisdictions set forth in Schedule 8.01(19).

"**Relevant Quarter**" has the meaning set forth in the definition of Applicable Margin.

"**Repayment Notice**" means the notice substantially in the form annexed hereto as Schedule C.

"**Requirements of Environmental Law**" means all requirements of the common law or of statutes, regulations, by-laws, ordinances, treaties, judgments and decrees, and (to the extent that they have the force of law) rules, policies, guidelines, orders, approvals, notices, permits, directives, and the like, of any federal, territorial, provincial, state, regional, municipal or local judicial, regulatory or administrative agency, board or governmental authority in Canada, the United States and any other jurisdiction in which any Obligor has operations or assets relating to environmental or occupational health and safety matters (as they relate to exposure to a Hazardous Substance) and the assets and undertaking of any Obligor and the intended uses thereof in connection with such matters, including but not limited to, all such requirements relating to: (a) the protection, preservation or remediation of the natural environment (the air, land, surface water or groundwater); (b) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (c) consumer, occupational or public safety and health (as they relate to exposure to a Hazardous Substance); and (d) Hazardous Substances or conditions (matters that are prohibited, controlled or otherwise regulated, such as contaminants, pollutants, toxic substances, dangerous goods, wastes, hazardous wastes, liquid industrial wastes, hazardous materials, petroleum and other materials such as urea formaldehyde and polyurethane foam insulation, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs) or PCB contaminated fluids or equipment, lead based paint, explosives, radioactive substances, petroleum and associated products, above ground and underground storage tanks or surface impoundments).

"**Requirements of Law**" means, as to any Person, any Applicable Law, or determination of a Governmental Authority having the force of law, in each case applicable to or binding upon such Person or any of its business or Property or to which such Person or any of its business or Property is subject.

"**Residential Customer**" means a Customer with annual consumption of 15 RCEs or less.

"**Resolution Authority**" means, (a) with respect to any EEA Financial Institution, an EEA Resolution Authority, or (b) with respect to any UK Financial Institution, a UK Resolution Authority.

"**Restricted Share Grant Plan**" means the 2010 restricted share grant plan pursuant to which restricted common shares of JustEnergy are granted to senior officers and service providers to JustEnergy and to senior officers of JustEnergy's Subsidiaries and Affiliates, as supplemented, amended or restated from time to time.

"**Restricted Subsidiary**" means each direct or indirect Subsidiary of JustEnergy that is not an Unrestricted Subsidiary and for greater certainty, includes (i) the Obligors (but for greater certainty does not include JustEnergy), and (ii) any Subsidiary formed or acquired by any Obligor following the Effective Date.

"**Restricted Subsidiary Subordination Agreement**" means the second amended and restated subordination and postponement of inter-corporate debt agreement dated as of October 2, 2013 between the Obligors and the Collateral Agent, whereby the Obligors subordinate and postpone certain Debt of the Obligors including (i) any Existing Intercompany Debt; and (ii) any Future Intercompany Debt, to Senior Debt (as defined therein), as such agreement may be supplemented, amended or restated from time to time.

"**Revolving Facilities**" means the Canadian Revolving Facility and the US Revolving Facility collectively and "**Revolving Facility**" means either one of them.

"**Revolving Period**" means the period starting on the Effective Date and extending to the earlier of the Maturity Date and the date on which the Credit Facilities are terminated pursuant to Section 11.02.

"**Right of Use Asset**" means, with respect to any Person, any asset that is leased by such Person and constituting a right of use asset pursuant to IFRS 16.

"**Rollover**" means a rollover of a maturing Bankers' Acceptance into a new Bankers' Acceptance or BA Equivalent Note, as applicable, or the rollover of a maturing LIBOR Advance into a new LIBOR Advance.

"**Rollover Date**" means the date of commencement of a new Interest Period applicable to a Bankers' Acceptance, BA Equivalent Note or a LIBOR Advance that is being rolled over.

"**Rollover Notice**" means the Notice of Request for Advance substantially in the form annexed hereto as Schedule B to be given to the Agent by the Canadian Borrower in connection with the Rollover of a Bankers' Acceptance, BA Equivalent Note or a LIBOR Advance or by the US Borrower to the Agent in connection with the Rollover of a LIBOR Advance.

"**Sanctioned Person**" means a person named on the list of Specially Designated Nationals maintained by OFAC or otherwise designated under Sanctions Laws.

"**Sanctions Event**" has the meaning set forth in Section 8.01(40).

"**Sanctions Laws**" means any economic, trade or financial sanctions or trade embargoes imposed, administered or enforced from time to time under laws and executive orders of the Canadian government (including without limitation including under the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Freezing Assets of Corrupt Foreign Officials Act* (Canada), the *Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law)* and the *Criminal Code* (Canada) and, in each case, the regulations promulgated thereunder), the United States government, or any other relevant sanctions authority.

"**S&P**" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and its successors.

"**Schedule I Lenders**" means a bank which is chartered under the *Bank Act* (Canada) and named in Schedule I thereto.

"**Security**" means (i) all security held from time to time by the Collateral Agent on behalf of the Agent, the Lenders, and the Lender Hedge Providers and other Persons party to the Intercreditor Agreement, securing or intended to secure directly or indirectly, among other things, repayment of the Obligations and includes all security described in Article 10, Schedule 10.01 and all supplements, amendments, restatements or replacements of such security and (ii) all guarantees held from time to time by or on behalf of the Lenders or the Agent on behalf of the Lenders and the Lender Hedge Providers, guaranteeing the Obligations and includes all guarantees described in Article 10, Schedule 10.01 and all supplements, amendments, restatements, replacements of such guarantees.

"**Security Documents**" means the documents evidencing the Security, including, without limitation, the documents referred to in Article 10, in each case, as may be amended, restated, modified, supplemented or replaced from time to time.

"Senior Debt" means Total Debt minus (i) the 2020 Subordinated Debt; and (ii) the $15 Million Subordinated Note, all as determined on a Modified Consolidated Basis in accordance with GAAP.

"**Senior Debt to EBITDA Ratio**" means, for any Four Quarter Period, the ratio of Senior Debt as at the last day of the applicable Four Quarter Period to EBITDA in respect of such Four Quarter Period.

"**Share Based Compensation**" means compensation paid by JustEnergy to the directors, officers, full-time employees and service providers of JustEnergy and JustEnergy's Subsidiaries and Affiliates in the form of common shares pursuant to the Share Compensation Plan, the Restricted Share Grant Plan, the PB Plan or the Deferred Compensation Plan.

"**Share Compensation Plan**" means the 2020 share compensation plan pursuant to which common shares of JustEnergy are granted to directors, officers and full-time employees of and service providers to JustEnergy, and its Subsidiaries and Affiliates, as supplemented, amended or restated from time to time.

"**Shell Energy**" means Shell Energy North America (Canada) Inc., formerly known as Coral Energy Canada Inc.

"**Shell Energy Security**" means the security granted by JEC in favour of Shell Energy pursuant to (i) an amended and restated security agreement dated as of October 29, 2004 between JEC and Shell Energy, as supplemented, amended or restated from time to time and (ii) a security agreement dated April 5, 2002 between Ontario Savings Electric Corporation (a predecessor of JEC), each as assigned by JEC to the Canadian Borrower pursuant to the JEC Assignment Agreement or otherwise, and as assigned by Shell Energy to the Collateral Agent pursuant to an assignment and assumption agreement dated as of November 1, 2004, as assumed by JustEnergy pursuant to the Arrangement Agreement, and as further supplemented, amended or restated from time to time.

"**Sold Unbilled Accounts Receivable**" means all present and future amounts that have not yet been billed to a Customer in respect of gas, electricity or JustGreen Products that has been delivered to such Customer pursuant to a Customer Contract and which have been assigned or sold to an LDC concurrently with the delivery of such gas, electricity or JustGreen Products and which are subject to a Collection Service Agreement.

"**Specified Canadian Pension Plan**" means any Canadian Pension Plan which contains a "defined benefit provision", as defined in subsection 147.1(1) of the *Income Tax Act* (Canada).

"**Subordinated Debt Fees**" means, with respect to or in connection with the Subordinated Facility Agreement, (a) the annual administrative payment payable by JustEnergy to Computershare Trust Company of Canada or any replacement administrative agent (in its capacity as administrative agent under the Subordinated Facility Agreement), for the account and benefit of each lender party thereto, in an aggregate amount not to exceed 1.00% of the average daily drawn principal amount under the Subordinated Facility Agreement in any Fiscal Year; and (b) the lead lender annual partnership payment payable by JustEnergy to lenders under the Subordinated Facility Agreement in an aggregate amount not to exceed 0.20% of the average daily drawn principal amount under the Subordinated Facility Agreement in any Fiscal Year.

"**Subordinated Facility Agreement**" means the unsecured amended and restated loan agreement dated as of September 28, 2020 between Computershare Trust Company of Canada, as administrative agent, Sagard Credit Partners, LP and the other lenders party thereto, as lenders, and JustEnergy, as borrower, as may be supplemented, modified, amended or restated from time to time in accordance with the terms of this Agreement and the 2020 Subordinated Debt Subordination Agreement.

"**Subordination Agreement**" means any subordination and postponement agreement substantially in the form attached hereto as Schedule N, as such agreement may be supplemented, amended or restated from time to time.

"**Subsidiary**" means, at any time, as to any Person, any other Person, if at such time the first mentioned Person owns, directly or indirectly, alone or together with one or more of its Affiliates, securities or other ownership interests in such other Person having ordinary voting power to elect a majority of the board of directors or persons performing similar functions for such other Person, and will include any other Person in like relationship to a Subsidiary of such first mentioned Person.

"**Supplier Contracts**" means contracts between any Obligor and a supplier of natural gas, electricity or JustGreen Products, including, without limitation, the natural gas sales agreement dated as of October 15, 1998 between JEC and Shell Energy, as amended by amending agreements dated as of September 26, 2001 and January 15, 2004 between the Canadian Borrower and Shell Energy, and as assigned to the Canadian Borrower pursuant to the JEC Assignment Agreement, as supplemented, amended or restated from time to time in accordance with the terms of this Agreement.

"**Supply Commitments**" means, at any time, the amount of natural gas, electricity or JustGreen Products anticipated to be deliverable by the Obligors to Customers under (i) committed existing Customer Contracts; (ii) supplied but not flowing renewals of expiring Customer Contracts; and (iii) supplied but not flowing new Customer Contracts.

"**Swap Obligation**" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"**Take-Over Bid**" means either (a) an offer to acquire outstanding publicly-held voting or equity securities of a class of a Person where the securities that are the subject of such offer, together with the offeror's securities, constitute at least 20% of the outstanding securities of that class of securities on the date the offer is made, or (b) any other event which is a take-over bid within the meaning attributed to such term by any law, treaty, rule, regulation, or requirement of any stock exchange or securities commission, or determination of any arbitrator, court, stock exchange, securities commission or other Governmental Authority, in each case, applicable to or binding on any Borrower.

"**Tax**" or "**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, capital, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments, royalties, duties, deductions, compulsory loans or similar charges in the nature of a tax, including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments, and any interest, fines and penalties, imposed by any Governmental Authority (including federal, state, provincial, municipal and foreign Governmental Authorities) in respect thereof, whether disputed or not.

"**Threshold Amount**" means, at any time, an Aggregate Swap Exposure equal to **[Dollar Amount Redacted]**.

"Total Debt" means all Debt of the Borrowers but, for the avoidance of doubt, excludes (i) Debt arising under Hedges, (ii) the principal amount outstanding of all Existing Intercompany Debt, Future Intercompany Debt and Permitted Unrestricted Subsidiary Debt, (iii) Debt arising under the EDC Indemnity, and (iv) the Alberta Utilities Commission Debt, all as determined on a Modified Consolidated Basis in accordance with GAAP.

"**Total Debt to EBITDA Ratio**" means, for any Four Quarter Period, the ratio of Total Debt as at the last day of the applicable Four Quarter Period to EBITDA in respect of such Four Quarter Period.

"**Total Interest Expense**" of the Borrowers means, for any period and on a Modified Consolidated Basis, without duplication, the aggregate amount of interest and other financing charges accrued or actually paid by the Borrowers, during such period with respect to Debt including interest, discount and financing fees, commissions, discounts, the interest or time value of money component of costs related to factoring or securitizing receivables or monetizing inventory and other fees and charges payable with respect to letters of credit, letters of guarantee and bankers' acceptance financing, standby fees and the interest charges with respect to Lease Obligations, all as determined in accordance with GAAP.

"**Total Liquidity**" has the meaning set forth in paragraph (e)(i)B of the definition of "Permitted Distribution".

"**Transportation Agreements**" means, collectively, the transportation agreements entered into between the Obligors and LDCs (or entered into between JEC and LDCs and assigned to the Canadian Borrower pursuant to the JEC Assignment Agreement) providing for the delivery of gas provided by an Obligor to its Customers and related matters, as supplemented, amended or restated from time to time in accordance with the terms of this Agreement.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unbilled Accounts Receivable**" means all present and future amounts in respect of gas or electricity or JustGreen Products that have been delivered to a Customer pursuant to a Customer Contract, and that have not yet been billed to such Customer or assigned or sold to an LDC pursuant to a Collection Service Agreement, and which, for greater certainty, remain an asset of an Obligor.

"**United States Dollars**", "**US Dollars**" and "**US$**" means the lawful money of the United States of America.

"**Unrestricted Subsidiaries**" means the direct or indirect Subsidiaries of JustEnergy that were designated as Unrestricted Subsidiaries prior to the Effective Date and are described as such on Schedule 8.01(16).

"**US Assignment Agreement**" means an assignment agreement substantially in the form of Schedule F to this Agreement.

"**US Base Rate**" means a fluctuating rate of interest per annum, expressed on the basis of a year of 365 days or 366 days, as applicable, which is equal at all times to the greater of (a) the reference rate of interest (however designated) of the Agent for determining interest chargeable by it on United States Dollar commercial loans in Canada and (b) the sum of (i) the Federal Funds Effective Rate and (ii) 0.50% per annum.

"**US Base Rate Advance**" means an Advance in, or Conversion into United States Dollars made by the Lenders to the Canadian Borrower with respect to which the Canadian Borrower has specified that interest is to be calculated by a reference to US Base Rate.

"**US Base Rate Margin**" means, for any period, the applicable percentage rate per annum applicable to that period as indicated below the reference to "US Base Rate Advance" in the definition of "Applicable Margin", as adjusted pursuant to the definition of "Applicable Margin".

"**US Borrower**" means the US Borrower hereunder, being Just Energy (U.S.) Corp., a Delaware corporation and includes its successors by merger or otherwise.

"**US Issuing Lender**" means CIBC US (solely in respect of the Existing CIBC US Letters of Credit and not any Letters of Credit issued after April 18, 2018), CIBC, National Bank of Canada and any other US Lenders approved by each of the US Borrower and the Agent, and any successor Lender, in its capacity as such.

"**US Lenders**" means the Lenders designated as such in Schedule A annexed hereto providing the US Revolving Facility to the US Borrower pursuant to this Agreement.

"**US Pension Plan**" means a "pension plan", as such term is defined in Section 3(2) of ERISA, which is subject to Title IV of ERISA (other than a multiemployer plan as defined in Section 4001(a)(3) of ERISA), and to which an Obligor, or any corporation, trade or business that is, along with any other Person, a member of a Controlled Group, may reasonably be expected to have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"**US Prime Rate**" means a fluctuating rate of interest per annum, expressed on the basis of a year of 365 days or 366 days, as applicable, which is equal at all times to the greater of (a) the reference rate of interest (however designated) of the Agent for determining interest chargeable by it on United States Dollar commercial loans in the United States and (b) the sum of (i) the Federal Funds Effective Rate and (ii) 1.0% per annum.

"**US Prime Rate Advance**" means an Advance or a Conversion of an Advance in United States Dollars made by a US Lender to the US Borrower with respect to which the US Borrower has specified that interest is to be calculated by reference to the US Prime Rate.

"**US Prime Rate Margin**" means, for any period, the applicable percentage rate per annum applicable to that period as indicated below the reference to "US Prime Rate Advance" in the definition of "Applicable Margin", as adjusted pursuant to the definition of "Applicable Margin".

"**US Revolver Amount**" means the amount set forth in Schedule A hereto as the "Total Commitment" for the US Revolving Facility.

"**US Revolving Facility**" has the meaning set forth in Section 2.02.

"**US Swingline Facility**" has the meaning set forth in Section 2.06(1).

"**US Swingline Lender**" means any Lender that agrees, with the approval of the Agent and the Borrowers, to act as the US Swingline Lender hereunder.

"**US Swingline Loan**" has the meaning set forth in Section 2.06(2).

"**US Welfare Plan**" means a "welfare plan", as such term is defined in Section 3(1) of ERISA.

"**Withholding Agent**" means any Obligor and the Agent.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to any UK Resolution Authority, any powers of such UK Resolution Authority from time to time under the Bail-In Legislation for the United Kingdom to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

"**Year-Five Period**" means, for any Eligible Customer Contract, at any month end, the twelve month period immediately succeeding the end of the Year-Four Period.

"**Year-Four Period**" means, for any Eligible Customer Contract, at any month end, the twelve month period immediately succeeding the end of the Year-Three Period.

"**Year-One Period**" means, for any Eligible Customer Contract, at any month end, the immediately succeeding twelve month period.

"**Year-Three Period**" means, for any Eligible Customer Contract, at any month end, the twelve month period immediately succeeding the end of the Year-Two Period.

"**Year-Two Period**" means, for any Eligible Customer Contract, at any month end, the twelve month period immediately succeeding the end of the Year-One Period.

1.02 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and will not affect the construction or

interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.03 Number

Words importing the singular number only will include the plural and *vice versa*, words importing the masculine gender will include the feminine and neuter genders and *vice versa*.

1.04 Accounting Principles

Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any Credit Document, such determination or calculation will, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with GAAP.

1.05 Accounting Practices

All calculations for the purposes of determining compliance with the financial ratios and financial covenants contained in this Agreement will be made on a basis consistent with GAAP in existence as at the date hereof applied on a Modified Consolidated Basis in accordance with GAAP. In the event of a change in such GAAP which in any material respect changes or results in a change in the method of calculation of, or has an adverse impact on, financial covenants, standards or terms applicable to an Obligor under any of the Credit Documents as determined by the Lenders, acting reasonably, the Canadian Borrower and the Agent (with the approval of the Majority Lenders) will negotiate in good faith to revise (if appropriate) such ratios and covenants to reflect GAAP as then in effect, in which case all calculations thereafter made for the purpose of determining compliance with the financial ratios and financial covenants contained in this Agreement will be made on a basis consistent with GAAP in existence as at the date of such revisions.

1.06 Permitted Encumbrances

The inclusion of reference to Permitted Encumbrances in any Credit Document is not intended to subordinate and will not subordinate, and will not be interpreted as subordinating, any Encumbrance created by any of the Security to any Permitted Encumbrance.

1.07 Currency

Unless otherwise specified in this Agreement, all references to dollar amounts (without further description) will mean Canadian Dollars.

1.08 Paramountcy

In the event of a conflict in or between the provisions of this Agreement and the provisions of any of the other Credit Documents (other than (i) Hedges to which a Lender Hedge Provider is the counterparty and (ii) the Intercreditor Agreement) then, notwithstanding anything contained in such other Credit Document, the provisions of this Agreement will prevail and the provisions of such other Credit Document will be deemed to be amended to the extent necessary to eliminate such conflict. In particular, if any act or omission of an Obligor is expressly permitted under this Agreement but is expressly prohibited under another Credit Document (other than (i) Hedges to which a Lender Hedge Provider is the counterparty and (ii) the Intercreditor Agreement), such act or omission will be permitted. If any act or omission is expressly prohibited under a Credit Document (other than this Agreement), but this Agreement does not expressly permit such act or omission, or if any act is expressly required to be performed under such Credit Document but this Agreement does not expressly relieve the applicable Obligor from such performance, such circumstance will not constitute a conflict in or between the provisions of this Agreement and the provisions of such Credit Document.

1.09 Non-Business Days

Unless otherwise expressly provided in this Agreement, whenever any payment is stated to be due on a day other than a Business Day, the payment will be made on the immediately following Business Day. Notwithstanding the foregoing, if with respect to any payment of principal or interest on a LIBOR Advance the succeeding Business Day falls in the next calendar month, the due date for payment of such principal or interest will be the next preceding Business Day. In the case of interest or fees payable pursuant to the terms of this Agreement, the extension or contraction of time will be considered in determining the amount of interest and fees. Unless otherwise expressly provided in this Agreement, whenever any action to be taken is stated or scheduled to be required to be taken on, or (except with respect to the calculation of interest or fees) any period of time is stated or scheduled to commence or terminate on, a day other than a Business Day, the action will be taken or the period of time will commence or terminate, as the case may be, on the immediately following Business Day.

1.10 Statutory and Material Contract References

Any reference in this Agreement to any act or statute or regulation (including any regulation of any Governmental Authority), or to any section of or any definition in any act, statute or regulation (including any regulation of any Governmental Authority), will be deemed to be a reference to such act, statute or regulation (including any regulation of any Governmental Authority) or section or definition as amended, supplemented, substituted, replaced or re-enacted from time to time. Any reference in this Agreement to an agreement, indenture, debenture or contract (including without limitation a Material Contract) will be deemed to be a reference to such document as supplemented, amended, restated, replaced or otherwise modified from time to time in accordance with the terms of this Agreement.

1.11 Interest Payments and Calculations

(1) All interest payments to be made under this Agreement will be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.

(2) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest or rate of fees "per annum" or a similar expression is used, such interest or fees will be calculated on the basis of a calendar year of 365 days or 366 days, as the case may be, and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.

(3) For the purposes of the *Interest Act* (Canada) and disclosure under such act, whenever interest to be paid under this Agreement is to be calculated on the basis of a year of 365 days or 360 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either 365, 360 or such other period of time, as the case may be. EACH OF THE OBLIGORS CONFIRMS THAT IT FULLY UNDERSTANDS AND IS ABLE TO CALCULATE THE RATE OF INTEREST APPLICABLE TO EACH OF THE CREDIT FACILITIES BASED ON THE METHODOLOGY FOR CALCULATING PER ANNUM RATES PROVIDED FOR IN THIS AGREEMENT. The Agent agrees that if requested in writing by a Borrower it will calculate the nominal and effective per annum rate of interest on any Advance outstanding at the time of such request and provide such information to such Borrower promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve either Borrower or any other Obligor of any of its obligations under this Agreement or any other Credit Document, nor result in any liability to the Agent or any Lender. EACH OBLIGOR HEREBY IRREVOCABLY AGREES NOT TO PLEAD OR ASSERT, WHETHER BY WAY OF DEFENCE OR OTHERWISE, IN ANY PROCEEDING RELATING TO THE CREDIT DOCUMENTS, THAT THE INTEREST PAYABLE UNDER THE CREDIT DOCUMENTS AND THE CALCULATION THEREOF HAS NOT BEEN ADEQUATELY DISCLOSED TO THE OBLIGORS, WHETHER PURSUANT TO SECTION 4 OF THE *INTEREST ACT* (CANADA) OR ANY OTHER APPLICABLE LAW OR LEGAL PRINCIPLE.

(4) In calculating interest or fees payable under this Agreement for any period, unless otherwise specifically stated, the first day but not the last day of such period will be included.

(5) Notwithstanding anything herein to the contrary, in no event will any interest rate or rates referred to herein (together with other fees payable hereunder which are construed by a court of competent jurisdiction to be interest or in the nature of interest) exceed the maximum interest rate permitted by Applicable Law. If such maximum interest rate would be exceeded by the terms hereof, the rates of interest payable hereunder will be reduced to the extent necessary so that such rates (together with other fees which are construed by a court of

competent jurisdiction to be interest or in the nature of interest) equal the maximum interest rate permitted by Applicable Law, and any overpayment of interest received by the Agent or the Lenders theretofore will be applied, forthwith after determination of such overpayment, to pay all then outstanding interest, and thereafter to pay outstanding principal, as if the same were a prepayment of principal and treated accordingly hereunder.

1.12 Determination by a Borrower

All provisions contained herein requiring a Borrower to make a determination or assessment of any event or circumstance or other matter to the best of its knowledge shall be deemed to require such Borrower to make all due inquiries and investigations as may be necessary or prudent in the circumstances before making any such determination or assessment.

1.13 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be part hereof:

Schedule A	–	Lenders and Commitments
Schedule B	–	Notice of Request for Advance
Schedule C	–	Repayment Notice
Schedule D	–	Compliance Certificate
Schedule E	–	Canadian Assignment Agreement
Schedule F	–	US Assignment Agreement
Schedule G	–	List of LDC Agreements
Schedule H.1	–	Existing CIBC Letters of Credit
Schedule H.2	–	Existing CIBC US Letters of Credit
Schedule H.3	–	Existing LC Facility Letters of Credit
Schedule I	–	Borrowing Base Sample Calculation
Schedule I.1	–	Borrowing Base Key Assumption Sample Calculation
Schedule J	–	Borrowing Base Certificate
Schedule K	–	[Reserved]
Schedule L	–	Form of Operating Budget
Schedule M	-	List of Guarantors as of the Effective Date
Schedule N	–	Form of Subordination Agreement
Schedule O	–	Priority Supplier Payables Certificate
Schedule 8.01(6)	–	Taxes
Schedule 8.01(16)	–	Corporate Structure
Schedule 8.01(19)	–	Relevant Jurisdictions
Schedule 8.01(21)	–	Intellectual Property
Schedule 8.01(22)	–	Material Contracts and Material Licences
Schedule 8.01(27)	–	Environmental Reports
Schedule 8.01(35)	–	Non Arm’s Length Transactions
Schedule 8.01(38)	–	Bank Accounts
Schedule 9.03(9)	–	Form of Portfolio Report
Schedule 9.04(14)	–	Location of Assets in Other Jurisdictions
Schedule 10.01	–	List of Security Documents as of the Effective Date

ARTICLE 2
THE CREDIT FACILITIES

2.01 Canadian Revolving Facility

(1) Canadian Revolving Facility – Subject to the terms and conditions of this Agreement the Canadian Lenders, the Canadian Swingline Lender and each Canadian Issuing Lender hereby establish in favour of the Canadian Borrower as of the Effective Date a revolving credit facility (the "**Canadian Revolving Facility**") in an amount not to exceed the Canadian Revolver Amount.

(2) Canadian Swingline Facility – The Canadian Revolving Facility will include the Canadian Swingline Facility. For greater certainty the aggregate of all outstanding Advances under the Canadian Revolving Facility, including Advances under the Canadian Swingline Facility, will at no time cumulatively exceed the Canadian Revolver Amount.

2.02 US Revolving Facility

(1) US Revolving Facility – Subject to the terms and conditions of this Agreement, the US Lenders, the US Swingline Lender and each US Issuing Lender hereby establish in favour of the US Borrower as of the Effective Date a revolving credit facility (the "**US Revolving Facility**") in an amount not to exceed the US Revolver Amount.

(2) US Swingline Facility – The US Revolving Facility will include the US Swingline Facility. For greater certainty the aggregate of all outstanding Advances under the US Revolving Facility, including Advances under the US Swingline Facility, will at no time cumulatively exceed the US Revolver Amount.

2.03 LC Facility

Subject to the terms and conditions of this Agreement, the LC Lender hereby establishes in favour of the Borrowers as of the Effective Date a revolving credit facility (the "**LC Facility**") in an amount not to exceed the LC Facility Amount.

2.04 Maximum Outstandings

The aggregate of (i) outstanding Canadian Dollar Advances under the Canadian Revolving Facility, (ii) the Equivalent Amount in Canadian Dollars of all outstanding US Dollar Advances under the Canadian Revolving Facility, (iii) the Equivalent Amount in Canadian Dollars of all outstanding Advances under the US Revolving Facility, (iv) outstanding Canadian Dollar Advances under the LC Facility, and (v) the Equivalent Amount in Canadian Dollars of all outstanding US Dollar Advances under the LC Facility, will not (except as contemplated in Section 6.04), exceed the Borrowing Base.

2.05 Canadian Swingline Facility

(1) Subject to the terms and conditions of this Agreement, the Canadian Swingline Lender establishes in favour of the Canadian Borrower as of the Effective Date a revolving credit facility which is part of the Canadian Revolving Facility in an amount up to **[Dollar Amount Redacted]** or the Equivalent Amount in US Dollars on the terms set forth in this Section 2.05 (the "**Canadian Swingline Facility**").

(2) At any time during the Revolving Period that the Canadian Borrower would be entitled to obtain Prime Rate Advances and US Base Rate Advances, as the case may be, under the Canadian Revolving Facility, the Canadian Borrower will be entitled to draw cheques on its Cdn. Dollar chequing account and US Dollar chequing account, as the case may be, maintained from time to time with the Canadian Swingline Lender at the main branch of the Canadian Swingline Lender in Toronto, Ontario (or in such other accounts with the Canadian Swingline Lender at such other branch of the Canadian Swingline Lender as may be agreed upon by the Canadian Swingline Lender and the Canadian Borrower from time to time). If no cash concentration arrangement is in place with the Canadian Swingline Lender, the debit balance from time to time in any such Cdn. Dollar account will be deemed to be a Prime Rate Advance, outstanding to the Canadian Borrower from the Canadian Swingline Lender under the Canadian Revolving Facility and the debit balance from time to time in any such US Dollar account will be deemed to be a US Base Rate Advance outstanding to the Canadian Borrower from the Canadian Swingline Lender under the Canadian Revolving Facility. If at any time the Canadian Borrower is a party to a cash concentration arrangement with the Canadian Swingline Lender, then only the amount of any overdraft from time to time in the Cdn. Dollar or US Dollar concentration account (and not any individual chequing account), as the case may be, of the Canadian Borrower established pursuant to such arrangement (which for greater certainty may include one of the Cdn. Dollar or US Dollar accounts identified above) will be deemed to be a Prime Rate Advance or US Base Rate Advance, as the case may be, outstanding to the Canadian Borrower from the Canadian Swingline Lender under the Canadian Revolving Facility. A Prime Rate Advance or a US Base Rate Advance from the Canadian Swingline Lender as contemplated by this Section, prior to such time as such Advance is repaid as contemplated by Sections 2.05(4) or (5), or purchased as contemplated by Section 2.05(6), is referred to as a "**Canadian Swingline Loan**".

(3) The outstanding Canadian Dollar amount of all Canadian Swingline Loans at any time will not exceed the lesser of:

(a) **[Dollar Amount Redacted]** or the Equivalent Amount in US Dollars; and

(b) the amount, if any, by which:

(i) Canadian Revolver Amount;

exceeds

(ii) the Cdn. Dollar amount of all Advances (other than Canadian Swingline Loans) outstanding at such time under the Canadian Revolving Facility.

(4) It is the intention of the parties that Canadian Swingline Loans are to be available to the Canadian Borrower on a short-term basis pending the obtaining of Drawdowns from the Canadian Lenders. Accordingly, if any Canadian Swingline Loans have been outstanding for more than five Business Days, the Canadian Swingline Lender may require the Canadian Borrower to obtain a Drawdown, (subject to minimum Advances of Bankers' Acceptances, BA Equivalent Notes and LIBOR Advances), from the Canadian Lenders in an aggregate amount equal to the aggregate amount of Canadian Swingline Loans then outstanding; the proceeds of such Drawdown will be applied in repayment of all outstanding Canadian Swingline Loans at such time.

(5) If the Canadian Borrower does not repay Canadian Swingline Loans as required by Section 2.05(4) the Canadian Swingline Lender may (but will not be obliged to) deliver a written notice to the Agent (which will thereupon deliver a similar notice to each of the Canadian Lenders) and to the Canadian Borrower, whereby the Canadian Borrower will be deemed to have requested at such time a Drawdown from the Canadian Lenders (in the case of Canadian Dollar Obligations of Prime Rate Advances and in the case of US Dollar Obligations of US Base Rate Advances) in an aggregate amount equal to the aggregate amount of Canadian Swingline Loans then outstanding. The Canadian Lenders will thereupon make such Advances (whether or not the conditions specified in Section 3.02 will then have been satisfied), in its Proportionate Share and the Agent will pay the proceeds thereof to the Canadian Swingline Lender to be applied in repayment of such Canadian Swingline Loans. The Agent will promptly notify the Canadian Borrower of any such Advances made, and the Canadian Borrower agrees to accept each such Advances and hereby authorizes and directs the Agent to apply the proceeds thereof as aforesaid.

(6) Upon termination of the Revolving Period, or if an Event of Default has occurred and is continuing, each of the Canadian Lenders agrees that it will purchase from the Canadian Swingline Lender, and the Canadian Swingline Lender agrees that it will sell to such Canadian Lenders, for cash, at par, without representation or warranty from or recourse against the Canadian Swingline Lender (and irrespective of whether any condition precedent to an Advance has been satisfied, any Pending Event of Default or Event of Default has occurred or is continuing or whether any acceleration or enforcement action (including any termination of the Credit Facilities and the Commitments) has occurred or been commenced under any of the Credit Documents or otherwise), according to its Proportionate Share, an undivided interest in all Canadian Swingline Loans then outstanding. The Agent, upon consultation with the applicable Lenders, will have the power to settle any documentation required to evidence any such purchase and, if deemed advisable by the Agent, to execute any document as attorney for any Lender in order to complete any such purchase. The Canadian Borrower and the Canadian Lenders acknowledge that the foregoing arrangements are to be settled by the Canadian Lenders among themselves, and the Canadian Borrower expressly consents to the foregoing arrangements among such Lenders.

(7) Each of the Canadian Lenders agrees to indemnify and save harmless the Canadian Swingline Lender according to its Proportionate Share against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, payments or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Canadian Swingline Lender in any way related to or arising out of any

Canadian Swingline Loan made by the Canadian Swingline Lender under the Canadian Swingline Facility (except for any such liabilities to the extent that they result from the gross negligence or wilful misconduct of the Canadian Swingline Lender).

2.06 US Swingline Facility

(1) Subject to the terms and conditions of this Agreement, the US Swingline Lender establishes in favour of the US Borrower as of the Effective Date a revolving credit facility which is part of the US Revolving Facility in an amount up to **[Dollar Amount Redacted]** or the Equivalent Amount in US Dollars on the terms set forth in this Section 2.06 (the "**US Swingline Facility**").

(2) At any time during the Revolving Period that the US Borrower would be entitled to obtain US Prime Rate Advances, as the case may be, under the US Revolving Facility, the US Borrower will be entitled to draw cheques on its US Dollar chequing account, as the case may be, maintained from time to time with the US Swingline Lender at the main branch of the US Swingline Lender in the United States of America (or in such other accounts with the US Swingline Lender at such other branch of the US Swingline Lender as may be agreed upon by the US Swingline Lender and the US Borrower from time to time). If no cash concentration arrangement is in place with the US Swingline Lender, the debit balance from time to time in any such US Dollar account will be deemed to be a US Prime Rate Advance, outstanding to the US Borrower from the US Swingline Lender under the US Revolving Facility. If at any time the US Borrower is a party to a cash concentration arrangement with the US Swingline Lender, then only the amount of any overdraft from time to time in the US Dollar concentration account, of the US Borrower established pursuant to such arrangement (which for greater certainty may include one of the US Dollar accounts identified above) will be deemed to be a US Prime Rate Advance outstanding to the US Borrower from the US Swingline Lender under the US Revolving Facility. A US Prime Rate Advance from the US Swingline Lender as contemplated by this Section, prior to such time as such Advance is repaid as contemplated by Sections 2.06(4) or (5), or purchased as contemplated by Section 2.06(6), is referred to as a "**US Swingline Loan**".

(3) The outstanding US Dollar amount of all US Swingline Loans at any time will not exceed the lesser of:

(a) **[Dollar Amount Redacted]** or the Equivalent Amount in US Dollars; and

(b) the amount, if any, by which:

(i) US Revolver Amount;

exceeds

(ii) the Equivalent Amount in US Dollar amount of all Advances (other than US Swingline Loans) outstanding at such time under the US Revolving Facility.

(4) It is the intention of the parties that US Swingline Loans are to be available to the US Borrower on a short-term basis pending the obtaining of Drawdowns from the US Lenders. Accordingly, if any US Swingline Loans have been outstanding for more than five Business Days, the US Swingline Lender may require the US Borrower to obtain a Drawdown, (subject to minimum Advances of LIBOR Advances), from the US Lenders in an aggregate amount equal to the aggregate amount of US Swingline Loans then outstanding; the proceeds of such Drawdown will be applied in repayment of all outstanding US Swingline Loans at such time.

(5) If the US Borrower does not repay US Swingline Loans as required by Section 2.06(4) the US Swingline Lender may (but will not be obliged to) deliver a written notice to the Agent (which will thereupon deliver a similar notice to each of the US Lenders) and to the US Borrower, whereby the US Borrower will be deemed to have requested at such time a Drawdown from the US Lenders of US Prime Rate Advances in an aggregate amount equal to the aggregate amount of US Swingline Loans then outstanding. The US Lenders will thereupon make such Advances (whether or not the conditions specified in Section 3.02 will then have been satisfied), in its Proportionate Share and the Agent will pay the proceeds thereof to the US Swingline Lender to be applied in repayment of such US Swingline Loans. The Agent will promptly notify the US Borrower of any such Advances made, and the US Borrower agrees to accept each such Advances and hereby authorizes and directs the Agent to apply the proceeds thereof as aforesaid.

(6) Upon termination of the Revolving Period, or if an Event of Default has occurred and is continuing, each of the US Lenders agrees that it will purchase from the US Swingline Lender, and the US Swingline Lender agrees that it will sell to such US Lenders, for cash, at par, without representation or warranty from or recourse against the US Swingline Lender (and irrespective of whether any condition precedent to an Advance has been satisfied, any Pending Event of Default or Event of Default has occurred or is continuing or whether any acceleration or enforcement action (including any termination of the Credit Facilities and the Commitments) has occurred or been commenced under any of the Credit Documents or otherwise), according to its Proportionate Share, an undivided interest in all US Swingline Loans then outstanding. The Agent, upon consultation with the applicable Lenders, will have the power to settle any documentation required to evidence any such purchase and, if deemed advisable by the Agent, to execute any document as attorney for any Lender in order to complete any such purchase. The US Borrower and the US Lenders acknowledge that the foregoing arrangements are to be settled by the US Lenders among themselves, and the US Borrower expressly consents to the foregoing arrangements among such Lenders.

(7) Each of the US Lenders agrees to indemnify and save harmless the US Swingline Lender according to its Proportionate Share against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, payments or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the US Swingline Lender in any way related to or arising out of any US Swingline Loan made by the US Swingline Lender under the US Swingline Facility (except for any such liabilities to the extent that they result from the gross negligence or wilful misconduct of the US Swingline Lender).

2.07 Purpose of Credit Facilities

Advances under the Credit Facilities will only be used for the following respective purposes:

(a) Advances under the Canadian Revolving Facility will only be used by the Canadian Borrower for general corporate purposes of the Obligors (subject to the terms hereof);

(b) Advances under the US Revolving Facility will only be used by the US Borrower for general corporate purposes of the Obligors (subject to the terms hereof); and

(c) Advances under the LC Facility will only be used by the Borrowers for general corporate purposes of the Obligors (subject to the terms hereof).

2.08 Manner of Borrowing

(1) The Canadian Borrower may, subject to the terms hereof, make Drawdowns, Conversions and Rollovers as applicable under the Canadian Revolving Facility (i) in Canadian Dollars, by way of Prime Rate Advances, Bankers' Acceptances (and BA Equivalent Notes) and Letters of Credit; and (ii) in US Dollars, by way of US Base Rate Advances, LIBOR Advances and Letters of Credit**.** The Canadian Borrower will have the option, subject to the terms and conditions hereof, to determine which types of Advances will be drawn down and in which combinations or proportions.

(2) The US Borrower may, subject to the terms hereof, make Drawdowns, Conversions and Rollovers as applicable under the US Revolving Facility in US Dollars, by way of LIBOR Advances, US Prime Rate Advances and Letters of Credit. The US Borrower will have the option, subject to the terms and conditions hereof, to determine which types of Advances will be drawn down and in which combinations or proportions.

(3) The aggregate amount of all Letters of Credit outstanding under the Revolving Facilities at any one time shall not exceed **[Dollar Amount Redacted]**.

(4) The Canadian Borrower may make Drawdowns under the Canadian Swingline Facility (i) in Canadian Dollars by way of Prime Rate Advances and (ii) US Dollars by way of US Base Rate Advances.

(5) The US Borrower may make Drawdowns under the US Swingline Facility in US Dollars by way of US Prime Rate Advances.

(6) Each Borrower may, subject to the terms hereof, make Drawdowns under the LC Facility (i) in Canadian Dollars by way of Letters of Credit; and (ii) in US Dollars by way of Letters of Credit**.**

2.09 Nature of the Credit Facilities

(1) During the Revolving Period, subject to the terms and conditions hereof, the Canadian Revolving Facility, the US Revolving Facility and the LC Facility are revolving credits and, accordingly, the applicable Borrower may increase or decrease Advances under either such Credit Facility by making Drawdowns, repayments and further Drawdowns of the amount of Advances that have been repaid. The aggregate of all Commitments of the Canadian Lenders under the Canadian Revolving Facility, the US Lenders under the US Revolving Facility and the LC Lender under the LC Facility shall equal the then applicable Maximum Facility Amount.

(2) The Borrowers shall have the right from time to time, upon written notice to the Agent, as long as no Event of Default or Pending Event of Default has occurred and is continuing, to re-allocate the aggregate Commitments between the Canadian Revolving Facility and the US Revolving Facility up to four times per Fiscal Year, provided that (i) the aggregate of all Commitments shall not be increased; (ii) subject to Section 2.09(3), each Lender Group is comprised of a Canadian Lender and a US Lender who are parties hereto at the time of such re-allocation, and their Commitments under each Revolving Facility are sufficient to accommodate the re-allocation; (iii) subject to Section 2.09(3), each Lender Group maintains the same Proportionate Share of Commitments under the Canadian Revolving Facility and the US Revolving Facility; and (iv) concurrently with the re-allocation, the Borrowers shall request new Advances based on the Lenders' Proportionate Shares after the re-allocation and shall apply the proceeds thereof to repay Advances such that thereafter each Lender's share of the Advances under a Revolving Facility is equal to such Lender's Proportionate Share. Subject to Section 2.09(3), the Commitments of the applicable Lender of each Lender Group under each applicable Revolving Facility will be re-allocated on a pro rata basis. Upon receipt of such notice, the Agent will give notice to each Lender and Schedule A to this Agreement will be amended by the Agent to reflect such re-allocation. The re-allocation of the Commitments will take effect 10 Business Days after written notification is received by the Agent from the Borrowers. For greater certainty, the amount of the US Revolving Facility shall be determined based upon the Equivalent Amount in Canadian Dollars in effect on the date of such re-allocation.

(3) If a Canadian Lender or a US Lender (each, a "**Domestic Lender**") does not have an Affiliate in the US or Canada, respectively, and as a result is unable to provide loans in the US or Canada, respectively, then the applicable Lender Group may be comprised of solely such Domestic Lender, and such Domestic Lender may hold Commitments solely in the Canadian Revolving Facility or the US Revolving Facility, as applicable. In such case, the Agent may re-allocate such Domestic Lender's Commitments amongst the other Lenders in respect of the Revolving Facilities for which such Domestic Lender is not providing Commitments.

2.10 Drawdowns, Conversions and Rollovers

(1) Subject to the provisions of this Agreement, the Canadian Borrower may (i) make Drawdowns hereunder; (ii) convert the whole or any part of any type of Advance into any other type of Advance; or (iii) may rollover any Bankers' Acceptances, BA Equivalent

Note or LIBOR Advance on the last day of the applicable Interest Period therefor, by giving the Agent a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be. Subject to the provisions of this Agreement, the US Borrower may (i) make Drawdowns hereunder; (ii) convert the whole or any part of any type of Advance permitted hereunder into any other type of Advance permitted hereunder, or (iii) may rollover any LIBOR Advance by giving the Agent a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be.

(2) The applicable Borrower may at any time make a Drawdown, Conversion or Rollover under a Credit Facility by delivering a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, to the Agent not later, except in the case of the first Drawdown, than:

(a) 11:00 a.m. (Toronto time) three Business Days prior to the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, for LIBOR Advances;

(b) 11:00 a.m. (Toronto time) one Business Day prior to the proposed Drawdown Date or Conversion Date, as the case may be, for Prime Rate Advances, US Base Rate Advances or US Prime Rate Advances;

(c) 11:00 a.m. (Toronto time) two Business Days prior to the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, for Bankers' Acceptances and BA Equivalent Notes; and

(d) 11:00 a.m. (Toronto time) three Business Days prior to the proposed Drawdown Date, Rollover Date or Conversion Date, as the case may be, for Letters of Credit.

(3) Each Drawdown, Conversion or Rollover under the Credit Facilities will (a) in the case of Prime Rate Advances, be in a minimum principal amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]** (b) in the case of Bankers' Acceptances to be accepted by the Lenders, be in a minimum face amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]** for a term of one month, subject to availability; provided that no Lender shall be required to accept its Proportionate Share of any Bankers' Acceptance in an amount that is less than **[Dollar Amount Redacted]**; (c) in the case of US Prime Rate Advances and US Base Rate Advances, be in a minimum principal amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]**; and (d) and in the case of LIBOR Advances, be in a minimum principal amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]** for a term of either one week or one month, subject to availability.

(4) The provisions of Sections 2.10(1), 2.10(2) and 2.10(3) do not apply to Canadian Swingline Loans or US Swingline Loans.

2.11 Agent's Obligations with Respect to Advances

Upon receipt of a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, the Agent will forthwith notify the Lenders of the proposed Drawdown Date, of

each Lender's Proportionate Share of such Advance and, if applicable, the account of the Agent to which each Lender's Proportionate Share is to be credited.

2.12 Lenders' and Agent's Obligations with Respect to Advances

(1) With respect to Advances under the Canadian Revolving Facility, each Canadian Lender will, prior to 1:00 p.m. (Toronto time) on the Drawdown Date, Conversion Date or Rollover Date, as the case may be, specified by the Canadian Borrower in a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, credit the Agent's account specified in the Agent's notice given under Section 2.11 with such Lender's Proportionate Share of such Advance and by 1:00 p.m. (Toronto time) on the same date the Agent will make available the full amount of the amounts so credited to the Canadian Borrower.

(2) With respect to Advances under the US Revolving Facility, each US Lender will, prior to 1:00 p.m. (Toronto time) on the Drawdown Date, Conversion Date or Rollover Date, as the case may be, specified by the US Borrower in a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, credit the Agent's account specified in the Agent's notice given under Section 2.11 with such Lender's Proportionate Share of such Advance and by 1:00 p.m. (Toronto time) on the same date the Agent will make available the full amount of the amounts so credited to the US Borrower.

2.13 Irrevocability

A Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, given by a Borrower hereunder will be irrevocable and will oblige such Borrower to take the action contemplated on the date specified therein.

2.14 Termination of LIBOR Advances

(1) If at any time a Lender determines, acting reasonably, (which determination will be conclusive and binding on the Borrowers) that:

(a) the LIBO Rate does not adequately reflect the effective cost to the Lender of making or maintaining a LIBOR Advance; or

(b) it cannot readily obtain or retain funds in the London interbank market in order to fund or maintain any LIBOR Advance for a LIBOR Interest Period selected by a Borrower or cannot otherwise perform its obligations hereunder with respect to any LIBOR Advance for any such period;

then the Lender will inform the Agent and upon at least four Business Days written notice by the Agent to such Borrower, and

(c) the right of a Borrower to request LIBOR Advances for such period from that Lender will be and remain suspended until the Agent notifies such Borrower that any condition causing such determination no longer exists; and

(d) if the Lender is prevented from maintaining a LIBOR Advance, the applicable Borrower will, at its option, either repay the LIBOR Advance to that Lender or convert the LIBOR Advance into other forms of Advance which are permitted by this Agreement, and the Borrowers will be responsible for any loss or expense that the Lender incurs as a result, including Breakage Costs, if the Lender is prevented from maintaining a LIBOR Advance.

(2) If at any time the Agent determines that the LIBO Rate is not determinable pursuant to clause (a) or (b) in the definition of "LIBO Rate", the Agent will so notify the Borrowers, and the right of the Borrowers to request LIBOR Advances for such period will be and remain suspended until the Agent notifies the Borrowers that any condition causing such determination no longer exists.

2.15 LIBOR Discontinuation

(1) If the Agent determines (which determination shall be conclusive absent manifest error), or the Borrowers or the Majority Lenders notify the Agent that the Borrowers or the Majority Lenders (as applicable) have determined that:

(a) adequate and reasonable means do not exist for ascertaining LIBO Rate, including because the "LIBOR01 Page" of Reuter Money Rates Service (or any successor source from time to time for such rate) (the "**LIBOR Screen Rate**") is not available or published on a current basis for the applicable period and such circumstances are unlikely to be temporary;

(b) the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the administration of the LIBOR Screen Rate has made a public statement identifying a specific date after which LIBOR Screen Rate will permanently or indefinitely cease to be made available or permitted to be used for determining the interest rate of loans;

(c) a Governmental Authority having jurisdiction over the Agent has made a public statement identifying a specific date after which the LIBO Rate or the LIBOR Screen Rate shall no longer be permitted to be used for determining the interest rate of loans (each such specific date in clause (b) above and in this clause (c) a "**LIBOR Scheduled Unavailability Date**"); or

(d) syndicated loans currently being executed, or that include language similar to that contained in this Section 2.15, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace the LIBO Rate,

then reasonably promptly after such determination by the Agent or receipt by the Agent of such notice, as applicable, the Agent and the Borrowers may mutually agree upon a successor rate to the LIBO Rate, and the Agent and the Borrowers may amend this Agreement to replace the LIBO Rate with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar Canadian Dollar or United States Dollars denominated syndicated credit facilities for such alternative benchmark (any such proposed rate,

a "**LIBO Successor Rate**"), together with any proposed LIBO Successor Rate conforming changes and any such amendment shall become effective 5:00 p.m. (Toronto time) on the fifth Business Day after the Agent shall have posted such proposed amendment to all Lenders and the Borrowers unless, prior to such time, Lenders comprising the Majority Lenders have delivered to the Agent written notice that such Majority Lenders do not accept such amendment.

(2) If no LIBO Successor Rate has been determined and the circumstances under Section 2.14(1) above exist or a LIBOR Scheduled Unavailability Date has occurred (as applicable), the Agent will promptly so notify the Borrowers and each Lender. Thereafter, the obligation of the Lenders to make or maintain LIBOR Advances shall be suspended (to the extent of the affected LIBOR Advances or the applicable Interest Periods). Upon receipt of such notice, the Borrowers may revoke any pending request for an Advance of, conversion to or rollover of LIBOR Advances (to the extent of the affected LIBOR Advances or the applicable Interest Periods) or, failing that, will be deemed to have converted such request into a request for a US Base Rate Advance in the amount specified therein.

(3) Notwithstanding anything else herein, any definition of the LIBO Successor Rate (exclusive of any margin) shall provide that in no event shall such LIBO Successor Rate be less than zero for the purpose of this Agreement, and nothing herein shall affect or impact a LIBOR Advance that has already been made until a Rollover Date or Conversion Date occurs with respect to such LIBOR Advance.

2.16 CDOR Discontinuation

(1) If the Agent determines (which determination shall be conclusive absent manifest error), or the Borrowers or the Majority Lenders notify the Agent that the Borrowers or Majority Lenders (as applicable) have determined that:

(a) adequate and reasonable means do not exist for ascertaining CDOR, including because the Reuters Screen CDOR page is not available or published on a current basis for the applicable period and such circumstances are unlikely to be temporary;

(b) the administrator of the CDOR or a Governmental Authority having jurisdiction has made a public statement identifying a specific date after which CDOR will permanently or indefinitely cease to be made available or permitted to be used for determining the interest rate of loans;

(c) a Governmental Authority having jurisdiction over the Agent has made a public statement identifying a specific date after which CDOR shall no longer be permitted to be used for determining the interest rate of loans (each such specific date in clause (b) above and in this clause (c) a "**CDOR Scheduled Unavailability Date**"); or

(d) syndicated loans currently being executed, or that include language similar to that contained in this Section 2.16, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace CDOR,

then reasonably promptly after such determination by the Agent or receipt by the Agent of such notice, as applicable, the Agent and the Borrowers may mutually agree upon a successor rate to CDOR, and the Agent and the Borrowers may amend this Agreement to replace CDOR with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing convention for similar Canadian Dollars denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a "**CDOR Successor Rate**"), together with any proposed CDOR Successor Rate conforming changes and any such amendment shall become effective at 5:00 p.m. (Toronto time) on the fifth Business Day after the Agent shall have posted such proposed amendment to all Lenders and the Borrowers unless, prior to such time, Lenders comprising the Majority Lenders have delivered to the Agent written notice that such Majority Lenders do not accept such amendment.

(2) If no CDOR Successor Rate has been determined and the circumstances under Section 2.16(1) above exist or a CDOR Scheduled Unavailability Date has occurred (as applicable), the Agent will promptly so notify the Borrowers and each Lender. Thereafter, the obligation of the Lenders to make, issue or maintain Bankers' Acceptances or BA Equivalent Notes, shall be suspended (to the extent of the affected Bankers' Acceptances or BA Equivalent Notes, or applicable Interest Periods). Upon receipt of such notice, the Borrowers may revoke any pending request for an Advance of, conversion to or rollover of a Bankers' Acceptance or BA Equivalent Note, (to the extent of the affected Bankers' Acceptance or BA Equivalent Note or applicable Interest Periods) or, failing that, will be deemed to have converted such request into a request for an Advance of Prime Rate Advances in the amount specified therein.

(3) Notwithstanding anything else herein, any definition of the CDOR Successor Rate (exclusive of any margin) shall provide that in no event shall such CDOR Successor Rate be less than zero for the purposes of this Agreement. In addition, CDOR shall not be included or referenced in the definition of Prime Rate and nothing herein shall affect or impact a CDOR Advance that has already been made until a Rollover Date or Conversion Date occurs with respect to such CDOR Advance.

ARTICLE 3
DISBURSEMENT CONDITIONS

3.01 Conditions Precedent

The obligations of the Lenders under this Agreement are subject to and conditional upon the following conditions precedent being fulfilled to the satisfaction of the Agent and the Lenders:

(1) this Agreement, the Guarantees, the Security Documents and the Confirmation will have been executed and delivered by all parties thereto;

(2) the Agent shall have received, unless otherwise stated herein, in form and substance satisfactory to the Agent:

(i) evidence of a successful implementation of the Recapitalization Plan in form and substance satisfactory to the Lenders, including a copy of the

final order of the Court approving the Recapitalization Plan pursuant to the Proceedings;

(ii) evidence of a successful completion of an equity offering of common shares of JustEnergy for aggregate proceeds of the lesser of (i) $100,000,000 and (ii) US$73,000,000;

(iii) a flow of funds, including a sources and uses of funds statement of JustEnergy to complete the Recapitalization Transaction and to reduce the Maximum Facility Amount to $335,000,000 on the Effective Date;

(iv) certified copies of (a) the Subordinated Facility Agreement and all other agreements, instruments and documents evidencing that the 2018 Subordinated Debt (as defined in the Eighth Amended and Restated Credit Agreement) and the Debt under the UK Convertible Bonds (as defined in the Eighth Amended and Restated Credit Agreement) have been fully refinanced on terms satisfactory to the Lenders, acting reasonably, (b) the agency assignment and release agreement dated as of September 28, 2020 between National Bank of Canada, as assignor, and Computershare Trust Company of Canada, as assignee, relating to the Subordinated Facility Agreement, and (c) the $15 Million Subordinated Note Indenture and all other agreements, instruments and documents evidencing the $15 Million Subordinated Note;

(v) a duly executed 2020 Subordinated Debt Subordination Agreement; and

(vi) a duly executed confirmation of subordination in respect of the $15 Million Subordinated Note granted by Computershare Trust Company of Canada (being the trustee of the $15 Million Subordinated Note) and JustEnergy in favour of the Agent and the Collateral Agent;

(3) the Agent will have received certified copies of the Organizational Documents of each Obligor, the resolutions authorizing the execution, delivery and performance of each such Obligor's respective obligations under the Credit Documents and the transactions contemplated herein, and certificates as to the incumbency of the officers of such Obligor;

(4) copies of all agreements which restrict or limit the powers of an Obligor or its directors or officers not otherwise delivered under Subsection 3.01(3), certified by such Obligor to be true, will have been delivered to the Agent;

(5) certificates of status or good standing, as applicable, of each Obligor will have been delivered to the Agent;

(6) the Agent will have received certified copies of all approvals of any Governmental Authorities or other third parties required for (a) the execution, delivery and performance of each Obligor's respective obligations under the Credit Documents and the transactions contemplated therein (other than the approvals, clarifications or authorizations of the Governmental Authorities (including, without limitation, the Reserve Bank of India) required

under the laws of India for the execution and delivery by JEBPO of the Guarantee and the Security Documents to which it is a party, and the performance by JEBPO of its obligations thereunder), (b) the implementation of the Recapitalization Plan, and (c) the issuance of the $15 Million Subordinated Note, each as of the Effective Date;

(7) a currently dated certificate of the Borrowers that the representations and warranties set forth in Section 8.01 are true and correct (subject to any materiality thresholds contained therein) as at such time will have been delivered to the Agent;

(8) releases, discharges (or written authorizations to discharge from the applicable Encumbrance holder in form acceptable to the Agent) and postponements (in registerable form where appropriate) with respect to all Encumbrances affecting the collateral Encumbered by the Security which are not Permitted Encumbrances or which are Permitted Encumbrances but which are not permitted to have priority over the Security, if any, will have been delivered to the Agent;

(9) no Event of Default or Pending Event of Default has occurred and is continuing on the Effective Date;

(10) all financing statements or other registrations of the Security, or notices thereof, will have been filed, registered, entered or recorded in all offices of public record necessary or desirable in the opinion of the Agent to preserve or protect the charges and security interests created thereby;

(11) the Collateral Agent will have received certificates of insurance acceptable to the Collateral Agent showing the Collateral Agent, where applicable, as a loss payee as its interest may appear, named insured and endorsed with a standard mortgage clause (as applicable) on all insurance policies that insure the assets to be secured by the Security;

(12) a currently dated letter of opinion of Borrowers' Counsel along with the opinions of local counsel, each in form and substance satisfactory to the Lenders and the Lenders' Counsel will have been delivered to the Agent and the Lenders as addressees;

(13) there will not have occurred, developed or come into effect any event, actions, state, condition or financial occurrence of national or international consequence, or any law, regulation, action, government regulation, inquiry or other occurrence of any nature whatsoever which, in the reasonable opinion of the Agent, disrupts or adversely affects in any material way, the state of financial, banking or capital markets in Canada or the United States;

(14) no Material Adverse Effect shall have occurred since March 31, 2020;

(15) the Agent and the Lenders will have received, or arrangements satisfactory to the Agent shall have been made to ensure that they will receive, all fees and expenses due under the Credit Documents or as otherwise agreed to with the Borrowers pursuant to any fee letters or other agreements between such parties;

(16) the Borrowers will have paid, or arrangements satisfactory to the Agent shall have been made to ensure that the Borrowers will pay, all reasonable out-of-pocket expenses

(including all reasonable legal fees and consultant's fees) incurred by or on behalf of the Agent in connection with this Agreement and the transactions and other documents contemplated by this Agreement; and

(17) the Agent will have received such additional evidence, documents or undertakings as the Lenders will reasonably request to establish the consummation of the transactions contemplated hereby and be satisfied, acting reasonably, as to the taking of all proceedings in connection herewith in compliance with the conditions set forth in this Agreement,

provided that all documents delivered pursuant to this Section 3.01 will be in full force and effect, and in form and substance satisfactory to the Agent and the Lenders, acting reasonably.

3.02 Conditions Precedent to Subsequent Advances

The obligation of the Lenders to make any Advance after the Effective Date (other than a Conversion or a Rollover) is subject to and conditional upon the following conditions precedent being fulfilled to the satisfaction of the Agent by the Borrowers:

(1) the Agent will have received timely notice as required under Section 2.10(2);

(2) the representations and warranties deemed to be repeated pursuant to Section 8.02 continue to be true and correct in all material respects as if made on and as of the Drawdown Date except to the extent that such representations and warranties relate specifically to an earlier date and the Borrowers will have provided a certificate to such effect;

(3) no Event of Default or Pending Event of Default has occurred and is continuing on the Drawdown Date, or would result from making the Advance;

(4) if the Advance is being requested under the LC Facility, the LC Lender shall have received all EDC Documents required by the LC Lender, such EDC Documents to be in form and substance satisfactory to the LC Lender; and

(5) all other conditions precedent in this Agreement that have not been waived upon which the Borrowers may obtain an Advance have been fulfilled.

3.03 Waiver

The conditions set forth in Sections 3.01 and 3.02 are inserted for the sole benefit of the Agent and Lenders and may be waived by the Agent and Lenders in accordance with the terms of Section 13.09, in whole or in part (with or without terms or conditions), in respect of any Drawdown without prejudicing the right of the Agent and Lenders at any time to assert such conditions in respect of any subsequent Drawdown.

ARTICLE 4
PAYMENTS OF INTEREST AND STANDBY FEES

4.01 Interest on Prime Rate Advances

The Canadian Borrower will pay interest on each Prime Rate Advance during each Interest Period applicable thereto in Canadian Dollars at a rate per annum equal to the sum of (i) the Prime Rate in effect from time to time during such Interest Period plus (ii) the Prime Rate Margin. Each determination by the Agent of the Prime Rate and the Prime Rate Margin applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the Canadian Borrower. Such interest will be payable in arrears on each Interest Payment Date for such Advance for the period from and including the Drawdown Date or the preceding Conversion Date or Interest Payment Date, as the case may be, for such Advance to and including the day preceding such Interest Payment Date and will be calculated on the principal amount of the Prime Rate Advance outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be. Changes in the Prime Rate will cause an immediate adjustment of the interest rate applicable to such Advance without the necessity of any notice to the Canadian Borrower.

4.02 Interest on US Base Rate Advances

The Canadian Borrower will pay interest on each US Base Rate Advance during each Interest Period applicable thereto in United States Dollars at a rate per annum equal to the sum of (i) the US Base Rate, in effect from time to time during such Interest Period plus (ii) the US Base Rate Margin. Each determination by the Agent of the US Base Rate and the US Base Rate Margin, applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the Canadian Borrower. Such interest will be payable in arrears on each Interest Payment Date for such Advance for the period from and including the Drawdown Date or the preceding Conversion Date or Interest Payment Date, as the case may be, for such Advance to and including the day preceding such Interest Payment Date and will be calculated on the principal amount of the US Base Rate Advance outstanding during such period and on the basis of the actual number of days elapsed divided by 365 or 366, as applicable. Changes in the US Base Rate will cause an immediate adjustment of the interest rate applicable to such Advance without the necessity of any notice to the Canadian Borrower.

4.03 Interest on US Prime Rate Advances

The US Borrower will pay interest on each US Prime Rate Advance during each Interest Period applicable thereto in United States Dollars at a rate per annum equal to the sum of (i) the US Prime Rate in effect from time to time during such Interest Period plus (ii) the US Prime Rate Margin. Each determination by the Agent of the US Prime Rate and the US Prime Rate Margin applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the US Borrower. Such interest will be payable in arrears on each Interest Payment Date for such Advance for the period from and including the Drawdown Date or the preceding Conversion Date or Interest Payment Date, as the case may be, for such Advance to and including the day preceding such Interest Payment Date and will be calculated on the principal amount of the US Prime Rate Advance outstanding during such period and on

the basis of the actual number of days elapsed divided by 365 or 366, as applicable. Changes in the US Prime Rate will cause an immediate adjustment of the interest rate applicable to such Advance without the necessity of any notice to the US Borrower.

4.04 Interest on LIBOR Advances

The applicable Borrower will pay interest on each LIBOR Advance during each Interest Period applicable thereto in United States Dollars at a rate per annum equal to the sum of (i) the LIBO Rate in effect from time to time during such Interest Period plus (ii) the LIBO Rate Margin. Each determination by the Agent of the LIBO Rate and the LIBO Rate Margin applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the applicable Borrower. Such interest will be payable in arrears on each Interest Payment Date for such Advance for the period from and including the Drawdown Date or the preceding Conversion Date, Rollover Date or Interest Payment Date, as the case may be, for such Advance to and including the day preceding such Interest Payment Date and will be calculated on the principal amount of the LIBOR Advance outstanding during such period and on the basis of the actual number of days elapsed divided by 360.

4.05 No Set-Off, Deduction etc.

All payments (whether interest or otherwise) to be made by a Borrower or any other party to each Lender pursuant to this Agreement are to be made in freely transferable, immediately available funds and without set-off or deduction of any kind whatsoever (whether for deemed re-investment or otherwise) except to the extent required by Applicable Law, and if any such set-off or deduction is so required and is made, such Borrower or other party will, as a separate and independent obligation to each Lender, be obligated to immediately pay to each Lender all such additional amounts as may be required to fully indemnify and save harmless such Lender from such set-off or deduction and will result in the effective receipt by such Lender of all the amounts otherwise payable to it in accordance with the terms of this Agreement. For greater certainty, a Borrower will not be required to make any payment under this Section 4.05 in duplication of any payment required to be made under Section 14.04 or to the extent expressly excluded in Section 14.04.

4.06 Standby Fees

(1) The Canadian Borrower will pay to the Agent for the account of the Canadian Lenders in accordance with their Proportionate Share a standby fee in Canadian Dollars calculated at the rate per annum specified as the "Standby Fee Rate" in the table contained in the definition of "Applicable Margin" on the amount by which the daily average of the aggregate of all Advances (with Advances in US Dollars being converted to an Equivalent Amount in Canadian Dollars) outstanding under the Canadian Revolving Facility (excluding Advances outstanding under the Canadian Swingline Facility and the US Swingline Facility for which Standby Fees should be paid directly to the Swingline Lender) during such Fiscal Quarter is less than the Canadian Revolver Amount. The standby fee will be determined daily beginning on the date hereof and will be calculated on the basis of a calendar year of 365 or 366 days, as the case may be, and will be payable by the Canadian Borrower quarterly in arrears on the first Business Day of each Fiscal Quarter.

(2) The US Borrower will pay to the Agent for the account of the US Lenders in accordance with their Proportionate Share a standby fee in Canadian Dollars calculated at the rate per annum specified as the applicable "Standby Fee Rate" in the table contained in the definition of "Applicable Margin" on the amount by which the daily average of the aggregate of all Advances outstanding under the US Revolving Facility during such Fiscal Quarter is less than the US Revolver Amount. The standby fee will be determined daily beginning on the date hereof and will be calculated on the basis of a calendar year of 365 or 366 days, as the case may be, and will be payable by the US Borrower quarterly in arrears on the first Business Day of each Fiscal Quarter.

4.07 Agency and Other Fees

In consideration of the Agent arranging the Credit Facilities and acting as agent under the Credit Documents, the Borrowers will pay to the Agent an agency fee and the other fees expressed to be for the account of the Lenders in the amounts, and on the terms and conditions, (a) set out in the agency fee letter dated March 1, 2019 entered into by the Agent and the Borrowers, (b) set out in the fee letter dated July 8, 2020 entered into by the Agent and the Borrowers, and (c) as otherwise agreed to in writing from time to time by the Agent and the Borrowers. For greater certainty, such fee letters and any other written arrangements between the Agent and the Borrowers respecting fees will constitute Credit Documents will survive the execution of this Agreement and will in all respects remain operative and binding on the Canadian Borrower.

4.08 Late Payment

If any payment required to be made by a Borrower hereunder or any other Credit Document (including, without limitation, any payment of principal, interest or fees), is not made on the due date thereof, such Borrower will pay interest (including interest on overdue interest) on the amount of such required payment at the Late Payment Rate (but without duplication of interest payable pursuant to Section 4.01, 4.02 or 4.03) until payment in full of such required payment has been made.

4.09 Account of Record

The Agent will open and maintain books of account evidencing all Advances and all other amounts owing by the Canadian Borrower and the US Borrower to the Lenders hereunder. The Agent will enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Canadian Borrower or the US Borrower hereunder. The information entered in the foregoing accounts will constitute *prima facie* evidence of the obligations of the Canadian Borrower and the US Borrower to the Lenders hereunder with respect to all Advances and all other amounts owing by the Canadian Borrower and the US Borrower to the Lenders hereunder. After a request by the Canadian Borrower or the US Borrower the Agent will promptly advise the Canadian Borrower and the US Borrower of such entries made in the Agent's books of account.

4.10 Refinancing Fees

If, on or prior to December 31, 2022, the Credit Facilities are not fully refinanced on terms satisfactory to the Lenders, acting reasonably, the Borrowers will pay to the Agent on the account of the Lenders a non-refundable fee in the amount of **[Fee Redacted]**, which shall be due and payable on January 3, 2023 and fully earned when due.

ARTICLE 5
BANKERS' ACCEPTANCES AND LETTERS OF CREDIT

5.01 Bankers' Acceptances under the Canadian Revolving Facility

(1) To facilitate the procedures contemplated in this Agreement, the Canadian Borrower irrevocably appoints each Canadian Lender from time to time as the attorney-in-fact of the Canadian Borrower to execute, endorse and deliver on behalf of the Canadian Borrower drafts in the forms prescribed by such Lender (if such Lender is a BA Lender) for bankers' acceptances denominated in Cdn. Dollars (each such executed draft which has not yet been accepted by a Lender being referred to as a "**Draft**") or non-interest-bearing promissory notes of the Canadian Borrower in favour of such Lender (if such Lender is a Non BA Lender) (each such promissory note being referred to as a "**BA Equivalent Note**"). Each Bankers' Acceptance and BA Equivalent Note executed and delivered by a Lender on behalf of the Canadian Borrower as provided for in this Section will be as binding upon the Canadian Borrower as if it had been executed and delivered by a duly authorized officer of the Canadian Borrower.

(2) Notwithstanding Section 5.01(1), the Canadian Borrower will from time to time as required by the applicable Lender provide to the Lenders an appropriate number of Drafts drawn by the Canadian Borrower upon each BA Lender and either payable to a clearing service (if such BA Lender is a member thereof) or payable to the Canadian Borrower and endorsed in blank by the Canadian Borrower (if such BA Lender is not a member of such clearing service) and an appropriate number of BA Equivalent Notes in favour of each Non BA Lender. The dates, the maturity dates and the principal amounts of all Drafts and BA Equivalent Notes delivered by the Canadian Borrower will be left blank, to be completed by the Lenders as required by this Agreement. All such Drafts or BA Equivalent Notes will be held by each Lender subject to the same degree of care as if they were such Lender's own property kept at the place at which the Drafts or BA Equivalent Notes are ordinarily kept by such Lender. Each Lender, upon written request of the Canadian Borrower, will promptly advise the Canadian Borrower of the number and designation, if any, of the Drafts and BA Equivalent Notes then held by it. No Lender will be liable for its failure to accept a Draft or purchase a BA Equivalent Note as required by this Agreement if the cause of such failure is, in whole or in part, due to the failure of the Canadian Borrower to provide on a timely basis appropriate Drafts or BA Equivalent Notes to the applicable Lender as may be requested by such Lender on a timely basis from time to time.

(3) The Agent, promptly following receipt of a Drawdown Notice requesting Bankers' Acceptances, will (i) advise each BA Lender of the face amount and the term of the Draft to be accepted by it and (ii) advise each applicable Non BA Lender of the face amount

and term of the BA Equivalent Note to be purchased by it. All Drafts to be accepted from time to time by each BA Lender that is a member of a clearing service will be payable to such clearing service. The term of all Bankers' Acceptances and BA Equivalent Notes issued pursuant to any Drawdown Notice will be identical. Each Bankers' Acceptance and BA Equivalent Note will be dated the Drawdown Date on which it is issued and will be for a term of one month provided that in no event will the term of a Bankers' Acceptance or a BA Equivalent Note extend beyond the Maturity Date. The face amount of the Draft (or the aggregate face amount of the Drafts) to be accepted at any time by each Lender which is a BA Lender, and the face amount of the BA Equivalent Notes to be purchased at any time by each Lender which is a Non BA Lender, will be determined by the Agent based upon the amounts of their respective Commitments under the Canadian Revolving Facility. In determining a Lender's Proportionate Share of a request for Bankers' Acceptances, the Agent, in its sole discretion, will be entitled to increase or decrease the face amount of any Draft, or BA Equivalent Note to the nearest **[Dollar Amount Redacted]**.

(4) Each BA Lender will complete and accept on the applicable Drawdown Date a Draft having a face amount (or Drafts having the face amounts) and term advised by the Agent pursuant to Section 5.01(3). Each applicable BA Lender will purchase on the applicable Drawdown Date the Bankers' Acceptance or Bankers' Acceptances accepted by it, for an aggregate price equal to the BA Discount Proceeds of such Bankers' Acceptance (or Bankers' Acceptances). The Canadian Borrower will ensure that there is delivered to each applicable BA Lender that is a member of a clearing service such Drafts as are consistent with the requirements of the *Depository Bills and Notes Act* (Canada), and such BA Lender is hereby authorized to release the Bankers' Acceptance accepted by it to such clearing house upon receipt of confirmation that such clearing house holds such Bankers' Acceptance for the account of such BA Lender.

(5) Each Non BA Lender, in lieu of accepting Drafts or purchasing Bankers' Acceptances on any Drawdown Date, will complete and purchase from the Canadian Borrower on such Drawdown Date a BA Equivalent Note in a face amount and for a term identical to the face amount and term of the Draft or Drafts which such Non BA Lender would have been required to accept on such Drawdown Date if it were a BA Lender, for a price equal to the BA Discount Proceeds of such BA Equivalent Note. Each Non BA Lender will be entitled without charge to exchange any BA Equivalent Note held by it for two or more BA Equivalent Notes of identical date and aggregate face amount, and the Canadian Borrower will execute and deliver to such Non BA Lender such replacement BA Equivalent Notes in exchange for which such Non BA Lender will return the original BA Equivalent Note to the Canadian Borrower for cancellation.

(6) The Canadian Borrower will pay to each BA Lender in respect of each Draft tendered by the Canadian Borrower to and accepted by such BA Lender, and to each Non BA Lender in respect of each BA Equivalent Note tendered to and purchased by such Non BA Lender, as a condition of such acceptance or purchase, the BA Stamping Fee.

(7) Upon acceptance of each Draft or purchase of each BA Equivalent Note, the Canadian Borrower will pay to the applicable Lender the related fee specified in Section 5.01(6), and to facilitate payment such Lender will be entitled to deduct and retain for

its own account the amount of such fee from the amount to be transferred by such Lender to the Agent for the account of the Canadian Borrower pursuant to this Agreement in respect of the sale of the related Bankers' Acceptance or of such BA Equivalent Note.

(8) If the Agent (on instruction from the Majority Lenders) determines in good faith, which determination will be final, conclusive and binding upon the Canadian Borrower, and so notifies the Canadian Borrower, that there does not exist at the applicable time a normal market in Canada for the purchase and sale of bankers' acceptances, any right of the Canadian Borrower to require the Lenders to purchase Bankers' Acceptances and BA Equivalent Notes under this Agreement will be suspended until the Agent determines that such market does exist and gives notice thereof to the Canadian Borrower and any Drawdown Notice, Conversion Notice or Rollover Notice requesting Bankers' Acceptances will be deemed to be a Drawdown Notice or Conversion Notice requesting a Prime Rate Advance in a similar aggregate principal amount.

(9) On the date of maturity of each Bankers' Acceptance or BA Equivalent Note, the Canadian Borrower will pay to the Agent, for the account of the holder of such Bankers' Acceptance or BA Equivalent Note, in Canadian Dollars an amount equal to the face amount of such Bankers' Acceptance or BA Equivalent Note, as the case may be. In the case of a Rollover of a Bankers' Acceptance or BA Equivalent Note, in order to satisfy the continuing liability of the applicable Borrower to a Lender for the face amount of the maturing Bankers' Acceptance or BA Equivalent Note, the Lender will determine and retain the BA Discount Proceeds of the new Bankers' Acceptance or BA Equivalent Note, and the Canadian Borrower will, on the maturity date of the maturing Bankers' Acceptance or BA Equivalent Note, pay to the Agent for the account of the relevant Lender (i) the difference between the principal amount of the maturing Bankers' Acceptance or BA Equivalent Note and the BA Discount Proceeds from the new Bankers' Acceptance or BA Equivalent Note and (ii) the BA Stamping Fee in respect of the new Bankers' Acceptance or BA Equivalent Note. The obligation of the Canadian Borrower to make such payment will not be prejudiced by the fact that the holder of such Bankers' Acceptance is the Lender that accepted such Bankers' Acceptances. No days of grace will be claimed by the Canadian Borrower for the payment at maturity of any Bankers' Acceptance or BA Equivalent Note. If the Canadian Borrower does not make such payment, from the proceeds of an Advance obtained under this Agreement or otherwise, the amount of such required payment will be deemed to be a Prime Rate Advance to the Canadian Borrower from the Lender that accepted such Banker's Acceptance or purchased such BA Equivalent Note.

(10) The signature of any duly authorized officer of the Canadian Borrower on a Draft or a BA Equivalent Note may be mechanically reproduced in facsimile, and all Drafts and BA Equivalent Notes bearing such facsimile signature will be as binding upon the Canadian Borrower as if they had been manually signed by such officer, notwithstanding that such Person whose manual or facsimile signature appears on such Draft or BA Equivalent Note may no longer hold office at the date of such Draft or BA Equivalent Note or at the date of acceptance of such Draft by a BA Lender or at any time thereafter.

5.02 Letters of Credit under the Revolving Facilities

(1) If the Canadian Borrower wishes to request an Advance by way of issuance of Letters of Credit, the Canadian Borrower will, at the time it delivers the notice required pursuant to Section 2.10(2), notify the Agent of the identity of the applicable Canadian Issuing Lender and, subject to the Agent's approval of such Canadian Issuing Lender, execute and deliver the applicable Canadian Issuing Lender's usual documentation relating to the issuance and administration of Letters of Credit. In the event of any inconsistency between the terms of such documentation and this Agreement, the terms of this Agreement will prevail.

(2) Each request for a Letter of Credit under the Canadian Revolving Facility will be made available by a Canadian Issuing Lender.

(3) No Letter of Credit may be issued under the Canadian Revolving Facility for a period in excess of eighteen (18) months. No Letter of Credit may be issued under the Canadian Revolving Facility for a period in excess of nine (9) months beyond the Maturity Date, and on the Maturity Date cash collateral therefor will be deposited with the applicable Canadian Issuing Lender in accordance with Section 5.02(11). No Letter of Credit may be used to secure trading facilities with financial institutions that are not suppliers of natural gas or electricity in the ordinary course.

(4) If, at any time, a demand for payment (the amount so demanded being herein referred to as a "**relevant amount**" for purposes of this Section 5.02) is made under a Letter of Credit and notification thereof is given by the applicable Canadian Issuing Lender to the Agent, then:

(a) the Agent will:

(i) promptly notify the Canadian Borrower and each of the other Canadian Lenders of such demand; and

(ii) make demand on each Canadian Lender for an amount equal to its Proportionate Share of such relevant amount;

(b) on the second Business Day following the date of the demand made by the Agent under Subsection (a) above, each Canadian Lender will pay to the Agent the amount demanded of it pursuant to Subsection (a)(ii) above; and

(c) the Agent will pay such relevant amount to the applicable Canadian Issuing Lender and the applicable Canadian Issuing Lender will pay such relevant amount together with the balance of the amount demanded to the Person entitled thereto on the date upon which such relevant amount becomes payable under the Letter of Credit in accordance with its terms.

(5) The Canadian Borrower will be deemed to have requested a Prime Rate Advance or US Base Rate Advance, as applicable, of the amount demanded from the applicable Canadian Issuing Lender under a Letter of Credit.

(6) The Canadian Borrower hereby undertakes to indemnify and hold harmless the Agent, each Canadian Issuing Lender and each of the Lenders from time to time on demand by the Agent from and against all liabilities and costs in connection with any Letter of Credit (including, without limitation, any costs incurred in funding any amount which falls due from any Canadian Issuing Lender and any Lender under any Letter of Credit hereunder but without duplication of costs in respect of which such Canadian Issuing Lender has already been compensated by the fees and charges applicable to Letters of Credit) except where such liabilities or costs result from the gross negligence or wilful misconduct of the person claiming indemnification.

(7) Each Canadian Issuing Lender will at all times be entitled, and is irrevocably authorized by the Canadian Borrower, to make any payment under Letters of Credit issued by it for which a request or demand has been made in the required form without any further reference to the Canadian Borrower and any investigation or enquiry, need not concern itself with the propriety or validity of any claim made or purported to be made under the terms of such Letter of Credit (except as to compliance with the payment conditions of such Letters of Credit) and will be entitled to assume that any Person expressed in such Letter of Credit as being entitled to make demand or receive payments thereunder is so entitled. Accordingly, so long as a request or demand has been made as aforementioned, and subject to the preceding sentence, it will not be a defence to any demand made of the Canadian Borrower hereunder, nor will the Canadian Borrower or its obligations hereunder be impaired by the fact (if it be the case) that such Canadian Issuing Lender was or might have been justified in refusing payment, in whole or in part, of the amounts so claimed.

(8) A certificate of the Agent and/or the applicable Canadian Issuing Lender as to the amounts paid by any Canadian Lender pursuant to this Section 5.02 or the amount paid out under any Letter of Credit will, in the absence of manifest error, be *prima facie* evidence of the existence and amount of such payment in any legal action or proceeding arising out of or in connection herewith.

(9) The Canadian Borrower will pay to the Agent for the benefit of the Canadian Lenders a fee equal to the Letter of Credit Fee Rate on the amount of each Letter of Credit in Canadian Dollars or US Dollars, as applicable, (the "**LC Fee**") quarterly in arrears beginning on the first of each Fiscal Quarter following the date of issuance of such Letter of Credit. In addition, for so long as any Letter of Credit is outstanding, the Canadian Borrower will pay to the applicable Canadian Issuing Lender, for its sole benefit, a fee equal to 0.25% of the face amount of each Letter of Credit in Canadian Dollars or US Dollars, as applicable, in advance beginning on the date of issuance of such Letter of Credit. Such fees will be calculated on the basis of a calendar year and the number of days the Letter of Credit will be outstanding during such period. The Canadian Borrower will also pay the standard fees and charges of the applicable Canadian Issuing Lender in effect from time to time for issuing and renewing Letters of Credit (all such fees to be non-refundable). Each Canadian Issuing Lender will be entitled to charge a cancellation fee of **[Dollar Amount Redacted]** per cancelled Letter of Credit.

(10) The full face amount of each Letter of Credit issued by each Canadian Issuing Lender on behalf of the Canadian Borrower will be deemed to be an Advance under the

Canadian Revolving Facility, as the case may be, which Advance will be retired upon the earlier of:

(a) the return of the Letter of Credit to such Canadian Issuing Lender for cancellation;

(b) the cancellation of the Letter of Credit by such Canadian Issuing Lender in accordance with the terms of the Letter of Credit;

(c) the deeming of the amount drawn on the Letter of Credit to be a Prime Rate Advance or a US Base Rate Advance, as applicable, under the Canadian Revolving Facility.

(11) If any Letter of Credit is outstanding at the time an Event of Default has occurred and is continuing or on the Maturity Date, the Canadian Borrower will if required by the Lenders forthwith pay to the applicable Canadian Issuing Lender an amount (such amount being herein referred to as a "**deposit amount**" for purposes of this Section 5.02) equal to the undrawn principal amount of the outstanding Letter of Credit, which deposit amount will be held by such Canadian Issuing Lender in an interest bearing account bearing interest at a prevailing rate offered by such Canadian Issuing Lender for deposits as determined by the such Canadian Issuing Lender, acting reasonably for application against the indebtedness owing by the Canadian Borrower to the applicable Canadian Issuing Lender in respect of any draw on the outstanding Letter of Credit. In the event that the applicable Canadian Issuing Lender is not called upon to make full payment on the outstanding Letter of Credit prior to its expiry date, the deposit amount (including all accrued interest thereon) or any part thereof as has not been paid out, will, so long as no Event of Default then exists, be returned as soon as practicable following such expiry date to the Canadian Borrower.

(12) The obligations of the Canadian Borrower with respect to Letters of Credit will be unconditional and irrevocable, and will be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(a) any lack of validity or enforceability of any Credit Document or the Letters of Credit;

(b) any amendment or waiver of or any consent to or actual departure from this Agreement;

(c) the existence of any claim, set-off, defence or other right which the Canadian Borrower may have at any time against any beneficiary or any transferee of a Letter of Credit (or any Persons for which any such beneficiary or any such transferee may be acting), any Canadian Issuing Lender or any other Person or entity, whether in connection with this Agreement, the transactions contemplated herein or in any other agreements or any unrelated transactions;

(d) any statement or any other document presented under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement

therein being untrue or inaccurate in any respect except for non-compliance with the payment conditions of such Letter of Credit; or

(e) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

It is understood and agreed that no Canadian Issuing Lender will have any liability for, and that the Canadian Borrower assumes all responsibility for: (i) the genuineness of any signature; (ii) the form, validity, genuineness, falsification and legal effect of any draft, certification or other document required by a Letter of Credit or the authority of the Person signing the same (which on its face complies with the terms of such Letter of Credit); (iii) the failure of any instrument to bear any reference or adequate reference to a Letter of Credit or the failure of any Persons to note the amount of any instrument on the reverse of a Letter of Credit or to surrender a Letter of Credit; (iv) the good faith or acts of any Person other than the applicable Canadian Issuing Lender and its agents and employees; (v) the existence, form or sufficiency or breach or default under any agreement or instruments of any nature whatsoever (which on its face complies with the terms of such Letter of Credit); (vi) any delay in giving or failure to give any notice, demand or protest; and (vii) any error, omission, delay in or non-delivery of any notice or other communication, however sent. The determination as to whether the required documents are presented prior to the expiration of a Letter of Credit and whether such other documents are in proper and sufficient form for compliance with a Letter of Credit will be made by the applicable Canadian Issuing Lender in its sole discretion, which determination will be conclusive and binding upon the Canadian Borrower absent manifest error. It is agreed that any Canadian Issuing Lender may honour, as complying with the terms of a Letter of Credit and this Agreement, any documents otherwise in order and signed or issued by the beneficiary thereof. Any action, inaction or omission on the part of any Canadian Issuing Lender under or in connection with the Letters of Credit or any related instruments or documents, if in good faith and in conformity with such laws, regulations or commercial or banking customs as such Canadian Issuing Lender may reasonably deem to be applicable, will be binding upon the Canadian Borrower, and will not affect, impair or prevent the vesting of such Canadian Issuing Lender's rights or powers hereunder or the Canadian Borrower's obligation to make full reimbursement of amounts drawn under the Letters of Credit. Notwithstanding the provision of this Section 5.02(12), the Canadian Borrower will not be responsible for and no Person will be relieved of responsibility for any gross negligence or wilful misconduct of such Person.

(13) In respect of Advances by way of issuance of Letters of Credit by the US Issuing Lender on behalf of the US Borrower, the provisions of this Section 5.02 and defined terms referenced therein will be applicable to such Advances *mutatis mutandis* and all references in this Section 5.02 to the Canadian Borrower will be deemed to be references to the US Borrower, all references to a Canadian Issuing Lender will be deemed to be references to the US Issuing Lender, all references to the Canadian Revolving Facility will be deemed to be references to the US Revolving Facility. All references to the Canadian Lenders will be deemed to be references to the US Lenders and all references to Prime Rate and US Base Rate shall be references to US Prime Rate.

(14) The parties hereto agree that (a) each of the Existing CIBC Letters of Credit shall be deemed to be Letters of Credit issued by CIBC hereunder; and (b) each of the Existing CIBC

US Letters of Credit shall be deemed to be Letters of Credit issued by CIBC US hereunder, and without limiting the generality of the foregoing, the parties hereto agree that such Letters of Credit shall benefit from the Security and the indemnities of the Borrowers and the Lenders herein in respect of same.

5.03 Letters of Credit under the LC Facility

(1) If a Borrower wishes to request an Advance by way of issuance of Letters of Credit, such Borrower will, at the time it delivers the notice required pursuant to Section 2.10(2), execute and deliver the LC Lender's usual documentation relating to the issuance and administration of Letters of Credit. In the event of any inconsistency between the terms of such documentation and this Agreement, the terms of this Agreement will prevail.

(2) Each request for a Letter of Credit under the LC Facility will be made available by the LC Lender; provided that EDC has issued and delivered to the LC Lender any EDC Documents required by the LC Lender, such EDC Documents to be in form and substance satisfactory to the LC Lender, with respect to such Letter of Credit and provided further that the amount of such Letter of Credit, together with the aggregate amount of all other Letters of Credit issued under the LC Facility, does not, in the aggregate, exceed the LC Facility Amount.

(3) No Letter of Credit may be issued under the LC Facility for a period in excess of eighteen (18) months. No Letter of Credit may be issued under the LC Facility for a period in excess of nine (9) months beyond the Maturity Date, and on the Maturity Date cash collateral therefor will be deposited with the LC Lender in accordance with Section 5.03(10). No Letter of Credit may be used to secure trading facilities with financial institutions that are not suppliers of natural gas or electricity in the ordinary course. No Letter of Credit will be issued or renewed under the LC Facility which is not in compliance with any requirements or provisions of the EDC Documents.

(4) If, at any time, a demand for payment (the amount so demanded being herein referred to as a "**relevant amount**" for purposes of this Section 5.03) is made under a Letter of Credit and notification thereof is given by the LC Lender to the Agent, then:

(a) the Agent will promptly notify the applicable Borrower of such demand;

(b) the LC Lender will pay such relevant amount together with the balance of the amount demanded to the Person entitled thereto on the date upon which such relevant amount becomes payable under the Letter of Credit in accordance with its terms; and

(c) the LC Lender will notify EDC in accordance with the EDC Documents that it has made such payment under such Letter of Credit, and request that EDC pay such relevant amount to the LC Lender in accordance with the applicable EDC Guarantee. In the event that EDC has made a payment to the LC Lender pursuant to any EDC Guarantee in respect of a Letter of Credit issued by the LC Lender, EDC shall obtain all of the rights and benefits of the LC Lender under this Agreement to the extent of such payment and shall be subrogated to the rights of the LC Lender to the extent of such payment.

(5) The Borrowers hereby undertake to indemnify and hold harmless the Agent and the LC Lender from time to time on demand by the Agent from and against all liabilities and costs in connection with any Letter of Credit (including, without limitation, any costs incurred in funding any amount which falls due from the LC Lender under any Letter of Credit hereunder but without duplication of costs in respect of which the LC Lender has already been compensated by the fees and charges applicable to Letters of Credit) except where such liabilities or costs result from the gross negligence or wilful misconduct of the person claiming indemnification.

(6) The LC Lender will at all times be entitled, and is irrevocably authorized by the Borrowers, to make any payment under Letters of Credit issued by it for which a request or demand has been made in the required form without any further reference to the applicable Borrower and any investigation or enquiry, need not concern itself with the propriety or validity of any claim made or purported to be made under the terms of such Letter of Credit (except as to compliance with the payment conditions of such Letters of Credit) and will be entitled to assume that any Person expressed in such Letter of Credit as being entitled to make demand or receive payments thereunder is so entitled. Accordingly, so long as a request or demand has been made as aforementioned, and subject to the preceding sentence, it will not be a defence to any demand made of the Borrowers hereunder, nor will the Borrowers or their obligations hereunder be impaired by the fact (if it be the case) that the LC Lender was or might have been justified in refusing payment, in whole or in part, of the amounts so claimed.

(7) A certificate of the Agent and/or the LC Lender as to the amounts paid by any LC Lender pursuant to this Section 5.03 or the amount paid out under any Letter of Credit will, in the absence of manifest error, be prima facie evidence of the existence and amount of such payment in any legal action or proceeding arising out of or in connection herewith.

(8) The applicable Borrower will pay to the Agent for the benefit of the LC Lender the LC Fee quarterly in arrears beginning on the first of each Fiscal Quarter following the date of issuance of such Letter of Credit. In addition, for so long as any Letter of Credit is outstanding, the applicable Borrower will pay to the LC Lender a fee equal to 0.25% of the face amount of each Letter of Credit in Canadian Dollars or US Dollars, as applicable, in advance beginning on the date of issuance of such Letter of Credit. Such fees will be calculated on the basis of a calendar year and the number of days the Letter of Credit will be outstanding during such period. The Borrowers will also pay the standard fees and charges of the LC Lender in effect from time to time for issuing and renewing Letters of Credit (all such fees to be non-refundable). The LC Lender will be entitled to charge a cancellation fee of **[Dollar Amount Redacted]** per cancelled Letter of Credit.

(9) The full face amount of each Letter of Credit issued by the LC Lender on behalf of a Borrower will be deemed to be an Advance under the LC Facility, which Advance will be retired upon the earlier of:

(a) the return of the Letter of Credit to the LC Lender for cancellation; or

(b) the cancellation of the Letter of Credit by the LC Lender in accordance with the terms of the Letter of Credit.

(10) If any Letter of Credit is outstanding at the time an Event of Default has occurred and is continuing or on the Maturity Date, the Borrowers will if required by the LC Lender forthwith pay to the LC Lender an amount (such amount being herein referred to as a "**deposit amount**" for purposes of this Section 5.03) equal to the undrawn principal amount of the outstanding Letter of Credit, which deposit amount will be held by the LC Lender in an interest bearing account bearing interest at a prevailing rate offered by the LC Lender for deposits as determined by the LC Lender, acting reasonably for application against the indebtedness owing by the Borrowers to the LC Lender in respect of any draw on the outstanding Letter of Credit. In the event that the LC Lender is not called upon to make full payment on the outstanding Letter of Credit prior to the date which is 90 days after its expiry date, the deposit amount (including all accrued interest thereon) or any part thereof as has not been paid out, will, so long as no Event of Default then exists, be returned as soon as practicable following such expiry date to the Borrowers.

(11) The obligations of the Borrowers with respect to Letters of Credit will be unconditional and irrevocable, and will be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(a) any lack of validity or enforceability of any Credit Document or the Letters of Credit;

(b) any amendment or waiver of or any consent to or actual departure from this Agreement;

(c) the existence of any claim, set-off, defence or other right which a Borrower may have at any time against any beneficiary or any transferee of a Letter of Credit (or any Persons for which any such beneficiary or any such transferee may be acting), the LC Lender or any other Person or entity, whether in connection with this Agreement, the transactions contemplated herein or in any other agreements or any unrelated transactions;

(d) any statement or any other document presented under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect except for non-compliance with the payment conditions of such Letter of Credit; or

(e) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

It is understood and agreed that the LC Lender will not have any liability for, and that the Borrowers assume all responsibility for: (i) the genuineness of any signature; (ii) the form, validity, genuineness, falsification and legal effect of any draft, certification or other document required by a Letter of Credit or the authority of the Person signing the same (which on its face complies with the terms of such Letter of Credit); (iii) the failure of any instrument to bear any reference or adequate reference to a Letter of Credit or the failure of any Persons to note the amount of any instrument on the reverse of a Letter of Credit or to surrender a Letter of Credit; (iv) the good faith or acts of any Person other than the LC Lender and its agents and employees;

(v) the existence, form or sufficiency or breach or default under any agreement or instruments of any nature whatsoever (which on its face complies with the terms of such Letter of Credit); (vi) any delay in giving or failure to give any notice, demand or protest; and (vii) any error, omission, delay in or non-delivery of any notice or other communication, however sent. The determination as to whether the required documents are presented prior to the expiration of a Letter of Credit and whether such other documents are in proper and sufficient form for compliance with a Letter of Credit will be made by the LC Lender in its sole discretion, which determination will be conclusive and binding upon the Canadian Borrower absent manifest error. It is agreed that the LC Lender may honour, as complying with the terms of a Letter of Credit and this Agreement, any documents otherwise in order and signed or issued by the beneficiary thereof. Any action, inaction or omission on the part of the LC Lender under or in connection with the Letters of Credit or any related instruments or documents, if in good faith and in conformity with such laws, regulations or commercial or banking customs as the LC Lender may reasonably deem to be applicable, will be binding upon the Borrowers, and will not affect, impair or prevent the vesting of the LC Lender's rights or powers hereunder or the Borrowers' obligation to make full reimbursement of amounts drawn under the Letters of Credit. Notwithstanding the provision of this Section 5.03(11), the Borrowers will not be responsible for and no Person will be relieved of responsibility for any gross negligence or wilful misconduct of such Person.

(12) The parties hereto agree that each of the Existing LC Facility Letters of Credit shall be deemed to be Letters of Credit issued by LC Lender, and without limiting the generality of the foregoing, the parties hereto agree that such Letters of Credit shall benefit from the Security and the indemnities of the Borrowers and the Lenders herein in respect of same.

ARTICLE 6
REPAYMENT AND COMMITMENT REDUCTION

6.01 Mandatory Repayment of Principal at Maturity

(1) Subject to the terms hereof, the Canadian Borrower will repay all Obligations in connection with the Canadian Revolving Facility, including the outstanding principal amount of all Advances thereunder together with all accrued interest, fees, and other amounts then unpaid by it with respect to such Advances, the Commitments under the Canadian Revolving Facility and the Canadian Revolving Facility (which, for greater certainty, will include all amounts payable by the Canadian Borrower to the Agent under Section 5.01(9) with respect to any Bankers' Acceptances and BA Equivalent Notes outstanding on the Maturity Date and all amounts payable by the Canadian Borrower to the Agent under Section 5.02(11) with respect to Letters of Credit outstanding on the Maturity Date) in full on the Maturity Date and the Canadian Revolving Facility and the Commitments thereunder will be automatically terminated on the Maturity Date.

(2) Subject to the terms hereof, the US Borrower will repay all Obligations in connection with the US Revolving Facility, including the outstanding principal amount of all Advances thereunder together with all accrued interest, fees and other amounts then unpaid by it with respect to such Advances, the Commitments under the US Revolving Facility and the US Revolving Facility (which, for greater certainty, will include all amounts payable by the US Borrower to the Agent under Section 5.02(11) with respect to Letters of Credit outstanding on

the Maturity Date) in full on the Maturity Date, and the US Revolving Facility and the Commitments thereunder will be automatically terminated on the Maturity Date.

(3) Subject to the terms hereof, the Borrowers will repay all Obligations in connection with the LC Facility, including the outstanding principal amount of all Advances thereunder together with all accrued interest, fees and other amounts then unpaid by it with respect to such Advances, the Commitments under the LC Facility and the LC Facility (which, for greater certainty, will include all amounts payable by the Borrowers to the Agent under Section 5.03(10) with respect to Letters of Credit outstanding on the Maturity Date) in full on the Maturity Date, and the LC Facility and the Commitments thereunder will be automatically terminated on the Maturity Date.

6.02 Voluntary Repayments and Reductions

Subject to the Agent receiving a Repayment Notice, which will be given not less than the applicable notice requirement for such Advance being repaid in respect of the Canadian Revolving Facility, the US Revolving Facility or the LC Facility prior to the proposed repayment date and which will be irrevocable, the Borrowers may from time to time repay or prepay Advances outstanding under any Credit Facility without premium, penalty or bonus provided that each such repayment or prepayment will be in a minimum aggregate amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]** for Advances denominated in Canadian Dollars and in a minimum aggregate amount of **[Dollar Amount Redacted]** and in whole multiples of **[Dollar Amount Redacted]** for Advances denominated in United States Dollars. The Repayment Notice and minimum repayment amounts referenced herein will not apply to repayment of Advances under the Canadian Swingline Facility or the US Swingline Facility.

6.03 Cancellation or Reduction of US Revolving Facility, Canadian Revolving Facility, Canadian Swingline Facility, US Swingline Facility or the LC Facility

(1) The Canadian Borrower may, at any time, upon giving at least three Business Days prior notice to the Agent, cancel in full or, from time to time, reduce in part, either or both of the Canadian Revolving Facility or the Canadian Swingline Facility without premium, penalty or bonus and, if either or both are reduced, the Commitments of each of the Canadian Lenders (or the Canadian Swingline Lender, as applicable) will be reduced *pro rata* in the same proportion that the amount of the reduction in either or both of the Canadian Revolving Facility or the Canadian Swingline Facility bears to the amount of either or both of the Canadian Revolving Facility or the Canadian Swingline Facility in effect immediately prior to the reduction; provided, however, that any reduction will be in a minimum amount of **[Dollar Amount Redacted]** and in integral multiples of **[Dollar Amount Redacted]**. The Canadian Borrower will not cancel all or any portion of the Commitments under the Canadian Revolving Facility if as a result thereof it would be required to repay Bankers' Acceptances with a maturity date falling subsequent to the due date of such cancellation. In addition, if the Canadian Borrower cancels all or a portion of the Commitment and as a result thereof it would be required to repay LIBOR Advances, Section 6.04(4) will apply to such repayment.

(2) The US Borrower may, at any time, upon giving at least three Business Days' notice to the Agent, cancel in full or, from time to time, reduce in part, either or both of the US Revolving Facility or the US Swingline Facility without premium, penalty or bonus and, if either or both are reduced, the Commitments of each of the US Lenders (or the US Swingline Lender, as applicable) will be reduced *pro rata* in the same proportion that the amount of the reduction in either or both of the US Revolving Facility or the US Swingline Facility bears to the amount of either or both of the US Revolving Facility or the US Swingline Facility in effect immediately prior to the reduction; provided, however, that any reduction will be in a minimum amount of **[Dollar Amount Redacted]** and in integral multiples of **[Dollar Amount Redacted]**. If the US Borrower cancels all or a portion of the Commitments under the US Revolving Facility and as a result thereof it would be required to repay LIBOR Advances, Section 6.04(4) will apply to such repayment.

(3) Either Borrower may, at any time, upon giving at least three Business Days prior notice to the Agent, cancel in full or, from time to time, reduce in part, the LC Facility without premium, penalty or bonus; provided, however, that any reduction will be in a minimum amount of **[Dollar Amount Redacted]** (or the Equivalent Amount in US Dollars) and in integral multiples of **[Dollar Amount Redacted]** (or the Equivalent Amount in US Dollars).

6.04 Excess Over the Maximum Amounts

(1) If the Agent determines that on any day as a result of currency fluctuations the aggregate of (a) Advances in Canadian Dollars then outstanding under the Canadian Revolving Facility, and (b) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the Canadian Revolving Facility on such day exceeds 103% of the Canadian Revolver Amount then in effect then the Agent will notify the Canadian Borrower that such an event has occurred, and the Canadian Borrower will within two Business Days receipt of such notice, (i) repay Advances under the Canadian Revolving Facility in an amount equal to such excess; or (ii) deposit with the Agent cash or Cash Equivalents in an amount of such excess, provided that if it is determined on any subsequent day that the amount of the deposited amounts exceeds the amount of such excess, the Canadian Borrower may withdraw the amount by which such excess has been reduced.

(2) If the Agent determines that on any day as a result of currency fluctuations the aggregate of (a) Advances in Canadian Dollars then outstanding under the LC Facility, and (b) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the LC Facility on such day exceeds the LC Facility Amount then in effect then the Agent will notify the Canadian Borrower that such an event has occurred, and the Canadian Borrower will within two Business Days receipt of such notice, deposit with the Agent cash or Cash Equivalents in an amount of such excess, provided that if it is determined on any subsequent day that the amount of the deposited amounts exceeds the amount of such excess, the Canadian Borrower may withdraw the amount by which such excess has been reduced.

(3) If the Agent determines that on any day that the aggregate of (a) Advances in Canadian Dollars then outstanding under the Canadian Revolving Facility, (b) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the Canadian Revolving Facility, (c) the Equivalent Amount in Canadian Dollars of Advances under the US

Revolving Facility, (d) Advances in Canadian Dollars then outstanding under the LC Facility, and (e) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the LC Facility, on such day, exceeds the Borrowing Base in effect on such day, the Agent shall notify the Canadian Borrower that such an event has occurred, and the Borrowers shall immediately upon receipt of such notice, (i) repay Advances under the Credit Facilities in an amount equal to such excess; or (ii) deposit with the Agent cash or Cash Equivalents in an amount of such excess, provided that if it is determined on any subsequent day that the amount of the deposited amounts exceeds the amount of such excess, the Borrowers may withdraw the amount by which such excess has been reduced.

(4) Subject to the terms hereof, in the event that on any day that the aggregate of (a) Advances in Canadian Dollars then outstanding under the Canadian Revolving Facility, (b) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the Canadian Revolving Facility, (c) the Equivalent Amount in Canadian Dollars of Advances under the US Revolving Facility, (d) Advances in Canadian Dollars then outstanding under the LC Facility, and (e) the Equivalent Amount in Canadian Dollars of Advances in US Dollars then outstanding under the LC Facility, on such day, exceeds the Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.06, 6.07, 6.08 and 6.09), the Borrowers shall immediately upon receipt of notice (and in any event no later than one (1) Business Day following receipt of such notice), repay Advances under the Credit Facilities in an amount equal to such excess.

6.05 Payment of Breakage Costs etc.

In connection with each repayment or prepayment hereunder whether voluntary or mandatory (i) in connection with LIBOR Advances which are repaid prior to the end of the applicable LIBOR Interest Period (a) the applicable Borrower will pay to the Agent (for the account of each applicable Lender) all Breakage Costs, or (b) the applicable Borrower will deposit with the Agent cash or Cash Equivalents in an amount equal to the amount due in respect to such LIBOR Advance at the end of the applicable LIBOR Interest Period; and (ii) in connection with Bankers' Acceptances, BA Equivalent Notes and Letters of Credit which are be repaid prior to their respective maturity or expiry dates, the Canadian Borrower will deposit cash or Cash Equivalents with the Agent (for the benefit of the applicable Lenders) equal to the full face amount at maturity of such Bankers' Acceptance or BA Equivalent Note or the face amount of such Letters of Credit, as applicable, and will concurrently deliver to the Agent a cash collateral agreement, supporting resolutions, certificates and opinions to the extent requested by the Agent in form and substance satisfactory to the Agent.

6.06 Mandatory Repayments for the Sale of Unrestricted Subsidiaries

If JustEnergy, either Borrower or any of their respective Subsidiaries receives any net after-tax proceeds from the Disposition of any shares or other equity interests or Property of any Unrestricted Subsidiary (other than from any Designated Disposition), (a) an amount equal to such net after-tax proceeds shall be immediately paid to the Agent by the Borrowers (irrespective as to which Borrower or Subsidiary received such net after-tax proceeds) and shall be applied by the Agent against Advances outstanding under the Credit Facilities, and (b) the

Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.07, 6.08 and 6.09) shall be immediately and permanently reduced by an amount equal to such net after-tax proceeds and the Commitment of each Lender under the Credit Facilities shall be reduced pro rata in accordance with its Proportionate Share of such amount.

6.07 Commitment Reductions on Asset Dispositions

If any Obligor receives any net after-tax proceeds from the Disposition of any Property in excess of **[Dollar Amount Redacted]** in any Fiscal Year (other than from any Designated Disposition), (a) an amount equal to such excess shall be immediately paid to the Agent by the Borrowers (irrespective as to which Obligor received such net after-tax proceeds) and shall be applied by the Agent against Advances outstanding under the Credit Facilities, and (b) the Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.06, 6.08 and 6.09) shall be immediately and permanently reduced by an amount equal to such excess and the Commitment of each Lender under the Credit Facilities shall be reduced pro rata in accordance with its Proportionate Share of such excess.

6.08 Commitment Reductions re Designated Dispositions

(1) If any Obligor receives any net after-tax proceeds from any Designated Disposition, the Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.06, 6.07 and 6.09) shall be permanently reduced by an amount equal to such net after-tax proceeds and the Commitment of each Lender under the Credit Facilities shall be reduced pro rata in accordance with its Proportionate Share of such amount. Each such reduction to the Maximum Facility Amount made pursuant to this Section 6.08(1) shall take effect two (2) Business Days following receipt by the applicable Obligor of such net after-tax proceeds.

(2) On November 30, 2021, the Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.06, 6.07, 6.08(1) and 6.09) shall be immediately and permanently reduced by an additional amount, if any, equal to the lesser of (i) **[Dollar Amount Redacted]** less the aggregate of all of the Maximum Facility Amount reductions made pursuant to Section 6.08(1) on or before November 30, 2021, and (ii) cumulative EBITDA for the trailing five (5) Fiscal Quarters measured as at September 30, 2021 less **[Dollar Amount Redacted]**.

(3) If any Obligor receives any net after-tax proceeds from any Designated Disposition after November 30, 2021, the aggregate amount of all of the reductions in the Maximum Facility Amount made pursuant to Sections 6.08(1) (including, for greater certainty, any reduction made as a result of any Designated Disposition made after November 30, 2021) and 6.08(2) shall not exceed the greater of (i) **[Dollar Amount Redacted]**, and (ii) the aggregate amount of net after-tax proceeds received by the Obligors from all of the Designated Dispositions made until and at such time.

6.09 Scheduled Mandatory Commitment Reductions

Notwithstanding anything to the contrary herein, the Maximum Facility Amount then in effect (for greater certainty, after giving effect to the reductions in the Maximum Facility Amount made pursuant to Sections 6.03, 6.06, 6.07 and 6.08) shall be permanently reduced by **[Dollar Amount Redacted]** on each of the following dates:

(a) March 31 2021;

(b) September 30, 2021;

(c) March 31, 2022;

(d) September 30, 2022;

(e) March 31, 2023; and

(f) September 30, 2023,

and the Commitment of each Lender under the Credit Facilities shall be reduced pro rata in accordance with its Proportionate Share of such reduction.

ARTICLE 7
PLACE AND APPLICATION OF PAYMENTS

7.01 Place of Payment of Principal, Interest and Fees

(1) The Canadian Borrower undertakes at all times that any Advance is outstanding to it or any other amount is owed by it under any Credit Document to maintain at the Agent's Cdn. Payment Branch an account in Cdn. Dollars and an account in US Dollars, which the Agent will be entitled to debit with such amounts as are from time to time required to be paid by the Canadian Borrower under the Credit Documents, as and when such amounts are due, and that each such account will contain sufficient funds, or sufficient funds will be available under the Canadian Swingline Facility, for such purpose. Without in any way limiting the rights of the Agent pursuant to the foregoing, unless otherwise specifically agreed between the Canadian Borrower and the Agent, the Canadian Borrower hereby directs the Agent to debit the aforesaid accounts with such amounts as are from time to time required to be paid by the Canadian Borrower pursuant to Article 4, Article 5 and Article 6 of this Agreement. Following any such debit for non-scheduled fees, costs or expenses, the Agent will provide to the Canadian Borrower notice of the debit of such fees, costs or expenses and the reasons therefor.

(2) The US Borrower undertakes at all times that any Advance is outstanding to it or any other amount is owed by it under any Credit Document to maintain at the Agent's US Payment Branch an account in US Dollars which the Agent will be entitled to debit with such amounts as are from time to time required to be paid by the US Borrower under the Credit Documents, as and when such amounts are due, and that such account will contain sufficient funds, or sufficient funds will be available under the US Swingline Facility, for such purpose. Without in any way limiting the rights of the Agent pursuant to the foregoing, unless otherwise

specifically agreed between the US Borrower and the Agent, the US Borrower hereby directs the Agent to debit the aforesaid accounts with such amounts as are from time to time required to be paid by the US Borrower pursuant to Article 4, Article 5 and Article 6 of this Agreement. Following any such debit for non-scheduled fees, costs or expenses, the Agent will provide to the US Borrower notice of the debit of such fees, costs or expenses and the reasons therefor.

(3) All payments by the Canadian Borrower under any Credit Document, unless otherwise expressly provided in such Credit Document, will be made to the Agent at the Agent's Cdn. Payment Branch, or at such other location as may be agreed upon by the Agent and the Canadian Borrower, for the account of the Lenders entitled to such payment, not later than 12:00 noon (Toronto time) for value on the date when due, and will be made in immediately available funds without set-off or counterclaim.

(4) All payments by the US Borrower under any Credit Document, unless otherwise expressly provided in such Credit Document, will be made to the Agent at the Agent's US Payment Branch, or such other location as may be agreed upon between the Agent and the US Borrower, not later than 12:00 noon (Toronto time) for value on the date when due, and will be made in immediately available funds without set-off or counterclaim.

(5) Unless the Agent will have been notified by a Borrower not later than 12:00 noon (Toronto time) of the Business Day prior to the date on which any payment to be made by such Borrower under a Credit Document is due that such Borrower does not intend to remit such payment, the Agent will be entitled to assume that such Borrower has remitted or will remit such payment when so due and the Agent may (but will not be obliged to), in reliance upon such assumption, make available to each applicable Lender on such payment date such Lender's share of such assumed payment. If such Borrower does not in fact remit such payment to the Agent as required by such Credit Document, each applicable Lender will immediately repay to the Agent on demand the amount so made available to such Lender, together with interest on such amount at the Interbank Reference Rate, in respect of each day from and including the date such amount was made available by the Agent to such Lender to the date such amount is repaid in immediately available funds to the Agent, and such Borrower will immediately pay to the Agent on demand such amounts as are sufficient to compensate the Agent and the Lenders for all costs and expenses (including, without limitation, any interest paid to lenders of funds) which the Agent may sustain in making any such amounts available to the Lenders or which any Lender may sustain in receiving any such amount from, and in repaying any such amount to, the Agent or in compensating the Agent as aforesaid. A certificate of the Agent as to any amounts payable by a Borrower pursuant to the preceding sentence and containing reasonable details of the calculation of such amounts will be *prima facie* evidence of the amounts so payable.

(6) If any amount which has been received by the Agent not later than 12:00 noon (Toronto time) on any Business Day as provided above is not paid by the Agent to a Lender on such Business Day as required under this Agreement, the Agent will immediately pay to such Lender on demand interest on such amount at the Interbank Reference Rate in respect of each day from and including the day such amount was required to be paid by the Agent to such Lender to the day such amount is so paid. For greater certainty, the Borrowers have no obligation to reimburse the Agent for any such amounts.

7.02 Netting of Payments

If, on any date, amounts would be due and payable under this Agreement in the same currency by the Borrowers to the Lenders, or any one of them, and by the Lenders, or such Lender, to a Borrower, then, on such date, upon notice from the Agent or such Lender stating that netting is to apply to such payments, the obligations of each such party to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by a Borrower to the Lenders, or such Lender, exceeds the aggregate amount that would otherwise have been payable by the Lenders, or such Lender, to a Borrower or *vice versa*, such obligations will be replaced by an obligation upon whichever of a Borrower or the Lenders, or such Lender, would have had to pay the larger aggregate amount to pay to the other the excess of the larger aggregate amount over the smaller aggregate amount. For greater certainty, prior to acceleration of repayment pursuant to Section 11.02, this Section 7.02 will not permit any Lender to exercise a right of set-off, combination or similar right against any amount which a Borrower may have on deposit with such Lender in respect of any amount to which netting is to apply pursuant to this Section 7.02, but will apply only to determine the net amount to be payable by the Lenders or one of them to a Borrower, or by a Borrower to the Lenders or one of them.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.01 Representations and Warranties

Each Borrower represents and warrants to the Agent and to each of the Lenders and acknowledges and confirms that the Agent and each of the Lenders is relying upon such representations and warranties:

(1) Existence and Qualification Each Obligor (i) has been duly incorporated, formed, amalgamated, merged or continued, as the case may be, and is validly subsisting as a corporation, company, limited liability company, partnership or trust, under the laws of its jurisdiction of formation, amalgamation, merger or continuance, as the case may; and (ii) is duly qualified, in good standing and has all required Material Licences to carry on its business in each jurisdiction in which the nature of its business requires qualification to the extent necessary to carry on its business.

(2) Power and Authority Each Obligor has the corporate, trust, company, limited liability company or partnership power and authority, as the case may be, (i) to enter into, and to exercise its rights and perform its obligations under, the Credit Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Credit Documents, and (ii) to own its Property and carry on its business as currently conducted and as currently proposed to be conducted by it.

(3) Execution, Delivery, Performance and Enforceability of Documents The execution, delivery and performance of each of the Credit Documents to which each Obligor is a party, and every other instrument or agreement delivered by an Obligor pursuant to any Credit Document has been duly authorized by all corporate, trust, company or partnership actions

required, and each of such documents has been duly executed and delivered. Each Credit Document to which any Obligor is a party constitutes the legal, valid and binding obligations of such Obligor, enforceable against such Obligor in accordance with its terms (except, in any case, as such enforceability may be limited by applied bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity).

(4) Credit Documents Comply with Applicable Laws, Organizational Documents and Contractual Obligations None of the execution or delivery of, the consummation of the transactions contemplated in, or compliance with the terms, conditions and provisions of any of, the Credit Documents or, as of the Effective Date, the implementation of the Recapitalization Plan in accordance with the terms therein by any Obligor, conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under or contravention of, (a) any Obligors' Organizational Document, (b) any Material Contract or Material Licence, (c) any Requirement of Law other than immaterial breaches or (d) results or will result in the creation or imposition of any Encumbrance upon any of its Property that is not a Permitted Encumbrance.

(5) Consent Respecting Credit Documents Each Obligor has, obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required with Governmental Authorities, third parties or otherwise to enable it to execute and deliver each of the Credit Documents to which it is a party and to consummate the transactions contemplated in the Credit Documents, other than the approvals, clarifications or authorizations of the Governmental Authorities (including, without limitation, the Reserve Bank of India) required under the laws of India for the execution and delivery by JEBPO of the Guarantee and the Security Documents to which it is a party, and the performance by JEBPO of its obligations thereunder.

(6) Taxes Except as set forth on Schedule 8.01(6), each Obligor has paid or made adequate provision for the payment of all Taxes levied on its Property or income which are due and payable, or has accrued such amounts in its financial statements for the payment of such Taxes, except for charges, fees or dues which are not material in amount, which are not delinquent or if delinquent are being contested, and in respect of which non-payment would not individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect, and there is at the date given no action, suit, proceeding, investigation, audit or claim now pending, or to its knowledge, threatened by any Governmental Authority regarding any Taxes, nor has it or any other Obligor agreed to waive or extend any statute of limitations with respect to the payment or collection of Taxes.

(7) Judgments, Etc. At the date given, no Obligor is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) which has not been lifted or stayed or of which enforcement has not been suspended for a period of 15 days or more in an amount (individually or in the aggregate for all Obligors) in excess of the lesser of (a) **[Dollar Amount Redacted]** and (b) 10% of EBITDA (calculated on a last twelve months basis).

(8) Absence of Litigation There are no actions, suits or proceedings pending or, to the best of its knowledge and belief, after due inquiry and all reasonable investigation, threatened against or involving any Obligor which would reasonably be expected to have a Material Adverse Effect, other than in respect of which the Agent has been provided notice of pursuant to Section 9.01(10).

(9) Title to Assets Each Obligor has good title to its assets, free and clear of all Encumbrances except Permitted Encumbrances and defects in title which are not material in nature to the conduct of any Obligor's business, and no Person has any agreement or right to acquire an interest in such assets other than in the ordinary course of its business or pursuant to Permitted Asset Dispositions. The Pledged Securities constitute all of the equity interests held by each Obligor in any other Obligor.

(10) Liens The Security Documents create in favour of the Collateral Agent valid, binding and perfected (when registered or filed) Encumbrances on all right, title and interest in all of the Property which is the subject matter of the Security Documents and those Encumbrances have first priority for all purposes over any other Encumbrances on the Property, except for Permitted Encumbrances which have priority pursuant to Applicable Law.

(11) Use of Real Property All real property material to the business of the Obligor owned or leased by each Obligor may be used by such Obligor pursuant to Applicable Law for the present use and operation of the material elements of the business conducted, or intended to be conducted, on such real property by such Obligor.

(12) Insurance Each Obligor maintains insurance which is in full force and effect that complies with all of the requirements of this Agreement.

(13) Labour Relations No Obligor is engaged in any material unfair labour practice or material employment discrimination practice, and there is no material unfair labour practice complaint or material complaint of employment discrimination pending against an Obligor, or to its knowledge threatened against an Obligor, before any Governmental Authority. To the best of its knowledge, no material grievance or arbitration arising out of or under any collective bargaining agreement is pending against an Obligor or, to the best of its knowledge, threatened against an Obligor, no strike, labour dispute, slowdown or stoppage is pending against an Obligor or, to the best of its knowledge, threatened against an Obligor and no union representation proceeding is pending with respect to any of an Obligor's employees.

(14) Compliance with Laws No Obligor is in material violation of any material Applicable Law or material Applicable Order, subject to the provisions of Section 8.01(27), in the case of Requirements of Environmental Law.

(15) No Event of Default or Pending Event of Default Neither any Event of Default nor any Pending Event of Default has occurred and is continuing.

(16) Corporate Structure The corporate structure of JustEnergy and its Subsidiaries is as set out in Schedule 8.01(16) (as updated pursuant to Section 9.05 from time to time), which Schedule contains:

(a) *Share Capital of Obligors*. The authorized capital of each Obligor (other than JustEnergy) and each Unrestricted Subsidiary is as provided in Schedule 8.01(16), of which the number of issued and outstanding shares and the beneficial owners thereof is provided for in Schedule 8.01(16).

(b) *Complete Names.* A complete and accurate list of the full and correct name of each Obligor referenced in this Section 8.01(16) (including any French and English forms of name) and the jurisdiction of incorporation or formation of each such Obligor.

(c) *Designation*: A designation of each Subsidiary of JustEnergy other than the Borrowers as either a Restricted Subsidiary or an Unrestricted Subsidiary.

(17) Rights to Acquire Shares of Obligors No Person has an agreement or option or any other right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares in the capital of any Obligor (other than JustEnergy).

(18) Obligors Each Obligor either carries on their Business in Canada, the United States, India or Hungary, or carries on no business other than being a holding entity.

(19) Relevant Jurisdictions Schedule 8.01(19) (as amended from time to time) identifies, in respect of each Obligor, the Relevant Jurisdictions as at the date given including each Obligor's jurisdiction of formation and organizational registration number (if any), its full address (including postal code or zip code), chief executive office, registered office and all places of business and, if the same is different, the address at which the books and records of such Obligor are located and the address from which the invoices and accounts of such Obligor are issued.

(20) Computer Software Each Obligor owns or has licensed for use or otherwise has the right to use all of the material software necessary to conduct its businesses. All Computer Equipment owned or used by an Obligor and necessary for the conduct of business has been properly maintained in all material respects or replaced and is in good working order for the purposes of on-going operation, subject to ordinary wear and tear for Computer Equipment of comparable age and Computer Equipment which has been damaged but is in the course of being repaired.

(21) Intellectual Property Each Obligor has rights sufficient for it to use all the Intellectual Property reasonably necessary for the conduct of its business except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect; all patents, trade-marks or industrial designs which have been either registered or in respect of which a registration application has been filed by it as at the date given are listed on Schedule 8.01(21). To its knowledge, no Obligor is infringing or misappropriating or is alleged to be infringing or misappropriating the intellectual property rights of any other Person where such infringement or misappropriation is reasonably expected to have a Material Adverse Effect.

(22) Material Contracts and Material Licences.

(a) Schedule 8.01(22), (as amended from time to time), accurately sets out all Material Contracts and Material Licences;

(b) a true and complete certified copy of each Material Contract and Material Licence has been or, within 30 days of its entry into effect, will be delivered to the Agent and each Material Contract and Material Licence is in full force and effect;

(c) to the Borrowers' knowledge, no event has occurred and is continuing which would constitute a breach of or a default under any Material Contract or Material Licence which would entitle any party thereto or any applicable Governmental Authority to terminate or revoke such Material Contract or Material Licence;

(d) each Material Contract is binding upon the Obligor party thereto and, to its knowledge, is a binding agreement of each other Person who is a party to the Material Contract;

(e) each Material Contract is assignable in accordance with its terms without the consent of the counterparty thereto or such consent has otherwise been obtained; and

(f) each Customer Contract, other than Customer Contracts totalling no more than 2% of Gross Margin, is assignable in accordance with its terms without the consent of the counterparty thereto or such consent has otherwise been obtained.

(23) Financial Year End Its financial year end is March 31.

(24) Financial Information All of the financial statements which have been furnished to the Agent and the Lenders, or any of them, in connection with this Agreement are complete in all material respects and such financial statements fairly present the results of operations and financial position of the of the Borrowers and their Restricted Subsidiaries as of the dates referred to therein and have been prepared on a Modified Consolidated Basis, except that, in the case of quarterly financial statements, notes to the statements and audit adjustments required by GAAP are not included. All other financial information (including, without limitation the Operating Budget and the Borrowers projected summary of anticipated Available Supply and Supply Commitments) provided to the Agent and the Lenders as of the date prepared (a) were based on reasonable assumptions and expectations and represent reasonable good faith estimates and (b) were believed to be achievable.

(25) Liabilities No Obligor has any liabilities, whether accrued, absolute, contingent or otherwise, of any kind or nature whatsoever, except (i) as disclosed in the financial statements most recently delivered under Section 9.03; (ii) as incurred after the date of such financial statements and are permitted to be incurred hereunder; (iii) as incurred in the ordinary course of business of an Obligor; provided that, in respect this clause (iii), such liabilities: (x) are not material to the Business, (y) are not required in accordance with GAAP to be disclosed in such Obligor's financial statements referred to in clause (i) above and (z) are not

incurred in violation of this Agreement, and (iv) for liabilities consented to by the Agent on behalf of the Majority Lenders.

(26) No Material Adverse Effect Since the date of the Borrowers' most recent financial statements provided to the Agent, there has been no condition (financial or otherwise), event or change in its business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect nor, to the Borrowers' knowledge, has there been any condition, event or change to the credit rating of Shell Energy or any material LDC which would reasonably be expected to have a Material Adverse Effect.

(27) Environmental (a) No Obligor is subject to any civil or criminal proceeding relating to Requirements of Environmental Laws and is not aware of any investigation or threatened proceeding or investigation, (b) each Obligor has all material permits, licenses, registrations and other authorizations required by the Requirements of Environmental Laws for the operation of its business and the properties which it owns, leases or otherwise occupies, (c) each Obligor currently operates its business and its properties (whether owned, leased or otherwise occupied) in compliance in all material respects with all applicable material Requirements of Environmental Laws, (d) no Hazardous Substances are stored or disposed of by any Obligor or otherwise used by an Obligor in violation of any applicable Requirements of Environmental Laws (including, without limitation, there has been no Release of Hazardous Substances by any Obligor at, on or under any property now or previously owned or leased by the Borrowers or any of their Subsidiaries), (e) except as disclosed in the environmental reports identified on Schedule 8.01(27), to the knowledge of the Borrowers (i) all underground storage tanks now or previously located on any real property owned or leased by it have been operated, maintained and decommissioned or closed, as applicable, in compliance with applicable Requirements of Environmental Law; and (ii) no real property or groundwater in, on or under any property now or previously owned or leased by any Obligor is or has been during such Obligor's ownership or occupation of such property contaminated by any Hazardous Substance except for any contamination that would not reasonably be expected to give rise to material liability under Requirements of Environmental Laws nor, to the best of its knowledge, is any such property named in any list of hazardous waste or contaminated sites maintained under the Requirements of Environmental Law.

(28) CERCLA No portion of any Obligor's Property has been listed, designated or identified in the National Priorities List or the CERCLA Information System both as published by the United States Environmental Protection Agency, or any similar list of sites published by any federal, state or local authority proposed for requiring clean up or remedial or corrective action under any Requirements of Environmental Laws.

(29) Canadian Welfare and Pension Plans The Canadian Borrower has adopted all Canadian Welfare Plans and all Canadian Pension Plans in accordance with Applicable Laws and each such plan has been maintained and is in compliance in all material respects with its terms and such laws including, without limitation, all requirements relating to employee participation, funding, investment of funds, benefits and transactions with the Obligors and persons related to them. As of the Effective Date and at no time preceding the Effective Date has any Obligor maintained, sponsored, administered, contributed to, or participated in a Specified Canadian Pension Plan. With respect to Canadian Pension Plans: (a) no steps have

been taken to terminate any Canadian Pension Plan (wholly or in part) which could result in any Obligor being required to make an additional contribution in excess of **[Dollar Amount Redacted]** to the Canadian Pension Plan; (b) no contribution failure in excess of **[Dollar Amount Redacted]** has occurred with respect to any Canadian Pension Plan sufficient to give rise to a lien or charge under any applicable pension benefits laws of any other jurisdiction; and (c) no condition exists and no event or transaction has occurred with respect to any Canadian Pension Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**. No Obligor has a contingent liability in excess of **[Dollar Amount Redacted]** with respect to any post-retirement benefit under a Canadian Welfare Plan. With respect of each Canadian Pension Plan: (a) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made to the appropriate funding agency in material compliance with all Applicable Laws and the terms of each Pension Plan have been made in accordance with all Applicable Laws and the terms of each Canadian Pension Plan; and (b) no event has occurred and no conditions exist with respect to any Canadian Pension Plan that has resulted or could reasonably be expected to result in any Canadian Pension Plan being the subject of a requirement to be wound up (wholly or in part) by any applicable regulatory authority, having its registration revoked or refused by any applicable regulatory authority or being required to pay any taxes or penalties under any applicable pension benefits or tax laws.

(30) ERISA Plans (a) Each ERISA Plan of any Obligor carrying on business in the United States has been maintained and is in compliance in all material respects with Applicable Laws including, without limitation, all requirements relating to employee participation, investment of funds, benefits and transactions with the Obligors and persons related to them, (b) with respect to such ERISA Plans: (i) no condition exists and no event or transaction has occurred with respect to any such ERISA Plan that is reasonably likely to result in any Obligor, to the best of its knowledge, incurring any liability, fine or penalty in excess of the US$ Equivalent Amount of **[Dollar Amount Redacted]**; and (ii) no Obligor carrying on business in the United States has a contingent liability with respect to any post-retirement benefit under a US Welfare Plan in excess of the US$ Equivalent Amount of **[Dollar Amount Redacted]**, (c) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made have been made in accordance with all Applicable Laws and the terms of each ERISA Plan, (d) each of the ERISA Plans that is intended to be "qualified" within the meaning of Section 401(a) of the Code (i) has received a favourable determination letter from the IRS, (ii) is or will be the subject of an application for a favourable determination letter, and no circumstances exist that has resulted or could reasonably be expected to result in the revocation or denial of any such determination letter, or (iii) is entitled to rely on an appropriately updated prototype plan document that has received a national office determination letter and has not applied for a favourable determination letter of its own and (e) no Obligor carrying on business in the United States has any US Pension Plans and no multiemployer plans as defined in Section 4001(a)(3) of ERISA are maintained by any Obligor or to their knowledge have been maintained by any member of any Obligor's Controlled Group.

(31) Not an Investment Company No Obligor is an "investment company" or a company "controlled" by an "investment company" within the meaning of the United States Investment Company Act of 1940 or a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a holding company, or of a "subsidiary company" of a

"holding company", within the meaning of the United States Public Utility Holding Company Act of 2005.

(32) No Margin Stock No Obligor is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock. None of the proceeds of any Advance will be used to purchase or carry, or to reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System of the United States) or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(33) Full Disclosure All information provided or to be provided by or on behalf of any Obligor to the Agent and the Lenders in connection with the Credit Facilities (including with respect to the creditworthiness of Shell Energy and the LDCs) was or will be at the time prepared, to its knowledge, true and correct in all material respects and none of the documentation furnished to the Agent and the Lenders by or on behalf of any Obligor, to its knowledge, omitted or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it at the time made (and, to its knowledge any other Person who furnished such material on behalf of them).

(34) Insolvency From and after the Effective Date, no Obligor, nor any of its predecessors where applicable, (i) has committed any act of bankruptcy; (ii) is insolvent, or has proposed, or given notice of its intention to propose, a compromise or arrangement pursuant to any bankruptcy or insolvency law to its creditors generally; (iii) has any petition for a receiving order in bankruptcy filed against it (unless it has been discharged or dismissed or it is being contested actively and diligently in good faith by appropriate and timely proceedings and is dismissed, vacated or permanently stayed within 15 days of knowledge by such Obligor of its institution), made a voluntary assignment in bankruptcy, taken any proceeding with respect to any compromise or arrangement pursuant to any bankruptcy or insolvency law, taken any proceeding to have itself declared bankrupt or wound-up, taken any proceeding to have a receiver appointed of any part of its assets, or has had any Encumbrancer take possession of any material part of its Property; or (iv) has had an execution or distress claiming payment in excess of **[Dollar Amount Redacted]** become enforceable or become levied on any of its Property which has not been satisfied.

(35) Non-Arm's Length Transactions All agreements, arrangements or transactions between any Obligor, on the one hand, and any Associate of, Affiliate of or other Person not dealing at Arm's Length with such Obligor, on the other hand (other than another Obligor), in existence at the date hereof are set forth on Schedule 8.01(35) or are otherwise permitted pursuant to Section 9.04(19).

(36) Solvency Immediately after the making of each Advance to either Borrower, and after giving effect to the application of the proceeds of such Advances, (i) the fair value of the assets of each Obligor, at a fair valuation, will exceed the debts and liabilities, subordinated, contingent or otherwise, of each Obligor; (ii) the present fair saleable value of the Property of each Obligor will be greater than the amount that will be required to pay the probable liability

of each Obligor on its debts and other liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; (iii) each Obligor will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) each Obligor, if required pursuant to Applicable Law, will not have unreasonably small capital with which to conduct the businesses in which it is engaged as such businesses are now conducted and are proposed to be conducted after the date hereof.

(37) Debt No Obligor has any Debt that is not Permitted Debt.

(38) Bank Accounts No Obligor maintains a bank account other than as set forth on Schedule 8.01(38). Schedule 8.01(38) contains a list of all bank accounts maintained by the Obligors together with a list of all blocked account agreements and deposit account control agreements entered into in connection therewith.

(39) Schedules The information contained in each Schedule attached hereto is as at the date hereof, or at the time a replacement thereof is provided to the Agent or the Lenders pursuant hereto, will be true, correct and complete in all material respects.

(40) Sanctions. It is not in violation of, in any material respect, any of the country or list based economic and trade sanctions administered and enforced by OFAC, or any Sanctions Laws. As of the date of this Agreement, no Obligor (i) is a Sanctioned Person or (ii) is a Person designated under Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 or other Sanctions Laws. If a senior officer of any Obligor receives any written notice that any Obligor, any Affiliate or any Subsidiary of any Obligor is named on the then current OFAC SDN List or is otherwise a Sanctioned Person (such occurrence, a "**Sanctions Event**"), such Obligor shall promptly (i) give written notice to the Agent and the Lenders of such Sanctions Event, and (ii) comply in all material respects with all applicable laws with respect to such Sanctions Event (regardless of whether the Sanctioned Person is located within the jurisdiction of the United States of America or Canada), and each Obligor hereby authorizes and consents to the Agent and the Lenders taking any and all steps the Agent or the Lenders deem necessary, in their sole but reasonable discretion, to avoid violation of, in any material respect, all applicable laws with respect to any such Sanctions Event.

(41) Anti-Corruption Laws. No part of the proceeds of the Advances shall be used, directly or, to the Borrowers' knowledge, indirectly: (a) to offer or give anything of value to any official or employee of any foreign government department or agency or instrumentality or government-owned entity, to any foreign political party or party official or political candidate, or to anyone else acting in an official capacity, in order to obtain, retain or direct business, or obtain any improper advantage, in material violation of any Anti-Corruption Law.

(42) Anti-Terrorism Laws. To the extent applicable, each Obligor is in compliance, in all material respects, with (i) the U.S. Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (ii) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (United States), as amended (the "**Patriot Act**"); and (iii) *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*

(Canada) (collectively with clauses (i) and (ii) above, the "**Anti-Terrorism Laws**"). The use of the proceeds of the Advances will not violate, in any material respect, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto, in any material respect.

(43) Reporting Issuer. JustEnergy is a reporting issuer, as defined under applicable Canadian securities laws, in all of the provinces and territories of Canada and is not in default in any material respect under any requirement of applicable Canadian or U.S. securities laws. JustEnergy is in compliance in all material respects with the rules and regulations of the Toronto Stock Exchange and the New York Stock Exchange.

8.02 Survival and Repetition of Representations and Warranties

The representations and warranties set out in Section 8.01 will be repeated (i) in each Compliance Certificate delivered pursuant to Section 9.03(3), (ii) as of the date of each request for a new Advance by a Borrower, (iii) in accordance with Section 9.05 in connection with the designation of Restricted Subsidiaries, (iv) in each Borrowing Base Certificate delivered pursuant to Section 9.03(6), and (v) in each Priority Supplier Payables Certificate delivered pursuant to Section 9.03(10), in each case, with reference to the actual dates at which such representations and warranties are made; except in any such case to the extent that on or prior to such date the Borrowers advise the Agent in writing of the variation in any such representation or warranty as of such date; and provided further that such disclosure will not excuse any breach of covenant or Event of Default arising hereunder other than as a result of the incorrectness of such representation and warranty.

ARTICLE 9
COVENANTS

9.01 Positive Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, each Borrower will and will cause each other Obligor to:

(1) Timely Payment Make due and timely payment of the Obligations required to be paid by it hereunder and under each other Credit Document.

(2) Conduct of Business, Maintenance of Existence, Compliance with Laws (a) engage in business of the same general type as now conducted by it; (b) carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; (c) except as otherwise permitted by Section 9.04(2), preserve, renew and keep in full force and effect its existence; (d) take all action necessary to maintain all material registrations, material licenses, material rights, material privileges and franchises necessary or desirable in the normal conduct of its business; and (e) comply in all material respects with all Requirements of Law, including without limitation, Requirements of Environmental Law.

(3) Further Assurances Provide the Agent and the Lenders with such other documents, opinions, consents, acknowledgements and agreements as are reasonably necessary to implement this Agreement, the other Credit Documents and are required by the Agent from time to time.

(4) Access to Information Promptly provide the Agent with all information reasonably requested by the Agent for and on behalf of the Lenders from time to time concerning its financial condition and Property, and during normal business hours and from time to time upon reasonable notice, permit representatives of the Agent, and the Lenders if accompanied by the Agent, to inspect any of its Property, to examine and take extracts from its financial books, accounts and records including but not limited to accounts and records stored in computer data banks and computer software systems, and to discuss its financial affairs, its business or any part of its Property with its senior officers and (in the presence of such of its representatives as it may designate) its auditors. If an Event of Default or a Pending Event of Default has occurred and is continuing, the Canadian Borrower will pay all reasonable expenses incurred by such representatives in order to visit a Borrower's premises or attend at its and each other Obligor's principal office, as applicable, for such purposes. In addition, the Borrowers shall, and shall cause each other Obligor to, promptly provide to the Agent with such information as the Agent or any Lender may reasonably request in order to comply with the Beneficial Ownership Regulation and written notice of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in such Certification.

(5) Payment Obligations Pay or discharge, or cause to be paid or discharged (i) before the same become delinquent (A) all Taxes imposed upon it or upon its income or profits or in respect of its business or Property and file all tax returns in respect thereof and (B) all required payments under any of its Debt and (ii) in a timely manner in accordance with prudent business practices (A) all lawful claims for labour, materials and supplies, and (B) all other material obligations the failure of which would reasonably be expected to result in an Event of Default; provided, however that it will not be required to pay or discharge or to cause to be paid or discharged any such amount referred to in clauses (i) and (ii) so long as the validity or amount thereof is being contested in good faith by appropriate proceedings and an adequate reserve in accordance with GAAP and satisfactory to the Agent, acting reasonably, has been established in its books and records.

(6) Use of Credit Facilities Use the proceeds of the Credit Facilities as contemplated by Section 2.07.

(7) Insurance Maintain or cause to be maintained with reputable insurers, coverage against risk of loss or damage to its Property (including public liability and damage to property of third parties), business interruption insurance, fire and extended peril insurance and boiler and machinery insurance of such types as is customary for and would be maintained by a corporation with an established reputation engaged in the same or similar business in similar locations and provide to the Agent, on an annual basis, if requested, evidence of such coverage. The Collateral Agent will be indicated in all insurance policies, as applicable, as a loss payee and additional insured.

(8) Notice of Event of Default or Pending Event of Default Promptly notify the Agent of any Event of Default or Pending Event of Default that would apply to it or to any Obligor of which it becomes aware.

(9) Notice of Material Adverse Effect Promptly notify the Agent of any condition (financial or otherwise), event or change in its or any other Obligor's business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect.

(10) Notice of Litigation Diligently defend itself and its properties from and against any lawsuits or claims in accordance with prudent business practice and promptly notify the Agent on becoming aware of the occurrence of any litigation, dispute, arbitration, proceeding or other circumstance (including, without limitation, any such dispute with Shell Energy or any LDC) the result of which if determined adversely would be a judgment or award against it (i) in excess of **[Dollar Amount Redacted]**or (ii) would reasonably be expected to result in a Material Adverse Effect to it, and (A) from time to time provide the Agent with all reasonable information requested by the Agent concerning the status of any such proceeding and (B) provide the Agent semi-annually in March and September of each year, a written update prepared by internal counsel to the Borrowers in respect of each such proceeding in excess of **[Dollar Amount Redacted]**.

(11) Other Notices Promptly, upon having knowledge, give notice to the Agent on behalf of the Lenders of:

(a) any violation of any Applicable Law, which does or could reasonably be expected to have a Material Adverse Effect;

(b) any termination or expiration of or default under a Material Contract or Material Licence;

(c) any damage to or destruction of any property, real or personal, of any Obligor having a replacement cost in excess of **[Dollar Amount Redacted]**;

(d) the receipt of insurance proceeds by any Obligor in excess of **[Dollar Amount Redacted]**;

(e) any change in the regulatory framework relating to the energy market which is materially adverse to the Business or could reasonably be expected to be materially adverse to the Business with the passage of time;

(f) any Encumbrance registered against any property or assets of any Obligor, other than a Permitted Encumbrance;

(g) any entering into of a Material Contract or Material Licence, together with a true copy thereof; or

(h) any assignment of a Material Contract by the counterparty thereto.

(12) Computer Software Own or license for use or otherwise maintain the right to use all of the material software necessary to conduct its businesses and in all material respects, properly maintain and keep in good working order for the purposes of on-going operation, all Computer Equipment owned or used by an Obligor and necessary for the conduct of business, subject to ordinary wear and tear for Computer Equipment of comparable age and lost or damaged Computer Equipment replaced or repaired to the extent required to conduct its Business.

(13) Intellectual Property Maintain rights sufficient for it to use all the Intellectual Property reasonably necessary for the conduct of its business and not knowingly infringe or misappropriate in any material way the intellectual property rights of any other Person.

(14) Environmental Compliance Operate its business in compliance in all material respects with all applicable material Requirements of Environmental Laws and operate all Property owned, leased or otherwise occupied by it with a view to ensuring that no material obligation, including a clean-up or remedial obligation, will arise in respect of an Obligor under any Requirements of Environmental Law; provided however, that if any such obligation arises, the applicable Obligor will promptly satisfy or contest such obligation at its own cost and expense. It will promptly notify the Agent, to the extent not disclosed as of the date hereof, upon (i) learning of the existence of Hazardous Substance located on, above or below the surface of any land which it owns, leases, operates, occupies or controls (except those being stored, used or otherwise handled in substantial compliance with applicable Requirements of Environmental Law), or contained in the soil or water constituting such land and (ii) the occurrence of any lawfully reportable release, spill, leak, emission, discharge, leaching, dumping or disposal of Hazardous Substances that has occurred on or from such land which, in either case, is likely to result in liability under Requirements of Environmental Law.

(15) Security With respect to the Security:

(a) provide to the Collateral Agent the Security required from time to time pursuant to Article 10 in accordance with the provisions of such Article, accompanied by supporting resolutions, certificates and opinions as reasonably requested by the Collateral Agent and in form and substance satisfactory to the Collateral Agent; and

(b) do, execute and deliver all such things, documents, security, agreements and assurances as may from time to time be reasonably requested by the Collateral Agent to ensure that the Collateral Agent holds at all times valid, enforceable, perfected first priority Encumbrances (subject only to Permitted Encumbrances) from the Obligors meeting the requirements of Article 10.

(16) Maintenance of Property Keep all Property necessary in its business in good working order and condition, normal wear and tear excepted, save for lost or damaged Property replaced or repaired to the extent required to conduct its Business.

(17) ERISA Matters

(a) Maintain each ERISA Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any US Pension Plan or multiemployer plan as defined in Section 4001(a)(3) of ERISA without the prior written consent of the Lenders; and

(c) promptly notify the Agent on becoming aware of (i) the institution of any steps by any Person to terminate any US Pension Plan, (ii) the failure of any Obligor to make a required contribution to any US Pension Plan if such failure is sufficient to give rise to an Encumbrance under Section 303(k) of ERISA, (iii) the taking of any action with respect to a US Pension Plan which is reasonably likely to result in the requirement that any Obligor furnish a bond or other security to the US Pension Benefit Guaranty Corporation under ERISA or such Pension Plan, or (iv) the occurrence of any event with respect to any ERISA Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**, and following notice to the Agent thereof, provide copies of all documentation relating thereto if requested by the Agent.

(18) Canadian Pension Plans

(a) maintain each Canadian Pension Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any Specified Canadian Pension Plan without the prior written consent of the Lenders; and

(c) promptly notify the Agent on becoming aware of (i) the institution of any steps by any Person to terminate any Canadian Pension Plan, (ii) the failure of any Obligor to make a required contribution to any Canadian Pension Plan if such failure is sufficient to give rise to a deemed trust or lien under applicable pension benefits standards laws, or (iii) the occurrence of any event with respect to any Canadian Pension Plan or Canadian Welfare Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**, and following notice to the Agent thereof, provide copies of all documentation relating thereto if requested by the Agent.

(19) Employee Benefit and Welfare Plans Maintain all employee benefit and Canadian Welfare Plans relating to the Business in compliance in all material respects with all Applicable Laws and ensure that all premiums and payments relating to employee benefits and pensions are paid as due.

(20) Additional Information Promptly provide the Agent, upon receipt thereof, with copies of all "management letters" or other material letters submitted by independent public

accountants in connection with audited financial statements described in Section 9.03 raising issues associated with the audit of the Obligors.

(21) Maintenance of Material Contracts and Material Licenses Except as otherwise permitted under Section 9.04(17), maintain in good standing and perform all of its obligations under and comply with all Material Contracts and Material Licenses.

(22) Maintenance of Bank Accounts (a) Maintain all bank accounts and other forms of deposit account solely with a financial institution that has entered into a blocked account agreement or deposit account control agreement with the Collateral Agent on terms satisfactory to the Collateral Agent, and (b) cause any cash or cash equivalents that are the property of any Obligor to be held with a Lender.

(23) Fulfillment of Obligations Fulfill and perform any and all of its material obligations to its Customers in whole, Shell Energy and any material LDCs.

(24) LDC Agreements Notify the Agent of any notices received from LDCs in connection with any collections, services, agreements or any Transportation Agreements, requests to increase the billing service amount under any Collection Services Agreements, offsets or material matters under any LDC Agreement, in each case which would reasonably be expected to have a Material Adverse Effect.

(25) Minimum Supplier Credit Rating

(a) Only enter into or renew or permit the assignment of Supplier Contracts where, in any case, the supplier thereunder (including, without limitation, Shell Energy) and any new supplier (i) has a minimum credit rating of (A) BBB or higher by S&P, (B) Baa2 or higher by Moody's, (C) BBB or higher by Fitch, or (D) BBB or higher by DBRS (the "**Minimum Supplier Rating**"), (ii) has its obligations backed by a guarantee from a Person with a credit rating meeting the requirements of (i) hereof or by a letter of credit issued by a bank whose long-term debt is rated at least "A" by S&P, or (iii) is not rated or does not have its obligations backed by a guarantee or letter of credit as described in (i) or (ii) hereof provided that all such suppliers do not exceed 10% of the total supply under all Supplier Contracts.

(b) For the purposes of determining the Minimum Supplier Rating in (a) above, if at any time such supplier is rated by more than one rating agency, the Minimum Supplier Rating shall be determined by reference to the highest of all applicable ratings, unless one of the ratings is two or more categories lower than the other ratings, in which case the Minimum Supplier Rating for such supplier shall be determined by reference to the category next above that of the lowest rating.

(26) No Supplier Recourse Other than in connection with Financial Assistance which is permitted pursuant to Section 9.04(5), ensure that no supplier to any Unrestricted Subsidiary has any recourse to any Obligor.

(27) Hedges If, pursuant to any report provided to the Agent pursuant to Section 9.03(7) or if the Agent reasonably determines at any time that, the Hedge Cap is exceeded, the Canadian Borrower or any other Obligor, as applicable, will forthwith unwind sufficient Hedges (for greater certainty, other than Commodity Hedges) with the Lender Hedge Providers to reduce the Aggregate Swap Exposure to below the Threshold Amount.

(28) Keepwell Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Obligor to honour all of its obligations under the Guarantee in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under the Guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section and under the Guarantee shall remain in full force and effect until discharged in accordance with this Agreement and the Guarantee . Each Qualified ECP Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Obligor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

(29) Reporting Issuer Status Maintain the listing of the equity interests of JustEnergy on the Toronto Stock Exchange and maintain the status of JustEnergy as a reporting issuer under the Canadian securities laws of all of the provinces and territories of Canada in which it is a reporting issuer as of the date of this Agreement.

(30) Refinancing of Credit Facilities On or before June 30, 2022, provide to the Agent evidence satisfactory to the Agent that the Borrowers have initiated a process to fully refinance the Credit Facilities in manner satisfactory to the Majority Lenders, acting reasonably.

(31) Alberta Utilities Commission Debt Promptly upon the entering into of the agreements relating to the Alberta Utilities Commission Debt by the relevant Obligors and the other parties thereto, provide to the Agent certified copies of all such agreements and such other information and documentation with respect to the Alberta Utilities Commission Debt as may be reasonably requested by the Agent.

9.02 Financial Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders:

(1) Senior Debt to EBITDA Ratio The Borrowers, on a Modified Consolidated Basis, will ensure that the Senior Debt to EBITDA Ratio determined as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is not greater than the applicable ratio set forth in the following chart:

Fiscal Quarters (Ending On)	Senior Debt to EBITDA Ratio

September 30, 2020 and December 31, 2020	**[Ratio Redacted]**
March 31, 2021 and June 30, 2021	**[Ratio Redacted]**
September 30, 2021 and December 31, 2021	**[Ratio Redacted]**
March 31, 2022 and June 30, 2022	**[Ratio Redacted]**
September 30, 2022 and thereafter	**[Ratio Redacted]**

(2) Minimum Trailing Four Fiscal Quarter EBITDA The Borrowers, on a Modified Consolidated Basis, will ensure that EBITDA determined as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is not less than **[Dollar Amount Redacted]**.

9.03 Reporting Requirements

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, the Canadian Borrower will:

(1) Annual Reports As soon as available and in any event within 120 days after the end of each Fiscal Year, cause to be prepared and delivered to the Agent the audited consolidated financial statements of JustEnergy, including, without limitation, a balance sheet, statement of equity, income statement and cash flow statement, certified by the chief financial officer of JustEnergy.

(2) Quarterly Reports

(a) As soon as available and in any event within 60 days of the end of each of its first three Fiscal Quarters of each Fiscal Year, cause to be prepared and delivered to the Agent as at the end of such Fiscal Quarter the unaudited interim consolidated financial statements of JustEnergy, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of JustEnergy.

(b) As soon as available and in any event within 60 days of the end of each Fiscal Quarter (including the fourth Fiscal Quarter), cause to be prepared and delivered to the Agent as at the end of such Fiscal Quarter the unaudited financial statements of the Borrowers prepared on a Modified Consolidated Basis, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of JustEnergy.

(3) Compliance Certificate Concurrently with the delivery of the financial statements referred to in Sections 9.03(1) and (2) above, provide the Agent with a Compliance Certificate.

(4) Operating Budget As soon as available and in any event not later than June 30 in each year for the next three Fiscal Years, provide to the Agent for the Lenders, the Operating Budget.

(5) Supply/Demand Projection Within 30 days of the end of each Fiscal Quarter, cause to be prepared and delivered to the Agent a supply vs. demand summary in respect of the Obligors' projected next 12 months and the next 36 months anticipated Available Supply and Supply Commitments for natural gas, electricity and JustGreen Products, separately.

(6) Borrowing Base Certificate As soon as available, and in any event within 30 days after the end of each Fiscal Quarter, furnish to the Agent a Borrowing Base Certificate setting out the calculation of the Borrowing Base as at the last day of the Fiscal Quarter just ended, and, semi-annually, including a calculation of the Key Assumptions in the manner set forth in Schedule I.1. In the event that any Key Assumption calculated in such manner exceeds the Key Assumption Variance Limit for such Key Assumption, the Borrowing Base calculation shall be amended for the following Fiscal Quarter so that the actual prior 12-month period figure is used for such Key Assumption which exceeded the Key Assumption Variance Limit.

(7) Hedging Exposure As soon as practicable and in any event within 30 days after the end of each Fiscal Quarter, provide to the Agent a report containing a summary of all outstanding hedging positions for all Hedges with Lender Hedge Providers (whether positive or negative) measured on a marked-to-market basis aggregated by product type (Commodity Hedge, Interest Rate Hedge, Currency Hedge or Equity Hedge) and in event that the Threshold Amount is exceeded, such reports will be provided by the Canadian Borrower to the Agent on a weekly basis.

(8) Marked to Market Calculation As soon as available, and in any event within 10 Business Days after the end of each month, deliver to the Agent the Canadian Borrower's good faith calculation of the marked-to-market exposure under its Supplier Contracts.

(9) Portfolio Report As soon as available and in any event within 30 days of the end of each Fiscal Quarter, cause to be prepared and delivered to the Agent a portfolio report (substantially in the form of the report attached hereto as Schedule 9.03(9)), which report shall include the Canadian Borrower's good faith calculation of the marked-to-market exposure for each of the following categories: Canadian gas, US gas, Canadian power and US power.

(10) Priority Supplier Payables As soon as available, and in any event within 10 Business Days after the end of each month, furnish to the Agent a Priority Supplier Payables Certificate setting out the Priority Supplier Payables as at the last day of the month just ended.

(11) Risk Management Policy Promptly notify the Agent of any changes or modifications to the risk management and hedging policy of the Obligors from that in effect on the date hereof and promptly provide a copy of such change or modification.

(12) Sufficient Copies to Agent Ensure that in complying with this Section 9.03, the Agent is supplied with such quantities of all materials as the Agent may require in order to distribute such materials to each of the Lenders and wherever possible, that electronic copies are sent which the Agent is then authorized to send electronically to the Lenders.

(13) Cash Flow Forecasts Commencing on the fourth Friday following the Effective Date, and on each four (4) week interval thereafter, the Borrowers shall provide the Agent with its cash flow statement together with a variance report (if applicable).

(14) Strategic Review Process Promptly notify the Agent of the commencement of any strategic review process with respect to or involving JustEnergy or any of its Subsidiaries and attend calls with the Lenders on a bi-monthly basis to provide updates on such strategic review process.

(15) Other Information Deliver to the Agent such other information relating to the conduct of business or financial condition of the Obligors as the Agent on behalf of the Lenders may reasonably request from time to time.

9.04 Negative Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, each Borrower will not and will ensure that each other Obligor will not:

(1) Disposition of Property Except for Permitted Asset Dispositions, Dispose of, in one transaction or a series of transactions, all or any part of its Property, whether now owned or hereafter acquired.

(2) Fundamental Changes Enter into any corporate transaction (or series of transactions), whether by way of arrangement, reorganization, consolidation, amalgamation, merger or otherwise, whereby all or substantially all of its undertaking and assets would become the property of any other Person or in the case of any amalgamation, the property of the continuing corporation resulting from the amalgamation, except that if at the time of and immediately after giving effect to the corporate transaction, if no Event of Default will have occurred and be continuing, it may amalgamate or merge (including by way of a wind-up that is not as a result of an insolvency) with or transfer all or substantially all of its assets to a Borrower or any wholly-owned Subsidiary of a Borrower; provided that it provides the Collateral Agent with prior notice of any such transaction and upon any amalgamation or merger (except by way of a wind-up), the resulting company or the entity to whom the assets have been transferred, as applicable, delivers to the Collateral Agent the Security Documents and an assumption agreement pursuant to which the amalgamated or merged company or the entity to whom the assets have been transferred, as applicable, confirms its assumption of all of the obligations of the amalgamating or merging companies or the entity which transferred the assets, as applicable, under the Credit Documents and such other security, certificates and opinions as may be required by the Collateral Agent including, if applicable, a pledge of the amalgamated or merged company's shares.

(3) No Debt Create, incur, assume or permit any Debt to remain outstanding, other than Permitted Debt; provided that the aggregate principal amount of all Permitted Debt described in clauses (a) and (i) of the definition of "Permitted Debt" shall at no time exceed the Lender Limitation Amount (as defined in the Intercreditor Agreement).

(4) No Repayment or Prepayment of Debt

(a) Directly or indirectly voluntarily prepay, defease or in substance defease, purchase, redeem, retire or otherwise acquire the Alberta Utilities Commission Debt, the 2020 Subordinated Debt or the $15 Million Subordinated Note, in advance of Debt outstanding under this Agreement, except, in the case of the Alberta Utilities Commission Debt, with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts;

(b) make any amendment or modification to the subordination, ranking, term, granting of security or postponement terms of any indenture, note or other agreement evidencing or governing any Debt or any other term of such agreement which would be adverse to the Lenders; and

(c) following the occurrence of an Event of Default or a Pending Event of Default which, in either case, is continuing, make any payment in respect of any Debt other than (i) Debt hereunder, (ii) Existing Intercompany Debt or Future Intercompany Debt between Obligors (other than to JustEnergy), (iii) non-cash Permitted Distributions in respect of Debt, (iv) payments in respect of obligations secured by Purchase Money Security Interests and payments in respect of Lease Obligations, (v) principal repayments of the Alberta Utilities Commission Debt, provided that each such payment shall be made solely with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts or (vi) payments under the Subordinated Facility Agreement that are Paid in Kind.

(5) No Financial Assistance Give any Financial Assistance to any Person other than:

(a) Existing Intercompany Debt;

(b) Future Intercompany Debt;

(c) guarantees made by the Obligors of Permitted Debt (other than the $15 Million Subordinated Note);

(d) Financial Assistance to Restricted Subsidiaries;

(e) loans and advances to employees made in accordance with Section 9.04(9); and

(f) Financial Assistance to Unrestricted Subsidiaries (i) that was provided or advanced prior to June 30, 2020 and certified in a Compliance Certificate prior to such date; and (ii) from and after July 1, 2020, in an amount not to exceed **[Dollar Amount Redacted]** in the aggregate to all Unrestricted Subsidiaries.

Notwithstanding clauses (a) to (f) above, no Financial Assistance shall be given by an Obligor to any Person that is not an Obligor if a Pending Event of Default or an Event of Default

has occurred or if the making of any such Financial Assistance would cause a Pending Event of Default or Event of Default to occur.

(6) No Imbalance in Commitments

(a) Permit, at any time, the projected amount of Available Supply of natural gas for the next 12 months to (i) exceed 110% of Supply Commitments for natural gas, or (ii) be less than 90% of Supply Commitments for natural gas in the same period;

(b) permit, at any time, the projected amount of Available Supply of electricity for the next 12 months to (i) exceed 110% of Supply Commitments for electricity, or (ii) be less than 90% of Supply Commitments for electricity in the same period;

(c) permit, at any time, the projected amount of Available Supply of JustGreen Products for the next 12 months to (i) exceed 150% of Supply Commitments for JustGreen Products, or (ii) be less than 90% of Supply Commitments for JustGreen Products in the same period;

(d) permit, at any time, the projected amount of Available Supply of natural gas for the next 36 months to (i) exceed 115% of Supply Commitments for natural gas, or (ii) be less than 85% of Supply Commitments for natural gas in the same period;

(e) permit, at any time, the projected amount of Available Supply of electricity for the next 36 months to (i) exceed 115% of Supply Commitments for electricity, or (ii) be less than 85% of Supply Commitments for electricity in the same period;

(f) permit, at any time, the projected amount of Available Supply of JustGreen Products for the next 36 months to (i) exceed 150% of Supply Commitments for JustGreen Products, or (ii) be less than 90% of Supply Commitments for JustGreen Products in the same period; and

(g) permit, at any time, the notional value of the projected amount of the Available Supply of JustGreen Products that exceeds the notional value of the Supply Commitments for JustGreen Products to exceed 1.0% of the aggregate notional value of Supply Commitments for electricity, natural gas and JustGreen Products.

(7) No Distributions Make or permit any Distributions, other than Permitted Distributions; provided that: (a) Permitted Distributions in cash between Obligors following the occurrence of a Pending Event of Default or Event of Default shall only be made as follows: (i) by any Obligor organized in the United States to the US Borrower or (ii) by any Obligor to the Canadian Borrower; (b) no Permitted Distribution shall be made in cash to any Person that is not an Obligor except as expressly permitted under paragraph (e) of the definition of Permitted Distribution; and (c) no Permitted Distributions shall be made in cash to any Person that is not an Obligor if a Pending Event of Default or Event of Default has occurred or if the making of any such cash Distribution would cause a Pending Event of Default or Event of Default to occur.

(8) Distribution Restrictions Other than this Agreement and the Subordinated Facility Agreement, enter into any other agreement that would limit its ability to effect any dividends or distributions.

(9) Management Fees Subject to Section 9.04(28), make or pay any bonus, consulting or management fee or corporate overhead payment or other like payment to any shareholder, director or officer, or any of their Affiliates, except for:

(a) salaries, benefits and other employment remuneration (including employee loans) paid in the ordinary course of business and on commercially reasonable terms; and

(b) any bonus, consulting or management fee or directors fee or payments to directors and officers of it, provided that any such payments are part of a commercially reasonable compensation package being paid by it for management services rendered.

(10) No Encumbrances Subject to Section 9.04(22), create, incur, assume or permit to exist any Encumbrance upon any of its Property except Permitted Encumbrances.

(11) No Acquisitions Make any Acquisition.

(12) No Change to Year End Make any change to its Fiscal Year; provided that the Borrowers may elect to change its Fiscal Year to end on December 31 by delivering 60 days prior written notice to the Agent.

(13) No Change to Business Carry on any business other than the Business; provided that no more than 7.5% of all revenue generated from the Business shall be generated from the marketing or sale of JustGreen Products, calculated on a Modified Consolidated Basis.

(14) Location of Assets in Other Jurisdictions Except for any Property being delivered to a Customer in the ordinary course of business of such Obligor as part of the performance of its obligations, or the provision of its services, to such Customer in the ordinary course of business of such Obligor, locate any Property (other than natural gas) outside of the jurisdictions identified in Schedule 9.04(14) or move any Property from one jurisdiction to another jurisdiction where the movement of such Property would cause the Encumbrance of the Security over such Property to cease to be perfected under Applicable Law, or knowingly suffer or permit in any other manner any of its Property to not be subject to the Encumbrance of the Security or to be or become located in a jurisdiction as a result of which the Encumbrance of Security over such Property is not perfected, unless (x) the applicable Obligor has first given 21 days prior written notice thereof to the Agent, and (y) such Obligor has first executed and delivered to the Agent all Security and all financing or registration statements in form and substance satisfactory to the Agent which the Agent or its counsel, acting reasonably, from time to time deem necessary or advisable to ensure that the Security at all times constitutes a perfected first priority Encumbrance (subject only to Permitted Encumbrances) over such Property notwithstanding the movement or location of such Property as aforesaid together with such supporting certificates, resolutions, opinions and other documents as the Agent may deem necessary or desirable in connection with such security and registrations.

(15) No Share Issuance Issue any new capital other than (a) Future Intercompany Equity, and (b) the issuance of common shares or preferred shares of JustEnergy to the public (which, for greater certainty, shall include any private placement).

(16) Amendments to Organizational Documents Amend any of its Organizational Documents in a manner that would be prejudicial to the interests of any of the Lenders under the Credit Documents.

(17) Material Contracts

(a) Allow any circumstances to arise which would allow any Material Contract to lapse or to be terminated during its term if such lapse or termination would be adverse to the Lenders in any material respect;

(b) amend, vary, alter or waive any material term of any Material Contract in any material respect if such amendment, variance, alteration or waiver would be adverse to the Lenders in any material respect;

(c) assign any Material Contract, except for assignment to the Collateral Agent pursuant to the Security Documents;

(d) enter into any Supplier Contract which contains reporting or financial covenants that are in addition to or that are more restrictive than the reporting and financial covenants contained in Section 9.01 and 9.02 of the Intercreditor Agreement; and

(e) extend the payment terms with respect to any Supplier Contract in existence between an Obligor and a Priority Supplier.

(18) Hostile Take-Over Bid Make or complete a Hostile Take-Over Bid.

(19) Non-Arm's Length Transactions Effect any transactions with any Person (other than an Obligor) not dealing at Arm's Length with the transacting Obligor except for (i) those transactions identified in Schedule 8.01(35) on the Effective Date; (ii) the payment and receipt of Permitted Distributions; (iii) transactions permitted under Section 9.04(5); (iv) technical and administrative service agreements on commercially reasonable terms between any of JustEnergy or JEC and its Subsidiaries and the provision of the services contemplated thereby; and (v) sales arrangements on commercially reasonable terms between an Obligor and an Unrestricted Subsidiary with respect to the Business.

(20) Sale and Leaseback Enter into any arrangement with any Person providing for the leasing by any Obligor, as lessee, of property which has been or is to be sold or transferred by such Obligor to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or the lease obligation of any Obligor.

(21) Hedging Contracts Enter into or permit to be outstanding at any time any Hedge unless such Hedge satisfies the following conditions:

(a) if such Hedge is an Interest Rate Hedge, it is designed to protect the Obligors against fluctuations in interest rates;

(b) if such Hedge is a Currency Hedge, it is designed to protect the Obligors against fluctuations in currency exchange rates;

(c) if such Hedge is an Equity Hedge, it is designed to protect the Obligors against fluctuations in share price;

(d) such Hedge has been entered into by an Obligor *bona fide* and in good faith in the ordinary course of its business for the purpose of carrying on the same and not for speculative purposes; and

(e) after entering into such Hedge (for greater certainty, other than Commodity Hedges) with a Lender Hedge Provider, the Aggregate Swap Exposure of all Hedges (for greater certainty, other than Commodity Hedges) with Lender Hedge Providers would be less than the Threshold Amount.

(22) Customer Contracts Permit any Encumbrances on Customer Contracts other than Permitted Encumbrances; provided, however, an Obligor may permit Encumbrances on Customer Contracts in favour of suppliers for such Customer Contracts so long as (i) revenue generated on all such Customer Contracts Encumbered in favour of suppliers accounts for no more than 3% of revenue generated by all Customer Contracts; and (ii) gross margin generated by such Customer Contracts Encumbered in favour of suppliers accounts for no more than 3% of gross margin of JustEnergy (on a consolidated basis) calculated on a rolling four quarter basis at the end of each Fiscal Quarter. The Encumbrances of the Security over Customer Contracts that may be Encumbered in favour of suppliers from time to time in accordance herewith, will be released from time to time in accordance with the terms of the Intercreditor Agreement.

(23) No Accounts Open any new bank accounts unless a deposit account control agreement in respect of such new account is entered into between the Collateral Agent, the applicable Obligor and the financial institution where such new bank account is to be located, in form and substance satisfactory to the Agent acting reasonably, excluding, to the extent located in India, the JEBPO Accounts.

(24) Anti-Money Laundering and Anti-Terrorism Finance Laws; Foreign Corrupt Practices Act; Sanctions Laws; Restricted Person The Borrowers shall not, and shall not permit any Subsidiary to, (a) engage in or conspire to engage in any transaction that violates, in any material respect, any Anti-Terrorism Law, any Anti-Corruption Law or any Sanctions Law, or (b) use any part of the proceeds of the Advances, directly or, to the Borrowers' knowledge, indirectly, for any conduct that would cause the representations and warranties in Sections 8.01(40), 8.01(41) or 8.01(42) to be untrue in any material respect as if made on the date any such conduct occurs.

(25) Anti-Cash Hoarding Accumulate or maintain cash or Cash Equivalents in one or more accounts (including, for greater certainty, any depository, investment or securities account) maintained by the Obligors in an amount, in the aggregate, greater than **[Dollar**

Amount Redacted] (or the Equivalent Amount in any other currency). For greater certainty, the Lenders may refuse to fund any requested Drawdown which the Lenders, acting reasonably and in good faith, determine would result in a contravention of this Section 9.04(25)).

(26) Fin/Phys Transactions Engage in any Fin/Phys Transactions (i) not related to the Business; (ii) which would result in the daily aggregate Fin/Phys Transaction volume to exceed 500 Megawatts, or (iii) which would result in the Fin/Phys Accumulated Balance to exceed the Fin/Phys Accumulated Balance Limit in any calendar month, provided that to the extent such excess exists in any calendar month, the Borrowers shall within 10 Business Days cause a payment to be made to the relevant Priority Suppliers in an amount that is equal to the amount by which the Fin/Phys Accumulated Balance exceeds the Fin/Phys Accumulated Balance Limit.

(27) JEBPO Notwithstanding any provision in this Agreement or any other Credit Document to the contrary:

(a) No Obligor shall:

(i) provide any Financial Assistance to JEBPO, other than in accordance with Section 9.04(5)(f) (and for the purposes of Section 9.04(5), JEBPO shall be deemed to be an Unrestricted Subsidiary); or

(ii) complete any Dispositions or any Distributions to JEBPO;

(b) JEBPO shall not:

(i) open any account in the United States or Canada other than in accordance with the terms of this Agreement, including Section 9.04(23); or

(ii) own any assets or engage in any business or activity other than in connection with operating a call centre and back office support centre in India in the normal course of its business; and

(c) the aggregate amount of cash or Cash Equivalents in the JEBPO Accounts that are not subject to a blocked account agreement or deposit account control agreement with the Collateral Agent shall not exceed **[Dollar Amount Redacted]** at any time.

(28) Key Employee Retention Programs Establish, maintain, participate or make contribution to any key employee retention program (other than (i) the key employee retention programs of the Obligors existing on the Effective Date, (ii) those provided for in the Operating Budget that are established, maintained, participated or contributed to in the ordinary course of business and on commercially reasonable terms) providing for cash payments (or payments in Cash Equivalent) in excess of **[Dollar Amount Redacted]** individually or **[Dollar Amount Redacted]** in the aggregate, without the prior written consent of the Lenders.

9.05 Restricted and Unrestricted Subsidiaries

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, each Borrower will ensure that:

(1) No Subsidiaries JustEnergy has no Subsidiaries, other than Restricted Subsidiaries and Unrestricted Subsidiaries.

(2) Status of Subsidiaries Each Subsidiary of JustEnergy:

(i) shall be a corporation, limited partnership, general partnership, trust or limited liability corporation formed under the laws of (A) Canada or a province thereof, (B) a state of the United States of America or the District of Columbia, (C) the United Kingdom, (D) Germany, (E) Hungary or (F) India; and

(ii) shall (A) if such Subsidiary is a Restricted Subsidiary, be wholly-owned by JustEnergy, a Borrower or a Restricted Subsidiary, or (B) if such Subsidiary is an Unrestricted Subsidiary, be owned, wholly or in part (subject to the terms of this Agreement), by JustEnergy or another Subsidiary.

(3) Security Upon formation or acquisition, each Subsidiary will provide to the Agent a guarantee of the Obligations and will provide to the Collateral Agent Security Documents creating first charge security on all Property subject to Permitted Encumbrances of such Subsidiary, together with such opinions and other documents (including, without limitation, the Intercreditor Agreement and the Restricted Subsidiary Subordination Agreement) as the Agent may reasonably require, all in form and substance acceptable by the Agent. In addition, all shares in the capital stock (or other certificates representing all equity interests) of such Subsidiary shall be delivered to the Collateral Agent together with related stock powers duly executed in blank.

(4) Composition of Borrowers and Restricted Subsidiaries At all times: (a) the gross margin of the Borrowers and the Restricted Subsidiaries shall comprise of no less than 80% of the consolidated gross margin of JustEnergy and all of its Subsidiaries, and (b) the revenue of the Borrowers and the Restricted Subsidiaries shall comprise of no less than 80% of the consolidated revenue of JustEnergy and all its Subsidiaries; provided that the covenant contained in this clause (b) shall no longer be effective in the event that the Intercreditor Agreement is amended to delete such covenant from Section 9.01(2) of the Intercreditor Agreement.

(5) Revocation of Designation as an Unrestricted Subsidiary From time to time the Canadian Borrower may change the designation of a Subsidiary from an Unrestricted Subsidiary to a Restricted Subsidiary; provided that:

(a) after giving effect to such designation, all representations and warranties contained in Section 8.01 of this Agreement will be true and correct in all material respects with the same force and effect as if such representations and warranties had been made on and as of the date of such designation;

(b) the Borrowers are in compliance with all covenants contained herein and no Pending Event of Default or Event of Default shall have occurred and be continuing or will occur as a result of such designation;

(c) the Canadian Borrower shall have provided the Agent with a certificate of an officer certifying the foregoing;

(d) the Subsidiary will provide to the Agent a guarantee and to the Collateral Agent Security Documents creating first charge security on all Property of the Subsidiary (subject to Permitted Encumbrances), together with such opinions and other documents as the Agent and its counsel may require all in form and substance acceptable by the Agent as its counsel; and

(e) the Canadian Borrower shall have delivered to the Agent a revised Schedule 8.01(16) showing all Restricted Subsidiaries and Unrestricted Subsidiaries of JustEnergy following such designation.

ARTICLE 10
SECURITY

10.01 Form of Security

As continuing collateral security for the payment and satisfaction of all Obligations of the Borrowers to the Agent, the Lenders and the Lender Hedge Providers, the Borrowers shall, and shall have caused each other Obligor to have delivered prior to the Effective Date to the Collateral Agent the Security Documents described in Schedule 10.01, all of which will be in form and substance satisfactory to the Agent.

10.02 After Acquired Property and Further Assurances

The Canadian Borrower will and will cause each other Obligor to from time to time and, at the request of the Agent, execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge in connection with any of its Property, whether now existing or acquired by any Obligor after the date hereof and intended to be subject to the security interests created pursuant to the Security Documents including any insurance thereon, as are reasonably required in connection with the charging of such property. The Canadian Borrower will and will cause each other Obligor to provide sufficient notice to the Agent of any change of name or adoption of a French form of name or change of jurisdiction of incorporation or formation of any Obligor, in order for the Agent to preserve the security interests created hereby. Without limiting the generality of the foregoing, the Canadian Borrower will and will cause each other Obligor to, at the request of the Agent, cause to be subordinated, secured and (so long as an Event of Default exists) postponed any or all Existing Intercompany Debt and Future Intercompany Debt and will enter into such instruments as the Collateral Agent deems necessary to effect such postponement and subordination and to subject such Existing Intercompany Debt and Future Intercompany Debt to the Encumbrances of the Security including, without limitation, the Restricted Subsidiary Subordination Agreement.

10.03 Benefit of Security

The benefit of the provisions of the Credit Documents directly relating to the Security shall extend to and be available to any Lender Hedge Provider and the Agent or the Collateral Agent, as applicable, will hold such Security as trustee on behalf of each Lender Hedge Provider in accordance with the provisions of the Credit Documents for any Lender Hedge Provider and will hold and enforce such benefits in accordance with the Credit Documents on behalf of the Lender Hedge Providers as long as, by accepting such benefits, such Lender Hedge Provider agrees, as among the Collateral Agent, the Agent and all the Lenders that such Lender Hedge Provider is bound by (and, if requested by the Collateral Agent or the Agent, as applicable, shall confirm such agreement in a writing in form and substance acceptable to the Collateral Agent or the Agent, as applicable) the Credit Documents and subject to Section 16.16(2), the decisions and actions of the Collateral Agent, the Agent and the Majority Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders as required herein) to the same extent a Lender is bound; provided, however, that, notwithstanding the foregoing (a) each of the Collateral Agent, the Agent and the Lenders shall be entitled to act at its sole discretion, without regard to the interest of any Lender Hedge Provider, regardless of whether any Obligation owing to any Lender Hedge Provider remains outstanding, or any Lender Hedge Provider is deprived of the benefit of the collateral subject to the Security, becomes unsecured or is otherwise affected or put in jeopardy thereby, and without any duty or liability to such Lender Hedge Provider or any such Obligation owing to a Lender Hedge Provider (and, in particular, the Collateral Agent or the Agent, as applicable, will not be a fiduciary of any Lender Hedge Provider) and (b) subject to Section 16.16(2), no Lender Hedge Provider shall have any right to be notified of, consent to, direct, require or be heard with respect to, any action taken or omitted in respect of the Security or under any Credit Document.

10.04 Release and Discharge re EdgePower Inc.

Upon satisfaction of the conditions set forth in paragraph (g) of the definition of Permitted Asset Disposition contained in Section 1.01:

(1) the Lenders hereby direct and authorize the Agent to release and discharge EdgePower Inc. from its obligations under the Guarantee and the other Credit Documents to which it is a party; and

(2) the Agent and the Lenders hereby direct and authorize the Collateral Agent to (i) release and discharge the EdgePower Property from the Security, (ii) release and discharge EdgePower Inc. from its obligations under the Security Documents to which it is a party, and (iii) execute such documents and take such actions as the Collateral Agent may deem necessary to effect such release and discharge, all in form and substance satisfactory to the Collateral Agent.

ARTICLE 11
DEFAULT

11.01 Events of Default

The occurrence of any one or more of the following events (each such event being herein referred to as an "**Event of Default**") will constitute a default under this Agreement:

(1) if either Borrower fails to pay any amount of principal of any Advance when due and payable; or

(2) if either Borrower fails to pay any interest or fees when due and payable hereunder or under any other Credit Document and such non-payment continues for a period of three Business Days; or

(3) if either Borrower fails to pay any Obligation (other than an Obligation for which a failure to pay is specifically dealt with elsewhere in this Section 11.01) when due and payable and such non-payment continues for a period of ten Business Days after notice by the Agent; or

(4) if either Borrower fails to observe or perform any of the financial covenants in Section 9.02 or any of the negative covenants in Section 9.04; or

(5) if either Borrower fails to observe or perform any of the positive covenants in Section 9.01 or the reporting covenants in Section 9.03 and either Borrower will fail to remedy such default within the earlier of 15 Business Days from the date (i) either Borrower becomes aware of such default or (ii) the Agent delivers written notice of the default to either Borrower; or

(6) if any Obligor neglects to observe or perform any covenant or obligation in this Agreement or any other Credit Document on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 11.01) and either Borrower fails to remedy such default within the earlier of 15 Business Days from the date (i) such Obligor becomes aware of such default or (ii) the Agent delivers written notice of the default to either Borrower; or

(7) if any representation or warranty made by any Obligor in this Agreement, any Credit Document or in any certificate or other document at any time delivered hereunder to the Agent or any Lender will prove to have been incorrect in any material respect on and as of the date thereof and such representation or warranty is not thereafter made true and correct within 15 Business Days of any Obligor becoming aware of its incorrectness; or

(8) if any Obligor ceases or threatens to cease to carry on business generally except as permitted by this Agreement, or admits its inability or fails to pay its debts generally; or

(9) if any Obligor (i) fails to make any payment when such payment is due and payable, to any Person in relation to any Debt (other than Debt for which a failure to pay is specifically dealt with elsewhere in this Section 11.01) which, in the aggregate principal amount then outstanding, is in excess of **[Dollar Amount Redacted]** and such payment is not made within any applicable cure or grace period; or (ii) defaults in the observance or performance of any other agreement or condition in relation to any such Debt which in the aggregate principal amount then outstanding is in excess of **[Dollar Amount Redacted]** or contained in any instrument or agreement evidencing, securing or relating thereto and such default is not waived or cured within any applicable cure or grace period, or any other event will occur or condition exist, the effect of which default or other condition is to cause, or to permit the holder of such Debt to cause, such Debt to become due prior to its stated maturity date; or

(10) if any Obligor denies its obligations under any Credit Document or claims any of the Credit Documents to be invalid or withdrawn in whole or in part; or

(11) if any of the Credit Documents or any material provision of any of them becomes unenforceable, unlawful or is changed by virtue of legislation or by a court, statutory board or commission, and the applicable Obligor does not, within ten days of receipt of notice of such Credit Document or material provision becoming unenforceable, unlawful or being changed and being provided with any required new agreement or amendment for execution, replace such Credit Document with a new agreement that is in form and substance satisfactory to the Majority Lenders or amend such Credit Document to the satisfaction of the Majority Lenders; or

(12) if a decree or order of a court of competent jurisdiction is entered adjudging an Obligor, a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of an Obligor under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Bankruptcy Code* (United States) or the *Winding-Up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any substantial part of the assets of an Obligor or ordering the winding up or liquidation of its affairs; or

(13) if any Obligor becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* (United States), the *Winding-Up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrate or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition; or

(14) if any proceeding or filing will be instituted or made against any Obligor seeking to have an order for relief entered against such Obligor as debtor under, or to adjudicate it bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition under, any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including, without limitation, the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* (United States) and the *Winding-Up and Restructuring Act* (Canada)), or seeking appointment of a receiver, trustee, custodian or other similar official for such Obligor or for any substantial part of its properties or assets unless the proceeding or filing is being contested actively and diligently in good faith by appropriate and timely proceedings and is dismissed, vacated or indefinitely stayed within 15 days of knowledge by such Obligor of its institution; or

(15) if an Encumbrancer takes possession by appointment of a receiver, receiver and manager, or otherwise of any material portion of the Property of any Obligor; or

(16) if a final judgment, execution, writ of seizure and sale, sequestration or decree for the payment of money due will have been obtained or entered against the Obligors in an amount (individually or in the aggregate for all Obligors) in excess of the lesser of (a) **[Dollar Amount Redacted]** and (b) 10% of EBITDA (calculated on a last twelve months basis), unless such judgment, execution, writ of seizure and sale, sequestration or decree is and remains vacated, discharged or stayed pending appeal within the applicable appeal period; or

(17) if any of the Security will cease to be a valid and perfected first priority security interest subject only to Permitted Encumbrances and the Borrowers will have failed to remedy such default within ten days of a Borrower becoming aware of such fact and being provided by the Agent with any documentation required to be executed to remedy such default; or

(18) if an event of default (after giving effect to any applicable cure periods) occurs under one or more Material Contracts of any Obligor to which the counterparty thereto is party to the Intercreditor Agreement; or

(19) if an event of default occurs under one or more Material Contracts of any Obligor (other than an event of default specifically dealt with in this Section, including, without limitation, subsection (18) hereof) and such event of default would reasonably be expected to result in (i) a material disruption of the supply of gas or electricity to such Obligor, or (ii) a material non-payment to such Obligor; provided that if such event has not resulted in a Material Adverse Effect, such Obligor will have 60 days following such event to cure such event or enter into a replacement Material Contract in form and substance satisfactory to the Agent and the Majority Lenders; or

(20) if a Material Licence is terminated or revoked if same is necessary for the continued operation of the Business substantially as conducted prior to such termination or revocation; or

(21) if a Change of Control occurs and the Borrowers do not offer to prepay all Advances and permanently cancel the Credit Facilities and, to the extent such offer is accepted by the Lenders, do not prepay the Advances and permanently cancel the Credit Facilities on or before the time such Change of Control occurs; or

(22) except as permitted hereunder, if proceedings are commenced for the dissolution, liquidation or winding-up of any Obligor, or for the suspension of the operations of any Obligor unless such proceedings are being actively and diligently contested in good faith; or

(23) if any report of a Borrower's auditors with respect to financial statements provided hereunder contains any qualification which is unacceptable to the Lenders acting reasonably; provided that the Lenders shall not object to the auditor's report on the financial statements of JustEnergy in respect of its Fiscal Year ended March 31, 2020 on the basis of a "going concern" qualification contained therein; or

(24) there will have occurred a Material Adverse Effect; or

(25) if there is a change in the regulatory framework relating to the energy market which will result in a Material Adverse Effect; or

(26) if there is a write-down of the consolidated assets of JustEnergy, determined on a consolidated basis, in an amount in excess of **[Dollar Amount Redacted]** in any Fiscal Year (excluding normal course amortization or depreciation of assets); or

(27) if the common shares of JustEnergy cease to be listed for trading on the Toronto Stock Exchange (for certainty, not including in connection with a customary trading halt for the dissemination of news) or any order is made by any Governmental Authority in relation to JustEnergy, or there is any change of law, or the interpretation or administration thereof, in each case, which in the reasonable opinion of the Agent, operates to prevent or materially restrict the trading of the common shares of JustEnergy on the Toronto Stock Exchange; or

(28) if a default or an event of default has occurred under the Subordinated Facility Agreement after giving effect to any applicable notice or grace periods.

11.02 Acceleration and Termination of Rights

If any Event of Default occurs and is continuing, all Obligations will, upon demand made by the Agent, at the option of the Agent or upon the request of the Majority Lenders, become immediately due and payable at the rate or rates determined as herein provided, to the date of actual payment thereof, all without notice, presentment, protest, additional demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by each Obligor and the Commitments will be terminated; provided, if any Event of Default described in Section 11.01(12) through 11.01(14) with respect to a Borrower occurs, the Commitments (if not theretofore terminated) will automatically terminate and the outstanding principal amount of all Advances and all other Obligations will automatically be and become immediately due and payable. In such event either the Lenders, the Lender Hedge Providers or the Agent or the Collateral Agent on their behalf may, in their discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against any Obligor authorized or permitted by law for the recovery of all the Obligations of the Borrowers to the Lenders and the Lender Hedge Providers and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Lenders and the Lender Hedge Providers will be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

11.03 Payment of Bankers' Acceptances and Letters of Credit

The Canadian Borrower will pay to the Agent for the account of the Lenders the principal amount of any unmatured Bankers' Acceptance or BA Equivalent Note or the face amount of any unexpired Letter of Credit if demand is made pursuant to Section 11.02. Failing such payment the Agent on behalf of the Lenders will have the option at any time without notice to the Borrowers to give notice to the Canadian Lenders to make an Advance to the Canadian Borrower equal to the principal amount of all unmatured Bankers' Acceptances and the face amount of all unexpired Letters of Credit issued at the request of the Canadian Borrower or to the US Lenders to make an Advance to the US Borrower equal to the face amount of all unexpired Letters of Credit issued at the request of the US Borrower. The proceeds of such Advances will be held by the Agent in interest bearing cash collateral accounts for the benefit of the Canadian Borrower or the US Borrower, as the case may be, bearing interest at a prevailing

rate offered by the Agent for deposits as determined by the Agent, acting reasonably and will be applied in payment of such Bankers' Acceptances as they mature and such Letters of Credit if payment is required thereunder or otherwise as the Agent may require. The Borrowers will execute and deliver as security for such Advances all such security as the Lenders may deem necessary or advisable in connection therewith including, without limitation, an assignment of credit balance in respect of such cash collateral accounts.

11.04 Remedies Cumulative and Waivers

For greater certainty, it is expressly understood and agreed that the respective rights and remedies of the Lenders and the Agent hereunder or under any other Credit Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lenders or by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to this Agreement will not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which any one or more of the Lenders and the Agent may be lawfully entitled for such default or breach. Any waiver by the Lenders or the Agent of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by the Lenders or the Agent will be effective only in the specific instance and for the purpose for which it was given and will be deemed not to be a waiver of any rights and remedies of the Lenders or the Agent under this Agreement or any other Credit Document or instrument executed pursuant to this Agreement as a result of any other default or breach hereunder or thereunder.

11.05 Termination of Lenders' Obligations

The occurrence of an Event of Default that has not been waived by the Lenders will relieve the Lenders of all obligations to provide any further Advances hereunder whether by Rollover, Conversion or otherwise, by way of Bankers' Acceptances (and BA Equivalent Notes), LIBOR Advances or Letters of Credit; provided that the foregoing will not prevent the Lenders from disbursing money hereunder in reduction of then outstanding Bankers' Acceptances and Letters of Credit. For greater certainty any such Advances will be at the sole discretion of the Lenders. The Agent may reallocate all Advances *pro rata* among the Lenders in such manner as the Agent determines is equitable.

11.06 Saving

The Lenders will not be under any obligation to the Borrowers or any other Person to realize any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. Except by reason of Applicable Law, the Lenders will not be responsible or liable to the Obligors or any other Person for any loss or damage upon the realization or enforcement of, or the failure to realize or enforce the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that a Lender

may be responsible or liable for any loss or damage arising from the wilful misconduct or negligence of that Lender.

11.07 Perform Obligations

If an Event of Default has occurred and is continuing and if any Borrower has failed to perform any of its covenants or agreements in the Credit Documents, the Majority Lenders, may, but will be under no obligation to, instruct the Agent on behalf of the Lenders to perform any such covenants or agreements in any manner deemed fit by the Majority Lenders without thereby waiving any rights to enforce the Credit Documents. The reasonable expenses (including any legal costs) paid by the Agent and the Lenders in respect of the foregoing will be an Obligation and will be secured by the Security.

11.08 Third Parties

No Person dealing with the Lenders or any agent of the Lenders will be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lenders, the Agent or the Collateral Agent are purporting to exercise have been exercisable, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale will be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

11.09 Set-Off or Compensation

(1) In addition to and not in limitation of any rights now or hereafter granted under applicable law, if repayment is accelerated pursuant to Section 11.02, the Lenders, or any of them, may at any time and from time to time without notice to the Borrowers or any other Person, any notice being expressly waived by the Borrowers, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, and any other indebtedness at any time owing by the Lenders, or any of them, to or for the credit of or the account of such Borrower, against and on account of the Obligations notwithstanding that any of them are contingent or unmatured. Any Lender exercising a right of set-off will thereafter comply with the terms of the Intercreditor Agreement respecting such set-off. Each Lender agrees that if it shall, by exercising any right of set-off or counterclaim or otherwise receive payment of a proportion of the aggregate amount of principal and interest then due and payable with respect to any Advance which is greater than the proportion received by any other Lender in respect of the aggregate amount of principal and interest then due and payable to such other Lender with respect to such Advance, the Lender receiving such proportionately greater payment shall purchase such participations in the Advances held by the other Lenders, and such other adjustments shall be made, as may be required so that all such payments of principal and interest with respect to the Advances held by the Lenders shall be shared by the Lenders pro rata.

(2) Notwithstanding anything contained herein or in the Intercreditor Agreement to the contrary, but subject to the proviso below, each Lender may exercise set-off with respect to any obligations owing by it as a Lender Hedge Provider to any Obligor against any Obligations

owing to it as a Lender or as a Lender Hedge Provider; provided however that any Lender who has entered into Commodity Hedges with any Obligor where such Lender is also a supplier of natural gas or electricity to any Obligor, shall not set-off any obligations owing by it to any Obligor under a Commodity Hedge against any Obligations owing to it as a Lender or as a Lender Hedge Provider under any Hedges other than Commodity Hedges.

11.10 Consultant

The Borrowers agree that, at any time after the occurrence of and during the continuance of an Event of Default and upon written request delivered by the Agent, it will appoint a financial consultant (hereinafter referred to as the "**Consultant**") for the purposes of reviewing the operations of the Obligors from time to time thereafter. The terms of the Consultant's scope of duties will be settled by the Borrowers with the consent of the Agent and the Lenders, acting reasonably, provided that such terms may be settled by the Agent and the Lenders if agreement with the Borrowers is not reached within 5 days of the date of the Agent's request on behalf of the Lenders. The Borrowers consent, and will cause each Obligor to consent, at all times to a free exchange of information or the particulars of any such information exchanged at any time.

ARTICLE 12
COSTS, EXPENSES AND INDEMNIFICATION

12.01 Costs and Expenses

The Borrowers will pay promptly upon notice from the Agent all reasonable out-of-pocket costs and expenses of the Agent in connection with preparation, execution and delivery of this Agreement and the other documents to be delivered hereunder and the reasonable out-of-pocket costs of the Agent in the initial syndication of the Credit Facilities, whether or not any Drawdown has been made hereunder, including without limitation, the reasonable fees and out-of-pocket expenses of Lenders' Counsel with respect thereto and with respect to advising the Agent, or the Lenders as to its or their rights and responsibilities under this Agreement and the other Credit Documents to be delivered hereunder. The Borrowers further agree to pay all reasonable out-of-pocket costs and expenses of the Agent (and, in case of (iv) and (v) below, the Lenders) in connection with (i) the preparation or review of waivers, consents and amendments requested by the Borrowers, (ii) questions of interpretation of this Agreement, (iii) the establishment of the validity and enforceability of this Agreement, (iv) the preservation or enforcement of rights of the Agent and the Lenders under this Agreement and other Credit Documents to be delivered hereunder, and (v) the exercise of any right or remedy of any nature or kind contained herein or in any Credit Document, including, without limitation, all reasonable costs and expenses sustained by each Lender or the Agent as a result of any failure by the Borrowers to perform or observe any of its obligations hereunder. For greater certainty, the Borrowers' obligations under this Section 12.01 shall include, without limitation, the obligation to pay the reasonable out-of-pocket costs and expenses of the Agent and the Lenders in respect of any strategic process, proceeding or transaction of the Obligors including, without limitation, with respect to any actual or potential sale, restructuring or recapitalization of the Obligors or their respective businesses and in respect of the Agent and the Lenders' review, assessment or other activities relating thereto (which for certainty, includes any such strategic process,

proceeding or transaction of the Obligors occurring prior to the Effective Date), and the reasonable fees and out-of-pocket expenses of Lenders' Counsel.

12.02 Indemnification by the Borrowers

In addition to any liability of the Borrowers to any Lender or the Agent under any other provision hereof, except for liability arising from a Lender's or the Agent's own gross negligence or wilful misconduct, the Borrowers will indemnify each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) and hold each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) harmless against any loss or expense incurred by such Lender or the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) as a result of:

(1) any failure by any Borrower to fulfil any of its Obligations including, without limitation, any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by any Lender to fund any Bankers' Acceptance, BA Equivalent Note, or Letter of Credit or to fund or maintain its Proportionate Share of any Advance as a result of a Borrower's failure to complete a Drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;

(2) the Canadian Borrower's failure to provide for the payment to the Agent, for the account of each of the Lenders, of the full principal or face amount of each Bankers' Acceptance, BA Equivalent Note or Letter of Credit on its maturity date;

(3) a Borrower's failure to pay any other amount, including without limitation, any interest or fee, due hereunder on its due date; the repayment or prepayment of a LIBOR Advance otherwise than on the last day of its LIBOR Interest Period;

(4) the provision of funds for any outstanding Bankers' Acceptance, BA Equivalent Note or Letter of Credit before the maturity date of such Bankers' Acceptance, BA Equivalent Note or Letter of Credit;

(5) a Borrower's failure to give any notice required to be given by it to the Agent or Lenders hereunder;

(6) the failure of any Borrower to make any other payment when due hereunder; or

(7) any liability, obligations, loss (other than lost profits) or expense, (including Breakage Costs), that may be suffered by or asserted against any of them as a result of the breach by any Obligor in the performance of any of the Credit Documents, or by reason of the Agent or the Lenders agreeing to enter into this Agreement; or

(8) in connection with the use of any credit facility proceeds, or the consummation of any transaction contemplated by the Credit Agreement.

A certificate of a Lender or the Agent as to the amount of any such loss or expense will be *prima facie* evidence as to the amount thereof, in the absence of manifest error. The agreements in this Section will survive the termination of this Agreement and repayment of the Obligations.

12.03 Specific Environmental Indemnification

Each of the Borrowers will defend and indemnify each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) and hold each harmless at all times from and against any and all costs, losses, damages, expenses, judgments, suits, claims, awards, fines, sanctions and liabilities whatsoever (including any reasonable out-of-pocket costs or expenses for preparing any necessary environmental assessment report or other such other reports) by a third party against any Lender or the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) or any of them related to or as a result of (i) any release, deposit, discharge, or disposal of any Hazardous Substance in connection with the property or business of the Obligors; and (ii) the remedial actions (if any) taken by the Agent on behalf of the Lenders, in respect of such release, deposit, discharge or disposal; or (iii) a failure by any Obligor or any Unrestricted Subsidiary to comply with Requirements of Environmental Law. The applicable Borrower will have the sole right, at its expense, to control any such legal action or claim and to settle on terms and conditions approved by such Borrower and approved by the party named in such legal action or claim whether it be the Lenders or the Agent, or any of them acting reasonably provided that if, in the opinion of the Lenders or the Agent, or any of them as the case may be, the interests of the Lenders or the Agent or any of them are different from those of such Borrower in connection with such legal action or claim, the Lenders or the Agent or any of them will have the sole right, at such Borrower's expense, to defend their own interests provided that any settlement of such legal action or claim will be on terms and conditions approved by such Borrower, acting reasonably. If a Borrower does not defend the legal action or claim, the Agent and the Lenders will have the right to do so on their own behalf and on behalf of such Borrower, as the case may be, at the expense of the Borrowers. The defence and indemnity obligations contained throughout this Agreement will survive the termination of this Agreement and repayment of the Obligations.

12.04 Exclusion

Notwithstanding Sections 12.01, 12.02 and 12.03, neither Borrower shall be obliged to indemnify the Agent, any Lender or any of their respective directors, officers, employees, affiliates, agents and representatives ("**Indemnified Parties**") for any losses, claims, damages, liabilities or related expenses which are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnified Parties.

ARTICLE 13
THE AGENT AND THE LENDERS

13.01 Appointment

The Lenders hereby appoint National Bank of Canada to act as the administrative agent for the Lenders and the Lender Hedge Providers as specified in this Agreement and, except

as may be specifically provided to the contrary herein, each of the Lenders hereby irrevocably authorizes National Bank of Canada, as the administrative agent of such Lender and the Lender Hedge Providers, to enter into on its behalf and thereafter take such action on its behalf under or in connection with the Credit Documents and to exercise such powers thereunder as are delegated to the Agent by the terms thereof and such other powers as are reasonably incidental thereto which it may be necessary for the Agent to exercise in order that the provisions of the Credit Documents are carried out. The Lenders hereby acknowledge and agree that the Agent in its capacity as Agent and as Collateral Agent is the holder of an irrevocable power of attorney from the Lenders and the Lender Hedge Providers for the purpose of holding any of the Security or any other security granted by any Person with respect to the liabilities of the Borrowers under the Credit Documents, and the Agent hereby agrees to act in such capacity. The Agent may perform any of its duties under the Credit Documents by or through its agents and may delegate its duties to an Affiliate or a Subsidiary. The Lenders hereby acknowledge that National Bank of Canada is acting both as Agent hereunder and as Collateral Agent in accordance with the terms of the Intercreditor Agreement and acknowledge that if National Bank of Canada perceives any conflict in acting in both such capacities it may resign as Collateral Agent without resigning as Agent hereunder. The Borrowers will not be concerned to inquire whether the powers which the Agent is purporting to exercise have become exercisable or otherwise as to the propriety or regularity of any other action on the part of the Agent, and accordingly insofar as the Borrowers are concerned the Agent will for all purposes hereof be deemed to have authority from the Lenders and the Lender Hedge Providers to exercise the powers and take the actions which are in fact exercised and taken by it.

13.02 Indemnity from Lenders

The Lenders agree, based on their Proportionate Share, to indemnify the Agent (to the extent that the Agent is not promptly reimbursed by the Borrowers on demand) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any nature or kind whatsoever which may be imposed on, incurred by, or asserted against the Agent in its capacity as agent hereunder which in any way relate to or arise out of the Credit Documents or any action taken or omitted by the Agent under the Credit Documents; provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements which result from the Agent's gross negligence or wilful misconduct. Without limitation and absent gross negligence or wilful misconduct by the Agent, each Lender agrees to reimburse the Agent promptly upon demand for its Proportionate Share of out-of-pocket expenses (including the fees and disbursements of counsel) incurred by the Agent in connection with the preparation of the Credit Documents and the determination or preservation of any rights of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, the Credit Documents, to the extent that the Agent is not promptly reimbursed for such expenses by the Borrowers on demand.

13.03 Exculpation

The Agent will have no duties or responsibilities except those expressly set forth in the Credit Documents. Neither the Agent (in its capacity as Agent and not as a Lender) nor any of its officers, directors, employees or agents will be liable for any action taken or omitted to

be taken under or in connection with the Credit Documents, unless such act or omission constitutes gross negligence or wilful misconduct. The duties of the Agent will be mechanical and administrative in nature; the Agent will not have by reason of the Credit Documents a fiduciary relationship with any Lender and nothing in the Credit Documents, express or implied, is intended to or will be construed as to impose upon the Agent any obligation except as expressly set forth therein. None of the Lenders will have any duties or responsibilities to any of the other Lenders except as expressly set forth in the Credit Documents. The Agent will not be responsible for any recitals, statements, representations or warranties in any of the Credit Documents or which may be contained in any other document subsequently received by the Agent or the Lenders from or on behalf of any Obligor or for the authorization, execution, effectiveness, genuineness, validity or enforceability of any of the Credit Documents, and will not be required to make any inquiry concerning the performance or observance by any Obligor of any of the terms, provisions or conditions of any of the Credit Documents. Each of the Lenders severally represents and warrants to the Agent that it has made and will continue to make such independent investigation of the financial condition and affairs of the Obligors as such Lender deems appropriate in connection with its entering into of any of the Credit Documents and the making and continuance of any Advance hereunder, that such Lender has and will continue to make its own appraisal of the creditworthiness of the Obligors and that such Lender in connection with such investigation and appraisal has not relied upon any information provided to such Lender by the Agent.

13.04 Reliance on Information

The Agent will be entitled to rely upon any writing, notice, statement, certificate, facsimile, telex or other document or communication believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and, with respect to all legal matters pertaining to the Credit Documents and its duties thereunder, upon the advice of counsel selected by it.

13.05 Knowledge and Required Action

The Agent will not be deemed to have knowledge or notice of the occurrence of any Event of Default or Pending Event of Default (other than the non-payment of any principal, interest or other amount to the extent the same is required to be paid to the Agent for the account of the Lenders) unless the Agent has received notice from a Lender or a Borrower specifying such Event of Default or Pending Event of Default and stating that such notice is given pursuant to this Agreement. In the event that the Agent receives such a notice, it will give prompt notice thereof to the Lenders. The Agent will also give prompt notice to the Lenders of each non-payment of any amount required to be paid to the Agent for the account of the Lenders. The Agent will, subject to Section 13.06 take such action with respect to such Event of Default or Pending Event of Default as will be directed by the Lenders in accordance with this Article 13 provided that, unless and until the Agent will have received such direction the Agent may, but will not be obliged to, take such action, or refrain from taking such action, with respect to such Event of Default or Pending Event of Default as it will deem advisable in the best interest of the Lenders; and provided further that the Agent in any case will not be required to take any such action which it determines to be contrary to the Credit Documents or to any Applicable Law.

13.06 Request for Instructions

The Agent may at any time request instructions from the Lenders with respect to any actions or approvals which, by the terms of any of the Credit Documents, the Agent is permitted or required to take or to grant, and the Agent will be absolutely entitled to refrain from taking any such action or to withhold any such approval and will not be under any liability whatsoever as a result thereof until it will have received such instructions from the Lenders. No Lender will have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting under the Credit Documents in accordance with instructions from the Lenders. The Agent will in all cases be fully justified in failing or refusing to take or continue any action under the Credit Documents unless it will have received further assurances to its satisfaction from the Lenders of their indemnification obligations under Section 13.02 against any and all liability and expense which may be incurred by it by reason of taking or continuing to take such action, and unless it will be secured in respect thereof as it may deem appropriate.

13.07 The Agent Individually

With respect to its Commitments, the Advances made available by National Bank of Canada and the Credit Documents to which it is a party and its acting as a Canadian Lender, a US Lender, a Canadian Issuing Lender or a US Issuing Lender, National Bank of Canada will have the same rights and powers hereunder as any other Lender and may exercise such rights and powers as though it were not the Agent, and the term "Lenders" will, unless the context clearly otherwise indicates, includes National Bank of Canada in its individual capacity. It is understood and agreed by all of the Lenders that National Bank of Canada, either directly or through its Affiliates, from time to time accept deposits from, lend money to, provide underwriting, consulting and advisory services to, and generally engage in banking, securities, advisory and other related and ancillary businesses with the Obligors and their Affiliates otherwise than as a Lender under the Credit Documents and may continue to do so as if National Bank of Canada were not the Agent under the Credit Documents and will have no duty to account to any of the Lenders with respect to any such dealings.

13.08 Resignation and Termination

If at any time (i) the Agent will deem it advisable, in its sole discretion, it may deliver to each of the Lenders and the Borrowers written notification of its resignation insofar as it acts on behalf of the Lenders pursuant to this Article, or (ii) the Agent is in default of any of its obligations hereunder and the Majority Lenders will deem it advisable, in their sole discretion, they may deliver to the Agent and the Borrowers written notification of the termination of the Agent's authority to act on behalf of the Lenders pursuant to this Article, such resignation or termination to be effective upon the date of the appointment by the Lenders of a successor which will assume all of the rights, powers, privileges and duties of the Agent hereunder, which appointment will be promptly made from among the remaining Lenders and written notice thereof will be given to the Borrowers concurrently with such appointment. If in the case of resignation by the Agent no appointment of a successor Agent has been made by the Lenders and approved by the Borrowers within 30 days, the resigning Agent may make such appointment from among the remaining Lenders on behalf of the Lenders, subject to such Lender agreeing to

act as Agent, and will forthwith give notice of such appointment to the Lenders and the Borrowers.

13.09 Actions by Lenders

(1) Any consent, approval (including without limitation any approval of or authorization for any amendment to any of the Credit Documents), instruction or other expression of the Lenders under any of the Credit Documents may be obtained by an instrument in writing signed in one or more counterparts by the Majority Lenders, or where required by Section 13.09(2) all of the Lenders (which instrument in writing, for greater certainty, may be delivered by facsimile).

(2) Notwithstanding Section 13.09(1), without the consent of all the Lenders the Agent may not take the following actions:

(a) amend, modify, discharge, terminate or waive any of the terms of this Agreement if such amendment, modification, discharge, termination or waiver would increase the amount of the Credit Facilities or the Commitments, reduce the fees payable, interest rates or Applicable Margin with respect to the Credit Facilities, extend any date fixed for payment of principal or interest relating to the Credit Facilities, extend the repayment dates of the Credit Facilities, change the type or currency of Advances available or the notice periods, or change the definition of Majority Lenders;

(b) discharge, terminate or waive any material part of the Security, or amend any of the Security in a manner that would have that effect, other than pursuant to the terms hereof (including, without limitation, pursuant to Sections 9.04(1), 9.04(22) or 9.05 thereof);

(c) amend this Section 13.09; and

(d) amend Article 6.

(3) An instrument in writing from the Majority Lenders or, where applicable, all of the Lenders as provided for in this Section 13.09 (any such instrument in writing being an "**Approval Instrument**") will be binding upon all of the Lenders, and the Agent (subject to the provisions for its indemnity contained in this Agreement) will be bound to give effect thereto accordingly. For greater certainty, to the extent so authorized in the Approval Instrument, the Agent will be entitled (but not obligated) to execute and deliver on behalf of the Agent and all of the Lenders, without the requirement for the execution by any other Lender or Lenders, any consents, waivers, documents or instruments (including without limitation any amendment to any of the Credit Documents) necessary or advisable in the opinion of the Agent to give effect to the matters approved by the Majority Lenders or all of the Lenders, as the case may be, in any Approval Instrument; provided that, no Approval Instrument shall amend, modify or otherwise affect the rights or duties of the Agent, the Canadian Issuing Lenders, the Canadian Swingline Lender, the US Issuing Lenders or the US Swingline Lender without the prior written consent of the Agent, the Canadian Issuing Lenders, the Canadian Swingline Lender, the US Issuing Lenders or the US Swingline Lender, as the case may be.

13.10 Provisions for Benefit of Lenders Only

The provisions of this Article 13, other than Sections 13.09 and 13.10 and the last sentence of Section 13.01 relating to the rights and obligations of the Lenders and the Agent *inter se* will be operative as between the Lenders and the Agent only, and the Obligors will not have any rights under or be entitled to rely for any purposes upon such provisions.

13.11 Payments by Agent

(1) For greater certainty, the following provisions will apply to any and all payments made by the Agent to the Lenders hereunder:

(a) the Agent will be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of such payment has been received by the Agent from a Borrower;

(b) if the Agent receives less than the full amount of any payment of principal, interest, fees or other amount owing by a Borrower under this Agreement, then subject to Section 7.02 the Agent will have no obligation to remit to each Lender any amount other than such Lender's Proportionate Share of that amount which is the amount actually received by the Agent;

(c) if any Lender advances more or less than its Proportionate Share of a Credit Facility, such Lender's entitlement to such payment will be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;

(d) the Agent acting reasonably and in good faith will, after consultation with the Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination will, in the absence of manifest error, be binding and conclusive;

(e) upon request, the Agent will deliver a statement detailing any of the payments to the Lenders referred to herein;

(f) all payments by the Agent to a Lender hereunder will be made to such Lender at its address set forth in the signature pages on this Agreement or on the applicable Assignment Agreement unless notice to the contrary is received by the Agent from such Lender; and

(g) the Agent will be entitled to round any Lender's Proportionate Share of any repayment hereunder to the nearest **[Dollar Amount Redacted]** multiple.

(2) Unless the Agent has actual knowledge that a Borrower has not made or will not make a payment to the Agent for value on the date in respect of which a Borrower has notified the Agent that the payment will be made and except to the extent that the Agent has received notice under Section 7.02, the Agent will be entitled to assume that such payment has been or will be received from such Borrower when due and the Agent may (but will not be obliged to),

in reliance upon such assumption, pay the Lenders corresponding amounts. If the payment by a Borrower is in fact not received by the Agent on the required date and the Agent has made available corresponding amounts to the Lenders, such Borrower will, without limiting its other obligations under this Agreement, indemnify the Agent against any and all liabilities, obligations, losses (other than loss of profit), damages, penalties, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on or incurred by the Agent as a result. A certificate of the Agent with respect to any amount owing by a Borrower under this Section will be *prima facie* evidence of the amount owing in the absence of manifest error.

13.12 Direct Payments

The Lenders agree among themselves that, except as otherwise provided for in this Agreement and except as necessary to adjust for Advances that are not in each Lender's Proportionate Share under the applicable Credit Facilities, all sums received by a Lender relating to this Agreement or by virtue of the Security, whether received by voluntary payment, by the exercise of the right of set-off or compensation (pursuant to Section 7.02, 11.09 or otherwise) or by counterclaim, cross-action or as proceeds of realization of any Security or otherwise, will be shared by each Lender in its Proportionate Share and each Lender undertakes to do all such things as may be reasonably required to give full effect to this Section, including without limitation, the purchase from other Lenders of a portion thereof by the Lender who has received an amount in excess of its Proportionate Share as will be necessary to cause such purchasing Lender to share the excess amount rateably in its Proportionate Share with the other Lenders. If any sum which is so shared is later recovered from the Lenders who originally received it, the Lender will restore its Proportionate Share of such sum to such Lenders, without interest. If any Lender (a "**Receiving Lender**") will obtain any payment of moneys due under this Agreement as referred to above, the Receiving Lender will forthwith remit such payment to the Agent and, upon receipt, the Agent will distribute such payment in accordance with the provisions hereof.

13.13 Acknowledgements, Representations and Covenants of Lenders

(1) It is acknowledged and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, Property, affairs, status and nature of the Obligors. Accordingly, each Lender confirms to the Agent that it has not relied, and will not hereafter rely, on the Agent (a) to check or inquire on its behalf into the adequacy or completeness of any information provided by the Obligors under or in connection with this Agreement or the transactions herein contemplated (whether or not such information has been or is hereafter distributed to such Lender by the Agent) or (b) to assess or keep under review on its behalf the financial condition, creditworthiness, Property, affairs, status or nature of the Obligors.

(2) Each Lender represents and warrants that it has the legal capacity to enter into this Agreement pursuant to its charter and any applicable legislation and has not violated its charter, constating documents or any applicable legislation by so doing.

(3) Each Lender agrees to indemnify the Agent (to the extent not reimbursed by the Borrowers), rateably according to its Proportionate Share of the Credit Facilities from and against any and all liabilities and obligations (whether direct or indirect, contingent or otherwise), losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of the Credit Documents or the transactions therein contemplated, provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or wilful misconduct. Without limiting the generality of the foregoing and absent gross negligence or wilful misconduct by the Agent, each Lender agrees to reimburse the Agent promptly upon demand rateably according to its Proportionate Share of the Credit Facilities for any out-of-pocket expenses (including counsel fees) incurred by the Agent in connection with the preservation of any rights of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under this Agreement, to the extent that the Agent is not reimbursed for such expenses by either Borrower. The obligation of the Lenders to indemnify the Agent will survive the termination of this Agreement.

(4) Each of the Lenders acknowledges and confirms that in the event that the Agent does not receive payment in accordance with this Agreement, it will not be the obligation of the Agent to maintain the Credit Facilities in good standing nor will any Lender have recourse to the Agent in respect of any amounts owing to such Lender under this Agreement.

(5) Each Lender acknowledges and agrees that its obligation to advance its Proportionate Share of Advances in accordance with the terms of this Agreement is independent and in no way related to the obligation of any other Lender hereunder.

(6) Each Lender hereby acknowledges receipt of a copy of this Agreement and acknowledges that it is satisfied with the form and content of such document.

(7) Except to the extent recovered by the Agent from the Borrowers, promptly following demand therefor, each Lender will pay to the Agent an amount equal to such Lender's Proportionate Share of any and all reasonable costs, expenses, claims, losses and liabilities incurred by the Agent in connection with this Agreement except for those incurred by reason of the Agent's gross negligence or wilful misconduct.

(8) Each Lender will respond promptly to each request by the Agent for the consent of such Lender required hereunder.

13.14 Rights of Agent

(1) In administering the Credit Facilities, the Agent may retain, at the expense of the Lenders if such expenses are not recoverable from the Borrowers, such solicitors, counsel, auditors and other experts and agents as the Agent may select, in its sole discretion, acting reasonably and in good faith after consultation with the Lenders. For greater certainty, the Agent and/or the Collateral Agent may retain collateral agents in the United States to hold collateral accounts for and on behalf of the Agent and/or the Collateral Agent. The Obligors

agree to pay all fees, costs and expenses which the Agent and/or the Collateral Agent incurs in connection with the opening and maintaining of such collateral accounts in accordance with the terms of the Intercreditor Agreement.

(2) The Agent will be entitled to rely on any communication, instrument or document believed by it to be genuine and correct and to have been signed by the proper individual or individuals, and will be entitled to rely and will be protected in relying as to legal matters upon opinions of independent legal advisors selected by it. The Agent may also assume that any representation made by a Borrower is true and that no Event of Default or Pending Event of Default has occurred unless the officers or employees of the Lender acting as Agent, acting in their capacity as officers or employees responsible for such Borrower's account, have actual knowledge to the contrary or have received notice to the contrary from any other party to this Agreement.

(3) Except in its own right as a Lender, the Agent will not be required to advance its own funds for any purpose, and in particular, will not be required to pay with its own funds insurance premiums, taxes or public utility charges or the cost of repairs or maintenance with respect to the assets which are the subject matter of the Security, nor will it be required to pay with its own funds the fees of solicitors, counsel, auditors, experts or agents engaged by it as permitted hereby.

(4) The Agent may round an individual Lender's Proportionate Share of any Advance to the nearest **[Dollar Amount Redacted]** in Canadian Dollars or United States Dollars, as the case may be.

13.15 Collective Action of the Lenders

Each of the Lenders hereby acknowledges that to the extent permitted by Applicable Law, the remedies provided under the Credit Documents to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder are to be exercised not severally, but by the Agent upon the decision of the Majority Lenders or all of the Lenders as required by this Agreement. Accordingly, notwithstanding any of the provisions contained herein, each of the Lenders hereby covenants and agrees that it will not be entitled to take any action hereunder or thereunder including, without limitation, any declaration of default hereunder or thereunder but that any such action will be taken only by the Agent with the prior written agreement of the Majority Lenders or all of the Lenders, as required. Each of the Lenders hereby further covenants and agrees that upon any such written agreement being given by the Majority Lenders or all of the Lenders, as required, it will co-operate fully with the Agent to the extent requested by the Agent. Notwithstanding the foregoing, in the absence of the instructions from the Lenders and where in the sole opinion of the Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the interest of the Lenders.

13.16 Non-Funding Lenders

(1) Certain Fees. A Non-Funding Lender shall not be entitled to receive any fee pursuant to Sections 4.06 and 4.07 for any period during which that Lender is a Non-Funding Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Non-Funding Lender). In addition, with respect to any such fees not required to be paid to any Non-Funding Lender, all fees payable to the Lenders, cash collateral maintained from time to time with respect to any Letters of Credit and proceeds of realization in respect of such Letters of Credit shall be payable by the Borrowers to and for the benefit of the Lenders excluding any Non-Funding Lender.

(2) Cash Collateral. Each Non-Funding Lender shall be required to provide to the Agent (A) cash collateral or Cash Equivalents in an amount equal to 105% of such Non-Funding Lender's Proportionate Share of the face amount of outstanding Letters of Credit under the Revolving Facilities (the "**L/C Fronting Exposure**"), and (B) cash collateral or Cash Equivalents in an amount, as shall be determined from time to time by the Agent in its discretion, equal to all other obligations of such Non-Funding Lender to the Agent that are owing or may become owing pursuant to this Agreement, including, without limitation, such Non-Funding Lender's obligation to pay its Proportionate Share of any indemnification or expense reimbursement amounts not paid by a Borrower. Such cash collateral or Cash Equivalents shall be held by Agent in one or more cash collateral accounts which accounts shall be in the name of the Agent and shall not be required to be interest bearing. The Agent shall be entitled to apply the foregoing cash collateral and Cash Equivalents in accordance with the Intercreditor Agreement. Cash collateral (or the appropriate portion thereof) provided to reduce either the Canadian Issuing Lender's or the US Issuing Lender's L/C Fronting Exposure shall no longer be required to be held as cash collateral pursuant to this Section 13.16 following (A) the elimination of the L/C Fronting Exposure (including by the termination of Non-Funding Lender status of the applicable Lender) or (B) the determination by the Agent and either Canadian Issuing Lender or the US Issuing Lender, as applicable, that there exists excess cash collateral; provided that, subject to the other provisions of this Section 13.16, the Person providing cash collateral and the Canadian Issuing Lender or the US Issuing Lender, as applicable, may agree that cash collateral shall be held to support future anticipated L/C Fronting Exposure or other obligations.

(3) Reallocation of Commitments. Notwithstanding anything in this Agreement to the contrary, it shall be within the sole determination of the Canadian Issuing Lender or the US Issuing Lender, as applicable, as to whether it is agreeable to issue any new Letters of Credit or extend or renew any expiring Letters of Credit. So long as there is a Non-Funding Lender, the Borrowers may continue to request the issuance of Letters of Credit and the Canadian Issuing Lender or the US Issuing Lender, as applicable, shall issue such Letters of Credit. Each Lender that is not a Non-Funding Lender shall be deemed to have increased their Proportionate Share of Commitments under the Canadian Revolving Facility or the US Revolving Facility, as applicable, (but not their aggregate Commitment) with respect to any such Letter of Credit only, such that the aggregated Commitments of such Lenders in respect of each such Letter of Credit shall be equal to the amount of the Commitments in respect of such Letter of Credit had the Non-Funding Lender not been a Non-Funding Lender. With respect to such Letter of Credit references in Section 5.02 to the Lenders, and the indemnification of the Lenders, such references will be deemed not to apply to any Non-Funding Lender. Subject to Section 13.17, no

reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Non-Funding Lender arising from that Lender having become a Non-Funding Lender, including any claim of a Lender as a result of such Lender's increased exposure following such reallocation. If the reallocation described in this Section 13.16(3) cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to them hereunder or under law, cash collateralize the L/C Fronting Exposure of the Canadian Issuing Lender or the US Issuing Lender, as applicable, in accordance with the procedures set forth in Section 13.16(2).

(4) Liability of the Agent. Neither the Agent nor any of its Affiliates nor any of their respective officers, directors, employees, agents or representatives shall be liable to any Lender (including, without limitation, a Non-Funding Lender) for any action taken or omitted to be taken by it in connection with amounts payable by a Borrower to a Non-Funding Lender and received and deposited by the Agent in a cash collateral account and applied in accordance with the provisions of this Agreement save and except for the gross negligence or wilful misconduct of the Agent as determined by a final non-appealable judgement of a court of competent jurisdiction.

(5) Non-Funding Lender Waterfall. The Agent shall be entitled to set off any Non-Funding Lender's Proportionate Share of all payments received from either Borrower against such Non-Funding Lender's obligations to fund payments and Advances required to be made by it and to purchase participations required to be purchased by it in each case under this Agreement and the other Credit Documents. The Agent shall be entitled to withhold and deposit in one or more non-interest bearing cash collateral accounts in the name of the Agent all amounts (whether principal, interest, fees or otherwise) received by the Agent and due to a Non-Funding Lender pursuant to this Agreement which amounts shall be used by the Agent (A) first, to reimburse (I) the Agent for any amounts owing to it by the Non-Funding Lender pursuant to any Credit Document, and then to reimburse (II) the Canadian Swingline Lender or the US Swingline Lender, as applicable, for any amounts paid by it that has not been fully reimbursed due to such Non-Funding Lender not funding its Proportionate Share of the applicable Advance, (B) second, to repay any Advances made by a Lender in order to fund a shortfall created by a Non-Funding Lender which repayment shall be in the form of an assignment by each such Lender of such Advance to the Non-Funding Lender, (C) third, (I) first, to cash collateralize all other obligations of such Non-Funding Lender to the Agent owing pursuant to this Agreement in such amount as shall be determined from time to time by the Agent in its discretion including, without limitation, such Non-Funding Lender's obligation to pay its Proportionate Share of any indemnification or expense reimbursement amounts not paid by a Borrower and (II), second, to maintain cash collateral for a Non-Funding Lender's Proportionate Share of reimbursement obligations for Letters of Credit, (D) fourth, at the Agent's discretion, to fund from time to time the Non-Funding Lender's Proportionate Share of Advances under either Revolving Facility, as applicable, (E) fifth, at the Agent's discretion, to be held in an interest bearing deposit account and released pro rata in order to (I) satisfy such Non-Funding Lender's Proportionate Share of future Advances under either Revolving Facility, as applicable, and (II) cash collateralize the Canadian Issuing Lender's or the US Issuing Lender's, as applicable, future L/C Fronting Exposure with respect to such Non-Funding Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 13.16(2) and Section 13.16(3), (F) sixth, to the payment of any amounts owing to the Lenders, the Canadian Issuing Lender or the

US Issuing Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender or such Issuing Lender against such Non-Funding Lender as a result of such Non-Funding Lender's breach of its obligations under this Agreement, (G) seventh, so long as no Pending Event of Default or Event of Default exists, to the payment of any amounts owing to a Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Non-Funding Lender as a result of such Non-Funding Lender's breach of its obligations under this Agreement; and (H) eighth, to such Non-Funding Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a payment of the principal amount of any Advance or reimbursement obligations with respect to Letters of Credit in respect of which such Non-Funding Lender has not fully funded its Proportionate Share, such payment shall be applied solely to pay the Advances of, and reimbursement obligations with respect to Letters of Credit owed to, all Lenders on a pro rata basis prior to being applied to the payment of any Advances of, or reimbursement obligations with respect to Letters of Credit owed to, such Non-Funding Lender until such time as all Advances and funded and unfunded participations in Letters of Credit are held by the Lenders pro rata in accordance with the applicable Commitments without giving effect to Section 13.16(3). Any payments, prepayments or other amounts paid or payable to a Non-Funding Lender that are applied (or held) to pay amounts owed by a Non-Funding Lender or to post cash collateral pursuant to Section 13.16(2) shall be deemed paid to and redirected by such Non-Funding Lender, and each Lender irrevocably consents hereto.

(6) Voting and Consent Rights. For certainty, a Non-Funding Lender shall have no voting or consent rights with respect to matters under this Agreement or other Credit Documents. Accordingly, the Commitments and the aggregate unpaid principal amount of the Advances owing to any Non-Funding Lender shall be disregarded in determining Majority Lenders and all Lenders or all affected Lenders. Notwithstanding the foregoing, should a Non-Funding Lender (A) fund all outstanding Advances that it previously failed to fund and pay all other amounts owing to the Agent, and (B) confirm in writing to the Agent that there is no reasonable likelihood that it will subsequently again become a Non-Funding Lender, then such Lender shall thereafter be entitled to vote and shall have consent rights in the same manner and fashion as if it were not a Non-Funding Lender.

(7) Reinstatement of Non-Funding Lender. If the Borrowers, the Agent and either the Canadian Issuing Lender or the US Issuing Lender, as applicable, agree in writing that a Lender is no longer a Non-Funding Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances and funded and unfunded participations in Letters of Credit to be held pro rata by the Lenders in accordance with the applicable Commitments (without giving effect to Section 13.16(3)), whereupon such Lender will cease to be a Non-Funding Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Non-Funding Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from a Non-Funding Lender to a Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Non-Funding Lender.

13.17 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in this Agreement, any other Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

13.18 Acknowledgement Regarding Any Supported QFCs.

To the extent that the Credit Documents provide support, through a guarantee or otherwise, for any hedging agreement or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**", and each such QFC, a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special

Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Non-Funding Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section, the following terms have the following meanings:

(i) "**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party;

(ii) "**Covered Entity**" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b);

(iii) "**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable; and

(iv) "**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

13.19 Divisions.

(1) For all purposes under the Credit Documents, in connection with any Division (or any comparable event under the laws of the applicable jurisdictions): (a) if any asset, right, obligation or liability of any Dividing Person becomes the asset, right, obligation or liability of a Dividing Successor, then it shall be deemed to have been transferred from the Dividing Person to the Dividing Successor, and (b) if any new Dividing Successor comes into existence, such Dividing Successor shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

(2) No Obligor shall effectuate a Division (a) without the prior written consent of the Agent to the Division (including, without limitation, the plan of division) and (b) unless the

Division Successor joins to the Credit Documents pursuant to a joinder agreement in form and substance satisfactory to the Agent.

(3) For purposes of this Section 13.19:

(a) "**Dividing Person**" is defined in the definition of "Division";

(b) "**Division**" means, in reference to any Person which is an entity (the "**Dividing Person**"), the division of such Person into two (2) or more separate Persons with the Dividing Person either continuing or terminating its existence as part of the division including as contemplated under Section 18-217 of the Delaware Limited Liability Act for limited liability companies formed under Delaware law or any analogous action taken pursuant to any Applicable Law (of Delaware or any other jurisdiction) with respect to any corporation, limited liability company, partnership or other entity; and

(c) "**Division Successor**" shall mean any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

ARTICLE 14
TAXES, CHANGE OF CIRCUMSTANCES

14.01 Change in Law

In the event of any change after the date hereof in any Applicable Law (a "**Change in Law**") or in the interpretation or application thereof by any court or by any governmental agency, central bank or other authority or entity charged with the administration thereof (whether or not having the force of law) which now or hereafter (a) subjects any Lender (or any holding company of any Lender) to any Tax or changes the basis of taxation, or increases any existing Tax, on payments of principal, interest, fees or other amounts payable by any Obligor to such Lender under any Credit Document (except for Excluded Taxes and changes in the basis of taxation of overall net income or overall gross income by the United States or by the foreign jurisdiction or state under the laws of which such Lender is organized or has its applicable lending office or any political subdivision thereof) (or any holding company of any Lender); (b) imposes, modifies or deems applicable any reserve, special deposit or similar requirements against assets held by, or deposits in or for the account of or loans by or any other acquisition of funds by, an office of any Lender (or any holding company of any Lender); or (c) imposes on any Lender (or any holding company of any Lender) or requires there to be maintained by any Lender (or any holding company of any Lender) any capital adequacy or additional capital requirements in respect of any Advances or Lender's Commitments hereunder or any other condition with respect to any Credit Document, and the result of any of the foregoing will be to increase the cost to, or reduce the amount of principal, interest or other amount received or receivable by such Lender (or any holding company of any Lender)

hereunder or its effective return hereunder in respect of making, maintaining or funding its participation in such Advance under the Credit Facilities, such Lender will determine that amount of money which will compensate such Lender (or its holding company) for such increase in cost or reduction in income (herein referred to as "**Additional Compensation**"). Upon a Lender having determined that it is entitled to Additional Compensation in accordance with the provisions of this Section 14.01 the Lender will promptly so notify the applicable Borrower and the Agent. The Lender will provide to the applicable Borrower and the Agent a photocopy of the relevant law, rule, guideline, regulation, treaty or official directive and a certificate of a duly authorized officer of such Lender setting forth the Additional Compensation and the basis of calculation therefor, which will be conclusive evidence of such Additional Compensation in the absence of manifest error. The applicable Borrower will pay to the Lender (or at such Lender's direction its holding company) within ten Business Days of the giving of such notice such Lender's Additional Compensation calculated to the date of such notification. Each of the Lenders (or their respective holding companies) will be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this Section 14.01 are then applicable notwithstanding that any Lender (or its holding company) has previously been paid any Additional Compensation. Notwithstanding the foregoing, the Borrowers will not be liable to compensate a Lender (or its holding company) for any such increase in costs or reduction in income if such compensation is not being claimed as a general practice from customers of such Lender (or its holding company) who by agreement are liable to pay such or similar compensation or if such compensation is in respect of a period more than 90 days prior to a Lender becoming aware of the circumstances giving rise to such Additional Compensation.

Notwithstanding anything contained in this Agreement, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof and (ii) all requests, rules, regulations, guidelines or directives whether concerning capital adequacy or liquidity promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall, in each case, be deemed a "Change in Law" regardless of the date enacted, adopted, applied or issued.

14.02 Prepayment of Rateable Portion

Notwithstanding the provisions hereof, if a Lender gives the notice provided for in Section 14.01 with respect to any Advance (an "**Affected Loan**"), the affected Borrower may, upon ten Business Days' notice to that effect given to such Lender and to the Agent (which notice will be irrevocable), prepay in full without penalty such Lender's Proportionate Share of the Affected Loan outstanding together with accrued and unpaid interest on the principal amount so prepaid up to the date of such prepayment and such Additional Compensation as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lenders by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Affected Loan or any part thereof on other than the last day of the applicable Interest Period, and upon such payment being made that Lender's obligations to make such Affected Loans to the Borrowers under this Agreement will terminate.

14.03 Illegality

If the adoption of any Applicable Law or any change therein or in the interpretation or application thereof by any court or by any governmental or other authority or central bank or comparable agency or any other entity charged with the interpretation or administration thereof or compliance by a Lender with any request or direction (whether or not having the force of law) of any such authority, central bank or comparable agency or entity, after the date hereof makes it unlawful or impossible for any Lender to make, fund or maintain an Advance under the Credit Facilities or to give effect to its obligations in respect of such an Advance, such Lender may, by written notice thereof to the Borrowers and to the Agent declare its obligations under this Agreement (or its obligations with respect to such Advance, if applicable) to be terminated whereupon the same will forthwith terminate, and the Borrowers will prepay within the time required by such law (or at the end of such longer period as such Lender at its discretion has agreed) the principal of such Advance together with accrued interest, such Additional Compensation, if any, as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lenders by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Advance or any part thereof on other than the last day of the applicable Interest Period. If any such change will only affect a portion of such Lender's obligations under this Agreement which is, in the opinion of such Lender and the Agent, severable from the remainder of this Agreement so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Agent, the other Lenders or the Obligors hereunder, such Lender will only declare its obligations under that portion so terminated.

14.04 Taxes

(1) All payments to be made to the Agent or the Lenders pursuant to the Credit Documents will be made free and clear of, and without reduction for or on account of, any present or future Taxes; provided, however, if any Taxes are required by Applicable Law to be withheld from any interest or other amount payable to the Agent or any Lender under any Credit Document, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is a Tax other than an Excluded Tax, the amount so payable by the applicable Obligor to the Agent or such Lender will be increased to the extent necessary to yield to the Agent or such Lender, on a net basis after payment of all Taxes (including all Taxes imposed (other than Excluded Taxes) on any additional amounts payable under this Section), interest or any such other amount payable under such Credit Document at the rate or in the amount specified in such Credit Document. The Obligors will be fully liable and responsible for and will, promptly following receipt of a request from the Agent, pay to the Agent any and all Taxes in the nature of sales, use, excise, value-added, goods and services, harmonized sales, stamp, property and similar Taxes payable under the laws of Canada, any Province of Canada, the United States of America, any State of the United States of America or any other country or jurisdiction with respect to any and all goods and services made available under the Credit Documents to any Obligor by the Agent and the Lenders, or any and all Taxes arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Credit Documents, but not including any Excluded Taxes. Whenever any Taxes are payable by an

Obligor pursuant to this section, for the account of the Agent or a Lender, a certified copy of an original official receipt showing payment of such Taxes (or other reasonable documentary evidence of such payment) will be promptly provided by such Obligor to the Agent or such Lender. If an Obligor fails to pay any Taxes (other than Excluded Taxes) in respect of any payment made to the Agent or the Lenders pursuant to the Credit Documents when due or if an Obligor fails to remit to the Agent the required documentary evidence of such payment, the Obligors will indemnify and save harmless the Agent and the Lenders from any incremental Taxes (other than Excluded Taxes), interest, penalties or other reasonable expenses that may become payable by the Agent or by any Lender or to which the Agent or any Lender may be subjected as a result of any such failure. A certificate of the Agent or any Lender as to the amount of any such Taxes (other than Excluded Taxes), interest or penalties and containing reasonable details of the calculation of such Taxes, interest or penalties will be, absent manifest error, prima facie evidence of the amount of such Taxes, interest or penalties, as the case may be. If an Obligor has paid over or remitted an amount on account of Taxes pursuant to the foregoing provision and the amount so paid over or remitted is subsequently refunded to such Lender, in whole or in part, such Lender will remit to the such Obligor, provided there is then no Pending Event of Default or Event of Default and subject to the set off rights of the Lenders, such an amount equal to such refund (but only to the extent of indemnity payments or additional amount paid under this section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). The applicable Obligor, upon request of a Lender, shall repay to such Lender the amount paid over pursuant to the foregoing sentence (plus penalties, interest or other charges imposed by the relevant Governmental Authority). Notwithstanding anything to the contrary in the preceding two sentences, in no event will a Lender be required to pay any amount to an Obligor pursuant to this section the payment of which would place such Lender in a less favorable net after-Tax position than such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. The foregoing three sentences shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Obligors or any other Person.

(2) Notwithstanding anything to the contrary contained herein, neither the Agent nor any US Lender shall be entitled to any additional payments or indemnification under Section 14.04(1) with respect to withholding Taxes (a) to the extent that the obligation to withhold amounts existed on the date that the Agent or such US Lender became a party to this Agreement (except to the extent such US Lender is an assignee of any other US Lender that was entitled, at the time the assignment of such other US Lender became effective, to receive additional amounts or indemnification under Section 14.04(1)) or (b) that are directly attributable to the failure by such US Lender to deliver the documentation required to be delivered pursuant to Section 14.04(3), (4) or (5).

(3) Each US Lender that is not a United States person as defined in Section 7701(a)(30) of the Code and that, at any of the following times, is entitled to an exemption from or reduction in United States withholding tax shall (a) on or prior to the date such US Lender becomes a party to this Agreement, (b) on or prior to the date on which any such form or

certification expires or becomes obsolete, (c) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it and (d) from time to time if requested by the US Borrower or the Agent, provide the Agent and the US Borrower with two completed originals of each of the following, as applicable: (i) Forms W-8ECI (claiming exemption for US withholding tax because the income is effectively connected with a U.S. trade or business), W-8BEN (through December 31, 2014) or W-8BEN-E (claiming exemption from, or a reduction of, U.S. withholding tax under an income tax treaty) or any successor forms, (ii) in the case of such US Lender claiming exemption under Sections 871(h) or 881(c) of the Code, Form W-8BEN (through December 31, 2014) or W-8BEN-E (claiming exemption from U.S. withholding tax under the portfolio interest exemption) or any successor form and a certificate in form and substance acceptable to the Agent that such US Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the US Borrower within the meaning of Section 881(c)(3)(B) of the Code or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code or (iii) any other applicable document prescribed by the US Internal Revenue Service certifying as to the entitlement of such US Lender to such exemption form United States withholding tax or reduced rate with respect to all payments to be made to such US Lender under the Credit Documents.

(4) Each US Lender that is a United States person as defined in Section 7701(a)(30) of the Code shall (A) on or prior to the date such US Lender becomes a party to this Agreement, (B) on or prior to the date on which any such form or certification expires or becomes obsolete, (C) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it and (D) from time to time if requested by the US Borrower or the Agent, provide the Agent and the US Borrower with two completed originals of Form W-9 (certifying that such US Lender is entitled to an exemption for U.S. backup withholding tax) or any successor form.

(5) If a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding or Canadian Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the applicable Borrower and the Agent, at the time or times prescribed by law and at such time or times reasonably requested by such Borrower or the Agent, such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by such Borrower or the Agent as may be necessary for such Borrower and the Agent to comply with their obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (5), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(6) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrowers and the Agent, at the time or times reasonably requested by a Borrower or the Agent, such properly completed and executed documentation reasonably requested by such Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding.

In addition, any Lender, if reasonably requested by a Borrower or the Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by a Borrower or the Agent as will enable the Borrowers or the Agent to determine whether or not such Lender is subject to the backup withholding or information reporting requirements. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrowers and the Agent of its legal inability to do so. Notwithstanding anything to the contrary in the preceding three sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 14.04(3), (4) and (5)) shall not be required if in a Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial positions of such Lender.

(7) If an Obligor determines in good faith that a reasonable basis exists for contesting any Taxes for which payment has been made under this Section 14.04, the Agent or relevant Lender, as applicable, shall cooperate with the Obligor in a reasonable challenge of such Taxes if so requested by the Obligor; provided that (a) such Lender or the Agent determines in its reasonable discretion that it would not be prejudiced by cooperating in such challenge, (b) the Obligor pays all related expenses of such Lender or the Agent and (c) the Obligor indemnifies such Lender or the Agent for any liabilities or other reasonable costs incurred by such Lender or the Agent, as applicable, in connection with such challenge. The preceding sentence shall not be construed to require the Agent or any Lender to make available its Tax returns (or any other information that it deems confidential) to the Obligors or any other Person.

ARTICLE 15
SUCCESSORS AND ASSIGNS AND ADDITIONAL LENDERS

15.01 Successors and Assigns

(1) The Credit Documents (other than Hedges to which a Lender or its affiliate is the counterparty) will be binding upon and enure to the benefit of the Agent, each Lender, the Borrowers and their successors and assigns, except that the Borrowers, other than as otherwise permitted hereunder, will not assign any rights or obligations with respect to this Agreement or any of the other Credit Documents without the prior written consent of all of the Lenders and none of the Lenders will assign any of their rights and obligations under this Agreement or any of the other Credit Documents (other than Hedges to which a Lender or its affiliate is the counterparty) except in accordance with this Agreement.

(2) Except (a) from one Canadian Lender to another Canadian Lender, (b) from one US Lender to another US Lender, or (c) from one Lender to one of its Affiliates under this Agreement, none of the rights and obligations of the Lenders under this Agreement or any of the other Credit Documents may be assigned in whole or in part except with the prior written consent of the Borrowers, such consent not to be unreasonably withheld. For greater certainty, each Lender (other than a Domestic Lender and the LC Lender) must have Commitments in both Revolving Facilities unless an Event of Default or a Pending Event of Default has occurred and is continuing. Notwithstanding the foregoing, no consent of the Borrowers is required in respect of any assignment by any one or more of the Lenders following the occurrence of a

Pending Event of Default or an Event of Default and for so long as it is continuing. Subject to the foregoing, any assignment made by one or more of the Lenders in accordance herewith will be made in accordance with the provisions of Section 15.02 and the other terms of this Agreement. The Borrowers hereby consent to the disclosure of any Information to any potential Lender or Participant provided that the potential Lender or Participant agrees in writing to keep the Information confidential as required pursuant to Section 16.01 hereof and to return such Information if it does not become a Lender or a Participant.

(3) Each assignment will be of a uniform, and not a varying, percentage of all rights and obligations of the assignor(s). Each such assignment will, unless an Event of Default exists, be in a principal amount of not less than the lesser of the entire amount of such Lender's interest, and **[Dollar Amount Redacted]**; provided, however, there will be no minimum assignment amount (i) following the occurrence of an Event of Default and for so long as it is continuing, or (ii) in respect of an assignment from one Lender to any other Lender or to any Affiliate of a Lender, and each Lender will be entitled to hold and assign interests of less than **[Dollar Amount Redacted]** if the total Commitments held by such Lenders and Affiliates of such Lender are equal to or greater than **[Dollar Amount Redacted]**. The determination of the Commitments of a Lender under this Section 15.01(3) will be made as of the effective date of the Assignment Agreement relating to any assignment.

(4) Notwithstanding any provision in this Agreement to the contrary, each Lender agrees that it will not assign all or any portion of its rights under this Agreement including, without limitation, any portion of its Commitment without ten Business Days prior notice to the Agent and without the prior written consent of the Agent.

(5) A participation by a Lender of its interest (or a part thereof) hereunder or a payment by a Participant to a Lender as a result of the participation will not constitute a payment hereunder to the Lender or an Advance to a Borrower.

15.02 Assignments

(1) Subject to Section 15.01 and the other terms of this Agreement, the Lenders collectively or individually may assign to one or more assignees all or a portion of their respective rights and obligations under this Agreement (including, without limitation, all or a portion of their respective Commitments); provided that no such assignment shall be made to (A) any Borrower, any other Obligor, any Obligor's Affiliates or Subsidiaries, (B) to any Non-Funding Lender or any of its Affiliates or Subsidiaries, or (C) to a natural Person. There will be no restrictions on assignments while an Event of Default exists. The parties to each such assignment will execute (together with the Agent) and deliver a Canadian Assignment Agreement in the case of an assignment of a Lender's Commitment in respect of the Canadian Revolving Facility or the LC Facility and a US Assignment Agreement in the case of a Lender's Commitment in respect of the US Revolving Facility (each, an "**Assignment Agreement**") to the Agent and the Agent will deliver such Assignment Agreement to the Borrowers. In addition the Borrowers will execute such other documentation as a Lender may reasonably request for the purpose of any assignment or participation. The assignor will pay a processing and recording fee of **[Dollar Amount Redacted]** to the Agent. After such execution, delivery, acknowledgement and recording in the Register (i) the assignee thereunder will be a party to this Agreement and, to

the extent that rights and obligations hereunder have been assigned to it, have the rights and obligations of a Lender hereunder and (ii) the assigning Lender thereunder will, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, relinquish its rights and be released from its obligations under this Agreement, other than obligations in respect of which it is then in default, and, in the case of an Assignment Agreement covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender will cease to be a party hereto; provided that such assigning Lender shall continue to be entitled to the benefits of Sections 14.01, 14.03 and 14.04 with respect to facts and circumstances occurring prior to the effective date of such assignment.

(2) The agreements of an assignee contained in an Assignment Agreement will benefit the assigning Lender thereunder, the other Lenders and the Agent in accordance with the terms of the Assignment Agreement.

(3) The Agent will maintain at its address referred to herein a copy of each Assignment Agreement delivered to and acknowledged by it and a register for recording the names and addresses of the Lenders and the Commitment under the Credit Facilities of each Lender from time to time (the "**Register**"). The entries in the Register will be conclusive and binding for all purposes, absent manifest error. The Borrowers, the Agent and each of the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement, and need not recognize any Person as a Lender unless it is recorded in the Register as a Lender. The Register will be available for inspection by the Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(4) Upon its receipt of an Assignment Agreement executed by an assigning Lender and an assignee and approved by the Borrowers (other than while an Event of Default or a Pending Event of Default exists when no such approval will be necessary), the Agent will, if the Assignment Agreement has been completed and is in the required form with such immaterial changes as are acceptable to the Agent:

(a) acknowledge the Assignment Agreement;

(b) record the information contained therein in the Register; and

(c) give prompt notice thereof to the Borrowers and the other Lenders, and provide them with an updated version of Schedule A.

(5) Notwithstanding anything to the contrary set forth above, any Lender may (without requesting the consent of any Borrower or the Agent) pledge its Advances to the Bank of Canada or to a Federal Reserve Bank, as the case may be, in support of borrowings made by such Lender from the Bank of Canada or such Federal Reserve Bank, as the case may be.

(6) If, as a result of any assignment or participation pursuant to this Section 15.02 or Section 15.03 made at a time no Event of Default exists a Borrower would be obliged to pay Additional Compensation (within the meaning of Section 14.01), or deduct or withhold any Taxes and make increased payments pursuant to Section 14.04, in excess, at the time, of those which such Borrower would have been required to pay, deduct or withhold had such assignment

or participation not taken place, such Borrower will be relieved of those obligations to the extent of such excess.

15.03 Participations

(1) Each Lender may (subject to the provisions of Section 15.01(1)) sell participations to one or more banks, financial institutions or other Persons (other than (x) any Borrower, any other Obligor, any Obligor's Affiliates or Subsidiaries, or (y) to a natural Person) (each, a "**Participant**") in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment), but the Participant will not become a Lender and:

(a) the Lender's obligations under this Agreement (including, without limitation, its Commitment) will remain unchanged;

(b) the Lender will remain solely responsible to the other parties hereto for the performance of such obligations;

(c) the Borrowers, the Agent and the other Lenders will continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement; and

(d) no Participant will have any right to approve any amendment or waiver of any provision of this Agreement, or any consent to any departure by any Person therefrom.

(2) Subject to Section 15.02(6), the Borrowers agree that each Participant shall be entitled to the benefits of Sections 14.01, 14.03 and 14.04 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 15.02.

(3) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under the Credit Documents (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Advances, Letters of Credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

ARTICLE 16
GENERAL

16.01 Exchange and Confidentiality of Information

(1) Each of the Lenders and the Agent acknowledges the confidential nature of the financial, operational and other information, reports and data provided and to be provided to them by the Borrowers and each other Obligor pursuant to this Agreement (the "**Information**") and agrees to hold the Information in confidence and will not discuss or disclose or allow access to, or transfer or transmit the Information to any person, provided however that:

(a) each of the Lenders and the Agent may disclose all or any part of the Information if such disclosure is required by any applicable law or regulation, or by applicable order, policy or directive having the force of law, to the extent of such requirement, or is required in connection with any actual judicial, administrative or governmental proceeding, including, without limitation, proceedings initiated under or in respect of this Agreement, provided that in any such circumstance the Lenders and the Agent, as soon as reasonably practicable, will advise the Canadian Borrower of their obligation to disclose such Information in order to enable the Canadian Borrower, if it so chooses, to attempt to ensure that any such disclosure is made on a confidential basis;

(b) each of the Lenders and the Agent may disclose Information to each other, their respective Affiliates and to any permitted assignees or Participants and to their respective counsel, agents, auditors, employees and advisors, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(c) each of the Lenders and the Agent may disclose and discuss the Information with credit officers of any potential permitted assignees for the purposes of assignment pursuant to Section 15.02 or any Participant for the purposes of a participation, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(d) each of the Lenders and the Agent may disclose all or any part of the Information on a confidential basis to any direct or indirect contractual counter party or prospective counter party to a swap agreement, credit linked note or similar transaction, or such contractual counter parties' or prospective counter parties professional advisors, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(e) each of the Lenders and the Agent may disclose all or any part of the Information so as to enable such Lender or the Agent to initiate any lawsuit against any Obligor or to defend any lawsuit commenced by any Obligor in respect of the Credit Documents, the issues of which are directly or indirectly related to the

Information, but only to the extent such disclosure is necessary or desirable to the initiation or defence of such lawsuit;

(f) each of the Lenders and the Agent may disclose all or any part of the Information on a confidential basis, with the prior written consent of either Borrower, to any insurance or re-insurance company for the purpose of obtaining insurance in respect of the Credit Facilities provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential; and

(g) each of the Lenders and the Agent may disclose Information to any person with the prior written consent of either Borrower.

(2) Notwithstanding the foregoing, "**Information**" will not include any such information:

(a) which is or becomes readily available to the public (other than by a breach hereof or by a breach of an obligation of confidentiality imposed on a permitted assignee or Participant or other person referred to in this Section) or which has been made readily available to the public by an Obligor;

(b) which the Agent or any Lender can show was, prior to receipt thereof from an Obligor, lawfully in the Agent's or the Lender's possession and not then subject to any obligation on its part to or for the benefit of such Obligor to maintain confidentiality; or

(c) which the Agent or any Lender received from a third party, prior to receipt thereof from an Obligor, which was not, to the knowledge of the Agent or such Lender after due enquiry, subject to a duty of confidentiality to or for the benefit of such Obligor at the time the Information was so received.

16.02 Nature of Obligations under this Agreement

(1) The obligations of each Lender and of the Agent under this Agreement are several and not joint and several. The failure of any Lender to carry out its obligations hereunder will not relieve the other Lenders, the Agent or the Borrowers of any of their respective obligations hereunder.

(2) Neither the Agent nor any Lender will be responsible for the obligations of any other Lender hereunder.

16.03 Notice

Any notice or communication to be given under this Agreement (other than telephone notice as specifically provided in this Agreement) may be effectively given by delivering (whether by courier or personal delivery) the same at the mailing addresses set out on the signature pages of this Agreement (or with respect to any assignee pursuant to Section 15.02, to the mailing address provided by such assignee to the Borrowers and the Agent in connection

with the applicable transfer or assignment to such assignee) or by facsimile or electronic communication (including e-mail) to the parties at the facsimile numbers or email addresses set out on the signature pages of this Agreement (or with respect to any assignee pursuant to Section 15.02, to the facsimile number provided by such assignee to the Borrowers and the Agent in connection with the applicable transfer or assignment to such assignee). Any notice sent by facsimile or electronic communication (including e-mail) will be deemed to have been received on transmission (and receipt of confirmation of transmission) if sent by any party to this Agreement before 4:00 p.m. (Toronto time) on a Business Day and, if not, on the next Business Day following transmission. Any party may from time to time notify the other parties, in accordance with the provisions of this Section, of any change of its mailing address, facsimile number or email address which after such notification, until changed by like notice, will be the mailing address, facsimile number or email address, as the case may be, of such party for all purposes of this Agreement.

16.04 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where Property or assets of the Borrowers may be found.

16.05 Judgment Currency

(1) If for the purpose of obtaining or enforcing judgment against any Obligor in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 16.05 referred to as the "**Judgment Currency**") an amount due in Canadian Dollars or United States Dollars under this Agreement, the conversion will be made at the rate of exchange prevailing on the Business Day immediately preceding:

(a) the date of actual payment of the amount due, in the case of any proceeding in the courts of the Province of Ontario or in the courts of any other jurisdiction that will give effect to such conversion being made on such date; or

(b) the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 16.05(1)(b) being hereinafter in this Section 16.05 referred to as the "**Judgment Conversion Date**").

(2) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 16.05(1)(b), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable Obligor will pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of Canadian Dollars or United States Dollars, as the case may be, which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date.

(3) Any amount due from an Obligor under the provisions of Section 16.05(2) will be due as a separate debt and will not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement.

(4) The term "rate of exchange" in this Section 16.05 means the spot rate of exchange based on Canadian interbank transactions in Canadian Dollars or United States Dollars, as the case may be, in the Judgment Currency published or quoted by the Bank of Canada at the close of business for the Business Day in question (or, if such conversion is to be made before close of business on Such Business Day, then at close of business on the immediately preceding Business Day), or if such rate is not so published or quoted by the Bank of Canada, such term will mean the Equivalent Amount of the Judgment Currency.

16.06 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the Borrowers, the Lenders, the Agent and their respective permitted successors and permitted assigns.

16.07 Severability

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

16.08 Whole Agreement

From the Effective Date, this Agreement is and shall for all purposes be deemed to be an amendment and restatement of the provisions of the Eighth Amended and Restated Credit Agreement and shall, from the Effective Date, supersede all prior agreements, undertakings, declarations, commitments, representations, written or oral, in respect thereof. This Agreement does not constitute a novation of the Eighth Amended and Restated Credit Agreement. Prior to the Effective Date, or if the Effective Date never occurs, the Eighth Amended and Restated Credit Agreement shall continue in full force and effect in accordance with its terms.

16.09 Obligations under the Eighth Amended and Restated Credit Agreement

The Borrowers and each Lender agree that any Advance (as that term is defined in the Eighth Amended and Restated Credit Agreement) unpaid on the Effective Date, shall be an Advance under the Canadian Revolving Facility or the US Revolving Facility, as applicable, in accordance with the terms and conditions specified in this Agreement.

16.10 Further Assurances

Each Borrower, each Lender and the Agent will promptly cure any default by it in the execution and delivery of this Agreement, the Credit Documents or any of the agreements provided for hereunder to which it is a party. Each Borrower, at its expense, will promptly execute and deliver to the Agent, upon request by the Agent, all such other and further

documents, agreements, opinions, certificates and instruments in compliance with, or accomplishment of the covenants and agreements of such Borrower hereunder or more fully to state the obligations of such Borrower as set forth herein or to make any recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

16.11 Waiver of Jury Trial

THE BORROWERS HEREBY KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY AGENT, ANY LENDER OR ANY OF THE BORROWERS. THE BORROWERS ACKNOWLEDGE AND AGREE THAT THEY HAVE RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER CREDIT DOCUMENT TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDERS ENTERING INTO THIS AGREEMENT AND EACH OTHER CREDIT DOCUMENT.

16.12 Consent to Jurisdiction

(1) Each Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such court. Each Borrower hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceeding.

(2) Each Borrower hereby irrevocably consents to the service of any and all process in such action or proceeding by the delivery of such process to such Borrower at its address provided in accordance with Section 16.03.

16.13 Time of the Essence

Time will be of the essence of this Agreement.

16.14 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument, and it will not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

16.15 Electronic Execution and Delivery

Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic means shall be effective as delivery of an original counterpart of this

Agreement. The words "execution", "signed", "signature", and words of like import in this Agreement shall be deemed to include electronic signature or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law.

16.16 Term of Agreement

(1) This Agreement shall remain in full force and effect until the payment and performance in full of all of the Obligations, other than those Obligations of the Obligors to indemnify the Agent and the Lenders, including, without limitation, the indemnities set forth in Sections 4.05, 5.02, 5.03, 13.11 and Article 12 and Article 14, which shall survive and continue to be in full force and effect.

(2) Upon payment and performance in full of all of the Obligations in accordance with Section 16.16(1), the provisions of this Agreement that apply to or for the benefit of the Lender Hedge Providers including, without limitation, the provisions of this Agreement that allow for the Lender Hedge Providers to benefit from the Security shall survive and continue to be in full force and effect. Notwithstanding the definition "Majority Lenders", upon such payment and performance, "Majority Lenders" shall mean the Lender Hedge Providers holding at least 66⅔% of the aggregate of (x) the Aggregate Swap Exposures of all Lender Hedge Providers and (y) the aggregate of the net amounts owing under all Hedges entered into by Lender Hedge Providers that have been terminated in accordance with their terms.

16.17 USA Patriot Act

Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrowers that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify the Borrowers in accordance with the Act.

16.18 Anti-Money Laundering Legislation

(1) The Borrowers acknowledge that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws (collectively, including any guidelines or orders thereunder, "**AML Legislation**"), the Lenders and the Agent may be required to obtain, verify and record information regarding the Borrowers, the Guarantors, their directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Borrowers and the Guarantors, and the transactions contemplated hereby. The Borrowers shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Agent, or any prospective assignee or participant of a Lender or the Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

(2) Each of the Lenders agrees that the Agent has no obligation to ascertain the identity of the Borrowers or the Guarantors or any authorized signatories of the Borrowers or a

Guarantor on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from the Borrowers or any Guarantor or any such authorized signatory in doing so.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWERS:

Address:

[redacted]

Attention: [redacted]
Facsimile:
Email:

Address:

[redacted]

Attention: [redacted]
Facsimile:
Email:

JUST ENERGY ONTARIO L.P.
by its general partner, JUST ENERGY CORP.

[redacted]

JUST ENERGY (U.S.) CORP.

[redacted]

AGENT:

Address:

NATIONAL BANK OF CANADA, as Administrative Agent

Attention:
Facsimile:
Email:

LENDERS:

Address:

NATIONAL BANK OF CANADA, as Canadian Lender and a Canadian Issuing Lender

Attention:

Address:

CANADIAN IMPERIAL BANK OF COMMERCE, as Canadian Lender, Canadian Swingline Lender, a Canadian Issuing Lender and LC Lender

Attention:

Facsimile:

Address:

ATB FINANCIAL, as Canadian Lender

Attention:
Mobile:

Address:

HSBC BANK CANADA, as Canadian Lender

Attention:
Telephone:
Facsimile:
Email:

Address:

CANADIAN WESTERN BANK, as Canadian Lender

Attention:
Telephone:
Facsimile:
Email:

Address:

JPMORGAN CHASE BANK, N.A., as Canadian Lender

Attention:
Telephone:
Facsimile:
Email:

Address:

MORGAN STANLEY SENIOR FUNDING, INC., as Canadian Lender

Attention:
Facsimile:
Email:

Address:

CANADIAN IMPERIAL BANK OF COMMERCE, as US Lender and a US Issuing Lender

Attention:

Facsimile:

Address:

CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH, as a US Issuing Lender (solely in respect of the Existing CIBC US Letters of Credit)

Attention:

Facsimile:

Address:

NATIONAL BANK OF CANADA, as US Lender and a US Issuing Lender

Attention:
Facsimile:

Address:

HSBC BANK CANADA, as US Lender

Attention:
Telephone:
Facsimile:
Email:

Address:

JPMORGAN CHASE BANK, N.A.,
as US Lender

Attention:
Telephone:
Facsimile:

Email:

Address:

MORGAN STANLEY SENIOR FUNDING, INC., as US Lender

Attention:
Facsimile:
Email:

SCHEDULE A

COMMITMENTS

[Commitment Schedule Redacted]

SCHEDULE B

NOTICE OF REQUEST FOR ADVANCE

TO: National Bank of Canada, as administrative agent (the "**Agent**")

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: **[NTD: Drawdown Notices, Conversion Notices and Rollover Notices, as the case may be, must be delivered to the Agent not later than 11:00 a.m. (Toronto time) (i) 3 Business Days in advance for LIBOR Advances, (ii) 1 Business Day in advance for Prime Rate Advances, US Base Rate Advances or US Prime Rate Advances, (iii) 1 Business Day in advance for Bankers' Acceptances and BA Equivalent Notes; and (iv) 3 Business Days in advance for Letters of Credit.]**

All defined terms set forth, but not otherwise defined, in this notice shall have the respective meanings set forth in the Credit Agreement.

Drawdown Notice

We hereby give irrevocable notice of our request under the Credit Facilities for an Advance, of **[all / a portion of]** the Advances pursuant to Section 2.10 of the Credit Agreement as follows:

1. Amount of Advance: **[Cdn./US]** $_____ **[minimum principal amount of [Dollar Amount Redacted] and in whole multiples of [Dollar Amount Redacted] for Prime Rate Advances and Bankers' Acceptances; minimum principal amount of [Dollar Amount Redacted] and in whole multiples of [Dollar Amount Redacted] for US Prime Rate Advances, US Base Rate Advances and LIBOR Advances]**.

2. Date of Advance: _____.

3. Nature of Advance is by way of **[Prime Rate Advance/ Bankers' Acceptance/BA Equivalent Note/US Base Rate Advance/US Prime Rate Advance/LIBOR Advance/Letter of Credit]** under the **[Canada Revolving Facility/US Revolving Facility/LC Facility]**.

4. **[If applicable - when Lenders are purchasing Bankers' Acceptances]** Please forward the funding particulars with respect to the Bankers' Acceptances on **[two Business Days prior to the proposed Drawdown Date]**. The term of each such Bankers' Acceptance will be for a period of one month (subject to availability).

5. **[If applicable]** The term of each LIBOR Advance will be for a period of one **[week/month]** (subject to availability).

Conversion Notice

We hereby give irrevocable notice of a conversion of an Advance pursuant to Section 2.10 of the Credit Agreement.

1. We have outstanding **[Cdn.$/US$]** _____ by way of **[Prime Rate Advance/Bankers' Acceptance/BA Equivalent Note/US Base Rate Advance/US Prime Rate Advance/LIBOR Advance/Letter of Credit]**.

2. Please convert **[Cdn.$/US$]** _____ outstanding by way of _____ **[Prime Rate Advance/Bankers' Acceptance/BA Equivalent Note/US Base Rate Advance/US Prime Rate Advance/LIBOR Advance/Letter of Credit]** into a _____ **[Prime Rate Advance/Bankers' Acceptance/BA Equivalent Note/US Base Rate Advance/US Prime Rate Advance/LIBOR Advance/Letter of Credit]** on the _____ day of _____, 20_____.

3. **[If applicable]** We hereby request that the Lenders accept drafts **[and purchase]** the Bankers' Acceptances to be issued pursuant to this Conversion Notice.

4. **[If applicable]** Please forward the funding particulars with respect to the Bankers' Acceptances on the proposed Drawdown Date. The term of each Bankers' Acceptance will be for a period of one month (subject to availability).

5. **[If applicable]** The term of each LIBOR Advance will be for a period of one **[week/month]** (subject to availability).

Rollover Notice

We hereby give irrevocable notice of a Rollover of an Advance pursuant to Section 2.10 of the Credit Agreement.

1. We have outstanding **[Cdn.$/US$]** _____ by way of **[Bankers' Acceptance/BA Equivalent Note or LIBOR Advance]**.

2. The term in respect of such **[Bankers' Acceptance/BA Equivalent Note or LIBOR Advance]** expires on _____, 20_____.

3. Please rollover such **[Bankers' Acceptance/BA Equivalent Note or LIBOR Advance]** (or **[Cdn.$/US$]** _____ if less than the entire issue of **[Bankers' Acceptance/BA Equivalent Note or LIBOR Advance]** is being rolled over) such that the subsequent term is for a period of one **[week/month]** (subject to availability).

4. Please forward the funding particulars with respect to the rolled over **[Bankers' Acceptances/BA Equivalent Note or LIBOR Advance]** on the proposed Drawdown Date.

General **[NTD: Not required for Conversion or Rollover Notices]**

We hereby certify as follows:

1. The representations and warranties in Section 8.01 of the Credit Agreement, other than those representations and warranties which speak to a specific date, which remain true and correct as at such date, are true and correct as of the Drawdown Date.

2. No Pending Event of Default or Event of Default exists on the date hereof and the completion of the borrowing contemplated hereunder will not result in the occurrence of an Event of Default or a Pending Event of Default.

3. All other conditions precedent in the Credit Agreement that have not been waived upon which the Borrowers may obtain an Advance have been fulfilled.

[JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP./ JUST ENERGY (U.S.) CORP.]

By: _____
Authorized Signatory

SCHEDULE C

REPAYMENT NOTICE

TO: National Bank of Canada, as administrative agent (the "**Agent**")

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: **[NTD: To be delivered in accordance with the applicable notice requirement for the Advance being repaid]**

All defined terms set forth, but not otherwise defined, in this notice shall have the respective meanings set forth in the Credit Agreement.

Mandatory Repayment

We hereby give irrevocable notice of our request under the Credit Facilities for a repayment of **[all / a portion of]** the Advances pursuant to Section 6.01 of the Credit Agreement as follows:

1. Total amount of repayment: **[Cdn.$/US$]** _____.

2. Nature of repayment is by way of:
[NTD: Nature of repayment to be made in same denominations as funds were initially advanced.]

   (a) Prime Rate Advances: Cdn.$_____.

   (b) Bankers' Acceptances: Cdn.$_____.

   (c) BA Equivalent Notes: Cdn.$_____.

   (d) US Base Rate Advances: US$_____.

   (e) US Prime Rate Advances: US$_____.

   (f) LIBOR Advances: US$_____.

   [NTD: Bankers' Acceptances, BA Equivalent Notes and LIBOR Advances may not be repaid otherwise than on their respective maturity dates].

3. Date of repayment: _____.

Voluntary Repayments and Reductions

We hereby give irrevocable notice of our request under the Credit Facilities for a voluntary repayment or prepayment of **[all/a portion of]** the Advances pursuant to Section 6.02 of the Credit Agreement as follows:

1. Total amount of repayment or prepayment: **[Cdn./US]**$_____ **[minimum aggregate amount of [Dollar Amount Redacted] and in whole multiples of [Dollar Amount Redacted] for Advances in Canadian Dollars other than repayment of Advances under the Canadian Swingline Facility or the US Swingline Facility; minimum aggregate amount of [Dollar Amount Redacted] and in whole multiples of [Dollar Amount Redacted] for Advances in United States Dollars]**.

2. Nature of repayment or prepayment is by way of:
[NTD: Nature of repayment or prepayment to be made in same denominations as funds were initially advanced.]

   (a) Prime Rate Advances: Cdn.$_____.

   (b) US Base Rate Advances: US$_____.

   (c) US Prime Rate Advances: US$_____.

3. Date of repayment: _____.

Yours truly,

[JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP./ JUST ENERGY (U.S.) CORP.]

By: _____
Authorized Signatory

SCHEDULE D

COMPLIANCE CERTIFICATE

TO: National Bank of Canada, as administrative agent (the "**Agent**")

AND TO: The Lenders under the Credit Agreement (as defined below)

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: ●, 20●

The undersigned, the **[insert title of senior officer]** of the Canadian Borrower, hereby certifies, in that capacity and without personal liability, that:

1. I have read and am familiar with the provisions of the Credit Agreement and have made such examinations and investigations, including a review of the applicable books and records of the Borrowers as are necessary to enable me to express an informed opinion as to the matters set out herein and to furnish this Certificate.

2. I have furnished this Certificate with the intent that it may be relied upon by the Agent and the Lenders as a basis for determining compliance by the Borrowers with their respective covenants and obligations under the Credit Agreement and the other Credit Documents as of the date of this Certificate.

3. The representations and warranties contained in Section 8.01 of the Credit Agreement are true and correct on the date of this Certificate with reference to facts subsisting on such date, with the same effect as if made on such date except for those representations and warranties which speak to a specific date which shall be true as of such date **[except _____]**.

4. This Certificate applies to the Fiscal **[Quarter/Year]** ending _____.

5. The following constitute the only Guarantors: **[List names of Guarantors]**, in each case (unless otherwise stated) with respect to the Obligations of the other Guarantors.

6. For purposes of this Compliance Certificate, the consolidated financial statements of the Canadian Borrower and of the US Borrower **[most recent date]** delivered pursuant to Section 9.03(1) or 9.03(2) of the Credit Agreement, as the case may be:

   (a) are complete in all material respects and fairly present the results of operations and financial position of each Borrower and of the Canadian Borrower on a Modified Consolidated Basis, as applicable, as at the date thereof; and

(b) have been prepared in accordance with GAAP consistently applied except that, in the case of quarterly financial statements, notes to the statements and audit adjustments required by GAAP are not included.

Since such date, there has been no condition (financial or otherwise), event or change in the business, liabilities, operations, results of operations, assets or prospects of either of the Borrowers, or any of the Guarantors which constitutes or has a Material Adverse Effect.

7. As of **[insert date]**:

A. EBITDA

Net income:		Cdn.$	_____
(a)	increase by the sum of (without duplication):		
	(i) Total Interest Expense;	Cdn.$	_____
	(ii) Income Tax Expense;	Cdn.$	_____
	(iii) Depreciation Expense (which for greater certainty does not include any amortization of contract initiation costs);	Cdn.$	_____
	(iv) non-cash losses resulting from the fair value of derivative financial investments;	Cdn.$	_____
	(v) accrued (but not yet actually realized) foreign exchange translation losses;	Cdn.$	_____
	(vi) losses on the purchase or redemption of securities issued by any of the Borrowers and the Restricted Subsidiaries;	Cdn.$	_____
	(vii) any other cash or non-cash extraordinary, unusual or non-recurring losses; excluding, for greater certainty, (A) provisions made for litigation and other similar proceedings and (B) losses associated with trading, settlement or balancing of Commodity Hedges; and	Cdn.$	_____
	(viii) Share Based Compensation to the extent settled with shares of JustEnergy (i.e., non-cash);	Cdn.$	_____

			_____
in each case to the extent such amounts were deducted in the calculation of net income for such period,			
(b)	decreased by the sum of (without duplication)		
	(i) non-cash gains resulting from the fair value of derivative financial investments;	Cdn.$	_____
	(ii) accrued (but not yet actually realized) foreign exchange translation gains;	Cdn.$	_____
	(iii) gains on the purchase or redemption of securities issued by any of the Borrowers and the Restricted Subsidiaries;	Cdn.$	_____
	(iv) any reduction in deferred tax recovery; and	Cdn.$	_____
	(v) any other cash or non-cash extraordinary, unusual or non-recurring gains excluding, for greater certainty, gains associated with trading, settlement or balancing of Commodity Hedges;	Cdn.$	_____
in each case to the extent such amounts were added in the calculation of net income for such period.			
EBITDA (total)		Cdn.$	_____

B. Debt and Cash

Total Debt	Cdn.$	_____
Senior Debt	Cdn.$	_____
Daily average of the amount of Senior Debt for the Fiscal Quarter	Cdn.$	_____
Daily average of the aggregate amount of the cash on deposit in the bank accounts of the Obligors and any Cash Equivalents for the Fiscal Quarter	Cdn.$	_____

8. The ratio of Total Debt to EBITDA determined on a Modified Consolidated Basis as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is _____:1. **[NTD: The Total Debt to EBITDA Ratio to be used to determine the Applicable Margin.]**

9. The ratio of Senior Debt to EBITDA determined on a Modified Consolidated Basis as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is _____:1 as required pursuant to Section 9.02(1) of the Credit Agreement. **[NTD: The Senior Debt to EBITDA Ratio shall not be greater than the applicable ratio set forth in Section 9.02(1).]**

10. The EBITDA determined on a Modified Consolidated Basis as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is $_____ as required pursuant to Section 9.02(2) of the Credit Agreement. **[NTD: The EBITDA determined on a Modified Consolidated Basis as at the last day of each Fiscal Quarter shall not be less than [Dollar Amount Redacted].]**

11. The Average Net Senior Debt Utilization to EBITDA Ratio determined on a Modified Consolidated Basis as at the last day of the Fiscal Quarter immediately preceding the current Fiscal Quarter is _____:1. **[NTD: One of the conditions to the making of the Subordinated Payments under paragraph (e)(i)A of the definition of "Permitted Distribution" is that The Average Debt Senior Debt to EBITDA Ratio as at the last of the applicable Fiscal Quarter must be less than [Ratio Redacted].]**

12. The aggregate amount of all Permitted Distributions in cash to any Person who is not an Obligor for the Four Quarter Period immediately preceding such Fiscal Quarter, is Cdn.$_ _____.

13. The projected amount of Available Supply of natural gas, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for natural gas for the next 12 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of natural gas to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

    [NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

14. The projected amount of Available Supply of electricity, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for electricity for the next 12 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of electricity to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

    [NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

15. The projected amount of Available Supply of JustGreen Products (renewable electricity certificates), determined as at the end of the last day of each Fiscal Quarter for the next

four Fiscal Quarters, to Supply Commitments for JustGreen Products (renewable electricity certificates) for the next 12 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. The projected amount of Available Supply of JustGreen Products (carbon offsets), determined as at the end of the last day of each Fiscal Quarter for the next four Fiscal Quarters, to Supply Commitments for JustGreen Products (carbon offsets) for the next 12 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of JustGreen Products to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

16. The notional value of the projected amount of the Available Supply of JustGreen Products that exceeds the notional value of the Supply Commitments for JustGreen Products is _____% of the aggregate notional value of Supply Commitments for electricity, natural gas and Just Green Products, as required pursuant to Sections 9.04(6) of the Credit Agreement. **[NTD: Such excess not to exceed [Percentage Redacted] of the aggregate notional value of Supply Commitments for electricity, natural gas and JustGreen Products.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

17. The projected amount of Available Supply of natural gas, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for natural gas for the next 36 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of natural gas to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

18. The projected amount of Available Supply of electricity, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for electricity for the next 36 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of electricity to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

19. The projected amount of Available Supply of JustGreen Products (renewable electricity certificates), determined as at the end of the last day of each Fiscal Quarter for the next four Fiscal Quarters, to Supply Commitments for JustGreen Products (renewable electricity certificates) for the next 36 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. The projected amount of Available Supply of JustGreen Products (carbon offsets), determined as at the end of the last day of each Fiscal Quarter for the next four Fiscal Quarters, to Supply Commitments for JustGreen Products (carbon offsets) for the next 36 months, is _____%, as required pursuant to Sections 9.03(5) and 9.04(6) of the Credit Agreement. **[NTD: Available Supply of JustGreen Products to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

20. Financial Assistance provided by any Obligor to any Unrestricted Subsidiary that has been provided or advanced since July 1, 2020 is US$_____ as required pursuant to Section 9.04(5) of the Credit Agreement. **[NTD: Financial Assistance to Unrestricted Subsidiary made from and after July 1, 2020 shall not exceed [Dollar Amount Redacted].]**

21. Supplier Contracts where, in any case, the supplier thereunder and any new supplier:

    (a) has a minimum credit rating of BBB or higher by S&P, Baa2 or higher by Moody's or BBB or higher by Fitch, are the following:

    -

    (b) has its obligations backed by a guarantee from a Person with a credit rating meeting the requirements of paragraph (a) above or by a letter of credit issued by a bank whose long-term debt is rated at least "A" by S&P, are the following:

    -

    (c) is not rated or does not have its obligations backed by a guarantee or letter of credit as described in (a) or (b); provided that all such suppliers do not exceed **[Percentage Redacted]** of the total supply under all Supplier Contracts, are as follows:

Name of Supplier	Percentage of total supply under all Supplier Contracts
•	•%
•	•%

22. Aggregate value of Unbilled Accounts Receivable Encumbered which shall not exceed **[Dollar Amount Redacted]** at any time is: US$_____, as required pursuant to Sections 9.04(10) and 9.04(22) of the Credit Agreement.

23. Aggregate value of Cash Security Deposits Encumbered which shall not exceed **[Dollar Amount Redacted]** at any time is: US$_____, as required pursuant to Sections 9.04(10) and 9.04(22) of the Credit Agreement.

Attached hereto as Schedule A is a detailed calculation for the information disclosed in each of paragraphs 7, 8, 10 (as applicable) and 18.

JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP.

By: _____
Authorized Signatory

SCHEDULE E

CANADIAN ASSIGNMENT AGREEMENT

TO: National Bank of Canada, as administrative agent (the "**Agent**")

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: **[NTD: 10 Business Days prior notice to be provided to the Agent.]**

All defined terms set forth, but not otherwise defined, in this Assignment Agreement shall have the respective meanings set forth in the Credit Agreement, unless the context requires otherwise.

1. **[name of new lender]** (the "**Assignee**") acknowledges that its proper officers have received and reviewed a copy of the Credit Documents and further acknowledges the provisions of the Credit Documents.

2. The Assignee desires to **[become] [increase its Commitment as]** a Lender under the Credit Agreement. **[Name of selling Lender]** (the "**Assignor**") has agreed to and does hereby sell, assign and transfer to the Assignee **[Cdn.$_____ of the Commitment under the Credit Facilities]** of the Assignor (the "**Transferred Commitment**") and, accordingly, the Assignee has agreed to execute this Assignment Agreement.

3. The Assignee, by its execution and delivery of this Assignment Agreement, agrees that **[from and after the date hereof it will] [it continues to]** be a Lender under the Credit Agreement and agrees to be subject to, bound by and to perform all of the terms, conditions and covenants of the Credit Agreement applicable to a Lender **[but its obligation to make Advances will be limited to the Transferred Commitment]**.

4. The Assignee hereby assumes, without recourse to the Assignor, all liabilities and obligations of the Assignor as Lender under the Credit Agreement to the extent of the Transferred Commitment as provided for herein and the Assignee hereby releases and discharges the Assignor from such obligations and liabilities to the same extent. Nothing herein will release or be deemed to release any claim, demand, action or cause of action which the Borrowers may have against the Assignor arising out of or in connection with a breach or default by the Assignor of any provision of the Credit Agreement and the other Credit Documents.

5. Notwithstanding the foregoing, if any Bankers' Acceptances accepted by the Assignor remain outstanding on the effective date of the sale, assignment or transfer referred to herein, such Bankers' Acceptances will remain the liability and obligation of the Assignor and the Assignor will be entitled to all of the rights, entitlements and benefits

arising out of the Credit Agreement and the other Credit Documents with respect to such Bankers' Acceptances (including reimbursement rights); provided, however, that the Assignee will indemnify the Assignor and hold the Assignor harmless from and against any losses or costs paid or incurred by the Assignor in connection with such Bankers' Acceptances (other than losses or costs which arise out of the negligence or wilful misconduct of the Assignor) and will be entitled to a proportionate amount of the fees paid in respect of such Bankers' Acceptances, as determined between the Assignor and Assignee, based upon the number of days remaining in the term of any such Bankers' Acceptances.

6. The Assignee acknowledges and confirms that it has not relied upon the Assignor or the Agent or any of their respective directors, officers, employees or agents, for, and none of the foregoing have made any representation or warranty whatsoever as to, the due execution, legality, effectiveness, validity or enforceability of any of the Credit Documents or any other documentation or information delivered by the Assignor or the Agent to the Assignee in connection therewith or for the performance thereof by any party thereto or of the financial condition of the Borrowers or any Guarantor. All representations, warranties and conditions express or implied by law or otherwise are hereby excluded.

7. The Assignee represents and warrants that it deals at arm's length within the meaning of the *Income Tax Act* (Canada) with the Borrowers and that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of the Borrowers or any Guarantor and has not relied and will not hereafter rely on the Assignor or the Agent or any of their respective directors, officers, employees or agents to appraise or keep under review on its behalf the financial condition, creditworthiness, affairs, status or nature of the Borrowers or any Guarantor.

   [NTD: Following the occurrence and continuance of an Event of Default or of a Pending Event of Default, an Assignee may be a Person that does not deal at arm's length with the Borrower.]

8. Each of the Assignor and the Assignee represents and warrants to the other, and to the Agent and the Lenders that it has the capacity and power to enter into this Assignment Agreement in accordance with the terms hereof and to perform its obligations arising therefrom, and all actions required to authorize the execution and delivery hereof and the performance of such obligations have been duly taken.

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

10. Notices will be given to the Assignee in the manner provided for in the Credit Agreement as follows:

    •
    •

    Attention: •
    Telecopier: •

    [specify lending office of the Assignee if different from above]

11. This Assignment Agreement will be binding upon the Assignee and its successors and permitted assigns.

12. This Assignment Agreement may be executed in counterparts (including by way of facsimile or electronic transmission) and all of such counterparts taken together will be deemed to constitute one and the same instrument.

[Name of Assignor]

By: _____
Name:
Title:

The Assignor hereby acknowledges the above Assignment Agreement and agrees that its Commitment is reduced by an amount equal to the Transferred Commitment.

[Name of Assignee]

By: _____
Name:
Title:

Just Energy Ontario L.P., by its general partner, Just Energy Corp., and Just Energy (U.S.) Corp. each hereby acknowledge the above Assignment Agreement and consent to the Assignee **[becoming] [increasing its Commitment as]** a Lender under the Credit Agreement to the extent of the Transferred Commitment.

JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP.

By: _____
Authorized Signatory

JUST ENERGY (U.S.) CORP.

By: _____
Authorized Signatory

[NTD: Borrowers' consent is not required during the continuance of an Event of Default or a Pending Event of Default.]

National Bank of Canada, as administrative agent hereby acknowledges the above Assignment Agreement **[and receipt of [Dollar Amount Redacted] from the Assignor]** and consents to the Assignee **[becoming] [increasing its Commitment as]** a Lender under the Credit Agreement to the extent of the Transferred Commitment.

NATIONAL BANK OF CANADA, as Administrative Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE F

US ASSIGNMENT AGREEMENT

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between • **[Insert name of Assignor]** (the "**Assignor**") and • **[Insert name of Assignee]** (the "**Assignee**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "**Credit Agreement**"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1.	Assignor:	
2.	Assignee:	**[NTD: Following the occurrence and continuance of an Event of Default or a Pending Event of Default, an Assignee may be a non-resident of the United States.]**
3.	Borrowers:	Just Energy Ontario L.P. and Just Energy (U.S.) Corp.

4. Administrative Agent: National Bank of Canada as the administrative agent under the Credit Agreement

5. Credit Agreement: The Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (as amended, restated, supplemented or otherwise modified from time to time) among Just Energy Ontario L.P., Just Energy (U.S.) Corp., the Lenders parties thereto and National Bank of Canada, as Administrative Agent

6. Assigned Interest:

Facility Assigned[1]	**Aggregate Amount of Commitment/Loans for all Lenders***	**Amount of Commitment/Loans Assigned***	**Percentage Assigned of Commitment/Loans**[2]	**CUSIP Number**
	US$	US$	%	
	US$	US$	%	

7. [Trade Date: **]**[3]

Effective Date: •, 20•**[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR].**

The terms set forth in this Assignment and Assumption are hereby agreed to:

• **[NAME OF ASSIGNOR]**

By: _____
Name:
Title:

[1] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. "US Revolving Facility," "Canadian Swingline Facility," etc.)

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[2] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[3] To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

● **[NAME OF ASSIGNEE]**

By: _____
Name:
Title:

Acknowledged and consented to:

JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP.

By: _____
Name:
Title:

JUST ENERGY (U.S.) CORP.

By: _____
Name:
Title:

[NTD: Borrowers' consent is not required during the continuance of an Event of Default or a Pending Event of Default.]

National Bank of Canada, as administrative agent hereby acknowledges the above Assignment Agreement **[and receipt of [Dollar Amount Redacted] from the Assignor]** and consents to the Assignee **[becoming] [increasing its Commitment as]** a Lender under the Credit Agreement to the extent of the Transferred Commitment.

NATIONAL BANK OF CANADA, as Administrative Agent

By: _____
Name:
Title:

By: : _____
Name:
Title:

ANNEX 1

NINTH AMENDED AND RESTATED CREDIT AGREEMENT DATED AS OF SEPTEMBER 28, 2020 BETWEEN, AMONG OTHERS, JUST ENERGY ONTARIO L.P., JUST ENERGY (U.S.) CORP., THE LENDERS PARTIES THERETO AND NATIONAL BANK OF CANADA, AS ADMINISTRATIVE AGENT

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

ARTICLE 1 - REPRESENTATIONS AND WARRANTIES

1.1 **Assignor**. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2 **Assignee**. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby **[and to become a Lender under the Credit Agreement]**, (ii) it meets all requirements of an eligible assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall **[continue]** be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 9.03 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a US Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such

documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

ARTICLE 2 - PAYMENTS

From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

ARTICLE 3 - GENERAL PROVISIONS

This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein.

SCHEDULE G

LIST OF LDC AGREEMENTS

[REDACTED]

SCHEDULE H.1

EXISTING CIBC LETTERS OF CREDIT

AS OF SEPTEMBER 24, 2020[1]

[REDACTED]

[1] Balance is subject to change from September 24, 2020 to the Effective Date.

SCHEDULE H.2

EXISTING CIBC US LETTERS OF CREDIT

AS OF SEPTEMBER 24, 2020[2]

[REDACTED]

[2] Balance is subject to change from September 24, 2020 to the Effective Date.

SCHEDULE H.3

EXISTING LC FACILITY LETTERS OF CREDIT

AS OF SEPTEMBER 24, 2020[3]

[REDACTED]

[3] Balance is subject to change from September 24, 2020 to the Effective Date.

SCHEDULE I

BORROWING BASE SAMPLE CALCULATION

[REDACTED]

SCHEDULE I.1

BORROWING BASE KEY ASSUMPTION SAMPLE CALCULATION

[REDACTED]

SCHEDULE J

BORROWING BASE CERTIFICATE

TO: National Bank of Canada, as administrative agent (the "**Agent**")

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: ●, 20●

All defined terms set forth, but not otherwise defined, in this notice shall have the respective meanings set forth in the Credit Agreement.

This Borrowing Base Certificate (the "**Certificate**") is delivered pursuant to the reporting requirements of Section 9.03(6) of the Credit Agreement.

The following calculations determine the Borrowing Base in accordance with the relevant definitions as set forth in the Credit Agreement and the other Credit Documents. The Borrowers hereby certify as follows:

The Borrowing Base, as of the date hereof, is Cdn.$_____, which is the lesser of:

(a) the Maximum Facility Amount; and

(b) for the Borrowers and the Restricted Subsidiaries, the sum of:

(i) cash or Cash Equivalents held by such Obligors;

(ii) the present value (calculated at a 10% discount rate) of 75% of Net Gross Margin After Tax for the Year-One Period;

(iii) the present value (calculated at a 10% discount rate) of 60% of the Net Gross Margin After Tax for the Year-Two Period;

(iv) the present value (calculated at a 10% discount rate) of 45% of the Net Gross Margin After Tax for the Year-Three Period;

(v) the present value (calculated at a 10% discount rate) of 30% of the Net Gross Margin After Tax for the Year-Four Period; and

(vi) the present value (calculated at a 10% discount rate) of 15% of the Net Gross Margin After Tax for the Year-Five Period; and

(vii) less the amount of Priority Supplier Payables,

a sample calculation of which is attached as Schedule I of the Credit Agreement.

Yours truly,

[JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP./ JUST ENERGY (U.S.) CORP.]

_____

Authorized Signatory

SCHEDULE K

[RESERVED]

SCHEDULE L

FORM OF OPERATING BUDGET

[REDACTED]

SCHEDULE M

GUARANTORS AS OF THE EFFECTIVE DATE

[REDACTED]

SCHEDULE N

FORM OF SUBORDINATION AGREEMENT

- see attached -

SUBORDINATION AND POSTPONEMENT AGREEMENT

THIS SUBORDINATION AND POSTPONEMENT AGREEMENT (as amended, modified, supplemented, restated or replaced from time to time, this "**Agreement**") is made as of ●, 20●● between (A) National Bank of Canada, as collateral agent (together with any successor(s) thereto in such capacity, the "**Collateral Agent**") for and on behalf of (i) itself as security agent, (ii) National Bank of Canada, as administrative agent (together with any successor(s) thereto in such capacity, the "**Agent**") for and on behalf of itself and the Credit Agreement Lenders (as defined below) and the Lender Hedge Providers under the Credit Agreement (as defined below), (iii) the Credit Agreement Lenders or any affiliate of a Credit Agreement Lender, (iv) any Lender Hedge Providers, (v) the Shell Energy Entities, (vi) any Other Commodity Suppliers, (B) **[name of Restricted Subsidiary]**, as debtor (together with its successors, the "**Debtor**"); and (C) **[name of Unrestricted Subsidiary]** (together with its successors, the "**Subordinate Lender**").

WHEREAS pursuant to an ninth amended and restated credit agreement dated as of September 28, 2020 (as such agreement may be amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**"), among Just Energy Ontario L.P. and Just Energy (U.S.) Corp. (collectively, the "**Borrowers**"), National Bank of Canada, as the Agent and each of the financial institutions who from time to time become lenders thereunder (collectively, the "**Credit Agreement Lenders**"), the Credit Agreement Lenders have agreed to extend certain loans to the Borrowers;

AND WHEREAS a Lender Hedge Provider may from time to time enter into a Hedging Agreement with the Debtor;

AND WHEREAS the Shell Energy Entities have entered or may from time to time enter into the Shell Energy Agreements with the Debtor;

AND WHEREAS the Other Commodity Suppliers may from time to time enter into Other Commodity Supply Agreements with the Debtor;

AND WHEREAS the Debtor has entered into a second amended and restated guarantee dated as of September 28, 2020 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Lenders' Guarantee**") in favour of Agent pursuant to which the Debtor has guaranteed the obligations of the Borrowers to any Credit Agreement Lender or any affiliate of a Credit Agreement Lender or to any Lender Hedge Provider pursuant to the Security Documents;

AND WHEREAS the Debtor may from time to time enter into guarantees in favour of Shell Energy or any Other Commodity Supplier pursuant to which the Debtor will guarantee the obligations of other Subordinate Lenders to Shell Energy or any Other Commodity Supplier (the "**Supplier Guarantees**");

AND WHEREAS the Subordinate Lender has agreed to unconditionally and irrevocably subordinated and postponed the Subordinate Debt to the indefeasible repayment in full of the Senior Debt pursuant to this Agreement;

AND WHEREAS each of the Subordinate Lender has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties hereto make the following covenants, acknowledgments and agreements.

1. **Defined Terms**

Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein which are not otherwise defined herein shall have the meanings provided in the Intercreditor Agreement. References in this Agreement to any agreement shall be deemed to be a reference to such agreement as amended, restated, supplemented, substituted, replaced or modified from time to time. In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Agent**" has the meaning ascribed thereto in the recitals;

"**Agreement**" has the meaning ascribed thereto in the recitals;

"**Applicable Law**" means, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, treaties, orders, judgments and decrees and, to the extent they have the force of law, all official directives, rules, guidelines, orders, policies and other requirements of any Governmental Authority (collectively the "**Law**") and will also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation in each case having the force of law relating or applicable to such Person, property, transaction, event or other matter;

"**Borrowers**" has the meaning ascribed thereto in the recitals and "Borrower" means either one of them;

"**Canadian Borrower**" has the meaning ascribed thereto in the recitals;

"**Collateral Agent**" has the meaning ascribed thereto in the recitals;

"**Credit Agreement Lenders**" has the meaning ascribed thereto in the recitals, and "Credit Agreement Lender" means any one of them;

"**Debtor**" has the meaning ascribed thereto in the recitals.

"**Governmental Authority**" means the government of any nation, province, territory, municipality, state or other political subdivision of any nation, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**Guarantees**" means collectively the Lenders' Guarantee and the Supplier Guarantees, each as amended, modified, supplemented, restated or replaced from time to time;

"**Intercreditor Agreement**" means the sixth amended and restated intercreditor agreement dated as of September 1, 2015 between, *inter alios*, the Obligors, the Collateral Agent and the Other Commodity Suppliers, as such agreement may be amended, restated, supplemented, replaced or otherwise modified from time to time;

"**Lenders**" means the Credit Agreement Lenders and the Lender Hedge Providers collectively, and "Lender" means any one of them;

"**Lenders' Guarantee**" has the meaning ascribed thereto in the recitals;

"**Person**" means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual;

"**Senior Debt**" has the meaning ascribed to "Senior Obligations" in the Intercreditor Agreement;

"**Senior Security**" means all liens, charges, pledges, security interests and other security agreements of any nature or kind, now or hereafter granted by the Obligors to the Collateral Agent, through assignment or otherwise, which secures payment of the Senior Debt;

"**Subordinate Debt**" means all indebtedness, liabilities and obligations, of any nature or kind, present or future, direct or indirect, absolute or contingent, whether as primary debtor or surety, matured or not and at any time owing by the Debtor to the Subordinate Lender;

"**Subordinate Lender**" has the meaning ascribed thereto in the recitals;

"**Supplier Guarantees**" has the meaning ascribed thereto in the recitals; and

"**U.S. Borrower**" has the meaning ascribed thereto in the recitals.

2. **Subordination and Postponement**

The Subordinate Lender hereby covenants and agrees that all Subordinate Debt is hereby unconditionally and irrevocably deferred, postponed and subordinated in all respects to the prior indefeasible repayment in full by the Debtor of all the Senior Debt.

(a) Without limiting the generality of the foregoing, the deferrment, postponement and subordination of the Subordinate Debt contained herein shall be effective notwithstanding:

(i) the dates of any advances secured by the Senior Security;

(ii) the time or sequence of giving any notice or the making of any demand in respect of the Senior Debt, the Senior Security of the Subordinate Debt or the attachment, perfection or crystallization of the security constituted by the Senior Security;

(iii) the taking of any collection, enforcement or realization proceedings pursuant to the Senior Security or the Subordinate Debt;

(iv) the date of obtaining any judgment or the order of any bankruptcy court or any court administering bankruptcy, insolvency, receivership or similar proceedings as to the entitlement of either the Senior Creditors or the Subordinate Lender to any money or property of the Debtor;

(v) the giving or failing to give any notice, or the sequence of giving any notice to the Debtor;

(vi) the failure to exercise any power or remedy reserved to the Collateral Agent or any of the Senior Creditors under the Credit Agreement, the Intercreditor Agreement, any Shell Energy Agreement, any Other Commodity Supply Agreement or under any Senior Security or to insist upon a strict compliance with any of the terms thereof; and

(vii) the rules of priority established under Applicable Law.

3. **Repayment of Subordinate Debt** Except for payments which are not prohibited by and which are made in accordance with the Credit Agreement and the Intercreditor Agreement or, subsequent to the termination of the Credit Agreement, in accordance with the Intercreditor Agreement, until the Senior Debt has been indefeasibly paid in full and the Credit Agreement, the Intercreditor Agreement, the Shell Energy Agreements and the Other Commodity Supply Agreements have been terminated, no direct or indirect, distribution, payment (including, but not limited to, principal, interest and fees), prepayment or repayment on account of, or other distribution in respect of, the Subordinate Debt shall be made by, or on behalf of, the Debtor or received by, or on behalf of, the Subordinate Lender.

4. **Restriction on Enforcement** The Subordinate Lender shall not take any steps whatsoever to enforce payment of the Subordinate Debt (including, without limitation, demand for payment, rights of set-off, commencement of bankruptcy proceedings, foreclosure, sale, power of sale, taking of possession, appointing or making application to a court for an order appointing an agent or a receiver or receiver-manager) unless, prior to the taking of any such steps, the Senior Debt has been indefeasibly paid in full.

5. **Subordinate Security** The Subordinate Lender acknowledges that it has not been granted any security from the Debtor to secure the Subordinate Debt. The Subordinate Lender covenants in favour of the Senior Creditors that during the term of this Agreement it will not take from the Debtor security for the payment of or performance of obligations in respect of the Subordinate Debt. The Debtor covenants in favour of the Senior Creditors that during the term of this Agreement, it will not deliver to the Subordinate Lender any security for the payment of or performance of obligations in respect of the Subordinate Debt.

6. **No Objection** The Subordinate Lender shall not take, or cause or permit any other Person to take on their behalf, any steps whatsoever whereby the priority or validity of

any of the Senior Security or the Senior Debt or the rights of the Collateral Agent or any other Senior Creditor under the Senior Security, the Credit Agreement, the Intercreditor Agreement, the Shell Energy Agreements or the Other Commodity Supply Agreements could be delayed, defeated, impaired or diminished, and without limiting the generality of the foregoing, the Subordinate Lender shall not challenge, object to, compete with or impede in any manner any act taken or proceeding commenced by the Collateral Agent in connection with the enforcement by the Collateral Agent of the Senior Security.

7. **Application of Proceeds** The Subordinate Lender acknowledges that all and every part of the Senior Security is held by the Collateral Agent as security for all and every part of the Senior Debt and the Collateral Agent may apply as a permanent reduction any monies received, whether from the enforcement of and realization upon any or all of the Senior Security or otherwise, to any part of the Senior Debt as the Collateral Agent may determine appropriate in accordance with the provisions of the Intercreditor Agreement.

8. **Liquidation, Dissolution, Bankruptcy, etc.**

(a) In the event of distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Debtor, or the proceeds thereof, to creditors in connection with the bankruptcy, liquidation or winding-up of the Debtor or in connection with any composition with creditors or scheme of arrangement to which the Debtor is a party, the Senior Creditors shall be entitled to receive (i) payment in full (including interest accruing to the date of receipt of such payment at the applicable rate whether or not allowed as a claim in any such proceeding) of the Senior Debt before the Subordinate Lender is entitled to receive any direct or indirect payment or distribution of any cash or other assets of the Debtor on account of the Subordinate Debt, and (ii) any payment or distribution of any kind or character, whether in cash or other assets, which shall be payable or deliverable upon or with respect to the Subordinate Debt for application in payment of such Senior Debt (to the extent necessary to pay all Senior Debt in full after giving effect to any substantially concurrent payment or distribution to the Senior Creditors in respect of the Senior Debt). To the extent any payment of Senior Debt (whether by or on behalf of the Subordinate Lender, as proceeds of security or enforcement of any right of set-off or otherwise) is declared to be a fraudulent preference or otherwise voidable, set aside or required to be paid to a trustee, receiver or other similar Person under any bankruptcy, insolvency, receivership or similar law, then if such payment is recoverable by, or paid over to, such trustee, receiver or other Person, the Senior Debt or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

(b) In order to enable the Senior Creditors to enforce their rights hereunder in any of the actions or proceedings described in this Section 8, the Collateral Agent is hereby irrevocably authorized and empowered, in its discretion, to make and present for and on behalf of the Subordinate Lender, such proofs of claims or other motions or pleadings and to demand, receive and collect any and all

dividends or other payments or disbursements made thereon in whatever form the same may be paid or issued and to apply the same on account of the Senior Debt. The Subordinate Lender hereby covenants and agrees to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings described in this Section 8 in favour of any plan, proposal, compromise, arrangement or similar transaction so as to give effect to: (i) the right of the Senior Creditors to receive payments and distributions otherwise payable or deliverable upon or with respect to the Subordinate Debt so long as any Senior Debt remains outstanding; or (ii) the obligation of the Subordinate Lender to receive, hold in trust, and pay over to the Senior Creditors certain payments and distributions as contemplated by Section 9.

(c) In the event of any dissolution, winding up, reorganization, bankruptcy, insolvency, receivership or other similar proceedings relating to the Debtor, all rights of the Subordinate Lender to exercise the voting and other consensual rights pertaining to Subordinate Debt and the securities it owns or holds in the capital of the Debtor of which it would otherwise be entitled to exercise shall, at the option of the Collateral Agent, become vested in the Collateral Agent, for and on behalf of the Senior Creditors, and the Collateral Agent shall thereupon have the right, but not the obligation, to exercise such voting and other consensual rights. For such purpose, the Subordinate Lender hereby irrevocably appoints the Collateral Agent or any officer of the Collateral Agent as its attorney in fact, with full power and authority in the place and stead of the Subordinate Lender and in the name of the Subordinate Lender or otherwise, from time to time in the Collateral Agent's absolute discretion and to the fullest extent permitted by law, to take any action and to execute any instruments which the Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, and the Subordinate Lender hereby ratifies all such actions that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an assignment of the Subordinate Lender's interest in any payments or distributions in respect of the Subordinate Debt and shall be irrevocable.

9. **Payments Received by the Subordinate Lender** Prior to the indefeasible payment in full of the Senior Debt, if the Subordinate Lender or any Person on its behalf shall receive any payment (other than such payments expressly permitted by Section 3 hereof) from a distribution of assets of the Debtor on account of any Subordinate Debt, then the Subordinate Lender shall, and shall cause such other Person to, receive and hold such payment or distribution in trust for the benefit of the Senior Creditors and promptly pay the same over or deliver to the Collateral Agent in precisely the form received by the Subordinate Lender or such other Person on their behalf (except for any necessary endorsement or assignment) and such payment or distribution shall be applied by the Collateral Agent to the repayment or payment of the Senior Debt.

10. **Senior Creditors' Rights** The Subordinate Lender agrees that the Collateral Agent shall be entitled to deal with the Senior Security in accordance with the terms of the Intercreditor Agreement and the terms of each Security Document and nothing herein

shall prevent, restrict or limit the Collateral Agent in any manner from exercising all or any part of its rights and remedies otherwise permitted by the Intercreditor Agreement, by the terms of each Security Document and by Applicable Law upon any default under the terms of the Senior Debt, and without limiting the generality of the foregoing, the Subordinate Lender agrees that:

(a) the Senior Creditors, in their absolute discretion or in the absolute discretion of any authorized officer or agent, and without diminishing the obligations of the Subordinate Lender hereunder, may grant time or other indulgences to the Debtor and any other Person now or hereafter liable to the Senior Creditors in respect of the payment of the Senior Debt, and the Collateral Agent may give up, modify, vary, exchange, renew or abstain from taking advantage of the Senior Security in whole or in part and may discharge any part or parts of or accept any composition or arrangements or realize upon the Senior Security when and in such manner as the Collateral Agent or any authorized officer or agent thereof may think expedient, and in no such case shall the Collateral Agent be responsible for any neglect or omission with respect to the Senior Security or any part thereof;

(b) the Subordinate Lender shall not be released or exonerated from its obligations hereunder by extension of time periods or any other forbearance whatsoever, whether as to time, performance or otherwise or by any release, discharge, loss or alteration in or dealing with all or any part of the Senior Debt and the Senior Security or any part thereof or by any failure or delay in giving any notice required under this Agreement, the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees, the Senior Debt or the Senior Security or any part thereof, the waiver by any of the Senior Creditors of compliance with any conditions precedent to any advance of funds, or by any modification or alteration of the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees, the Senior Debt or the Senior Security or any part thereof, or by anything done, suffered or permitted by, any of the Senior Creditors, or as a result of the method or terms of payment under the Senior Debt or Senior Security or any part thereof or any assignment or other transfer of all or any part of the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees, the Senior Debt or the Senior Security or any part thereof;

(c) the Senior Creditors shall not be bound to seek or exhaust any recourse against the Debtor or any other Person or against the property or assets of the Debtor or any other Person or against any security, guarantee or indemnity before being entitled to the benefit of the Subordinate Lender's obligations hereunder and the Senior Creditors may enforce the various remedies available to them and may realize upon the various security documents, guarantees and indemnities or any part thereof, held by them in such order as the Security Creditors may determine appropriate;

(d) the Subordinate Lender is fully responsible for acquiring and updating information relating to the financial condition of the Debtor and all circumstances relating to the payment or non-payment of the Subordinate Debt;

(e) the Collateral Agent shall not be required to marshall in favour of the Subordinate Lender or any other Person the Senior Security or any other securities or any moneys or other assets which the Senior Creditors may be entitled to receive or upon which the Senior Creditors may have a claim;

(f) either the Collateral Agent or the Senior Creditors shall be entitled to advance their own monies as they see fit in order to preserve or protect the assets of the Debtor or any part thereof, and all such sums advanced to the extent reasonably advanced to preserve and protect the assets of the Subordinate Lender or any part thereof, shall constitute part of the Senior Debt and shall be secured by the Senior Security; and

(g) upon the occurrence of an Event of Default that is continuing, the Subordinate Lender shall provide each Senior Creditor details of all outstanding Subordinate Debt and shall, if requested and to the extent not then in existence, forthwith issue notes to evidence such outstanding Subordinate Debt and shall deliver such notes to the Collateral Agent.

11. **Representations and Warranties** Each of the Subordinate Lenders hereby represents and warrants to the Senior Creditors in respect of itself that:

(a) it, or to the extent the Subordinate Lender is a limited partnership, its general partner, or to the extent the Subordinate Lender is a trust, its trustee or administrative agent, has all necessary power and authority to enter into this Agreement; and

(b) this Agreement constitutes a valid and legally binding obligation, enforceable against it in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

12. **No Waiver of Subordination Provisions** No right of the Collateral Agent to enforce the subordination as provided in this Agreement shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Subordinate Lender or by any act or failure to act by the Senior Creditors or any agent of or trustee for the Senior Creditors, or by any non-compliance by the Debtor with any of the agreements or instruments relating to the Subordinate Debt or the Senior Debt, regardless of any knowledge thereof which the Senior Creditors may have or be otherwise charged with. Without limitation of the foregoing, but in no way relieving the Subordinate Lender of its obligations under this Agreement, the Senior Creditors may, at any time and from time to time, without the consent of or notice to the Subordinate Lender and without impairing or releasing the subordination and other benefits provided in this Agreement or the

obligations hereunder of the Subordinate Lender to the Senior Creditors, do any one or more of the following:

(a) amend, supplement, modify, restate or replace the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees or any of the Senior Security;

(b) sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner any assets pledged or mortgaged for or otherwise securing the Senior Debt or any liability of the Debtor or any liability incurred directly or indirectly in respect thereof;

(c) settle or compromise any Senior Debt or any other liability of the Debtor or any security thereof or any liability incurred directly or indirectly in respect thereof, and apply any sums by whomsoever paid and however realized to the Senior Debt in any manner or order;

(d) fail to take or to record or otherwise perfect or to preserve the perfection of any liens or security interest securing the Senior Debt, exercise or delay in or refrain from exercising any right or remedy against the Debtor and elect any remedy and otherwise deal freely with the Debtor; and

(e) change, whether by addition, substitution, renewal, succession, assignment, grant of participation, transfer or otherwise, any of the Senior Creditors (including the Collateral Agent).

No loss of or in respect of any of the Senior Security or the Senior Debt or otherwise or any carelessness or neglect by the Senior Creditors in asserting their rights or any other thing whatsoever, including without limitation the loss by operation of law of any right of the Senior Creditors against the Debtor or the loss or destruction of any security, shall in any way impair or release the subordination and other benefits provided by this Agreement.

13. **Waivers of the Subordinate Lender** The Subordinate Lender agrees that: (i) the Senior Creditors have made no representations or warranties with respect to the due execution, legality, validity, completeness or enforceability of any agreement or instrument relating to the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees, the Senior Security or the Senior Debt or the collectability of the Senior Debt; (ii) each Senior Creditor shall be entitled to manage and supervise its loans and other financial accommodations to the Borrowers and the Debtor in accordance with Applicable Law and its usual practices, modified from time to time as it deems appropriate under the circumstances, or otherwise, without regard to the existence of any rights that the Subordinate Lender may now or hereafter have in or to any of the assets of the Debtor; and (iii) each Senior Creditor shall have no liability to the Subordinate Lenders for, and, to the extent permitted by Applicable Law, the Subordinate Lender hereby waives any claims which the Subordinate Lender may now or hereafter have against the Senior Creditors out of, any and all actions which the Senior Creditors take or omit to take (including, without limitation, actions with respect

to the creation, perfection or continuation of liens or security interest in any assets at any time securing payment of the Senior Debt, actions with respect to the occurrence of any default under any agreement or instrument relating to the Senior Debt, actions with respect to the release or depreciation of, or failure to realize upon, any assets securing payment of the Senior Debt and actions with respect to the collection of any claims or all or any part of the Senior Debt from any account debtor, guarantor or any other Person) with respect to the Senior Debt and any agreement or instrument related thereto or with respect to the collection of the Senior Debt or the valuation, use, protection or release of any assets securing payment of the Senior Debt.

14. **No Release** This Agreement shall remain in full force and effect without regard to, and the obligations of the Subordinate Lender hereunder shall not be released or otherwise affected or impaired by:

(a) any exercise or non-exercise by the Senior Creditors of any right, remedy, power or privilege in the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees or any of the Senior Debt or the Senior Security;

(b) any waiver, consent, extension, indulgence or other action, inaction or omission by the Senior Creditors under or in respect of this Agreement, the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees or any of the Senior Debt or the Senior Security;

(c) any default by any of the Debtor under, any limitation on the liability of the Debtor on the method or terms of payment under, or any irregularity or other defect in, the Intercreditor Agreement, the Credit Agreement, the Shell Energy Agreements, the Other Commodity Supply Agreements, the Guarantees or the Senior Security;

(d) the lack of authority or revocation hereof by any other party;

(e) the failure of the Senior Creditors to file or enforce a claim of any kind;

(f) any defence based upon an election of remedies by the Senior Creditors which destroys or otherwise impairs the subrogation rights of the Subordinate Lender or the right of the Subordinate Lender to proceed against the Debtor for reimbursement, or both;

(g) any merger, consolidation or amalgamation of any of the Subordinate Lender or the Debtor into or with any other Person; or

(h) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting the Subordinate Lender or the Debtor.

15. **No Rights to Debtor** Nothing in this Agreement shall create any rights in favour of, or obligations to the Debtor and the covenants and agreements of the Senior Creditors and the Subordinate Lender shall not be enforceable by the Debtor.

16. **Further Assurances** The parties hereto shall forthwith, and from time to time, execute and deliver all deeds, documents and things which may be necessary or advisable, in the reasonable opinion of the Collateral Agent and its counsel, to give full effect to the postponement and subordination of the rights and remedies of the Subordinate Lender in respect to the Subordinate Debt to the rights and remedies of the Senior Creditors in respect to the Senior Debt and the Senior Security, all in accordance with the intent of this Agreement.

17. **Successors and Assigns**

(a) This Agreement is binding upon the Senior Creditors and the Subordinate Lender and its successors and assigns and, subject to subsection 17(b) below, shall enure to the benefit of the Senior Creditors and the Subordinate Lender, and their respective successors and permitted assigns.

(b) The Subordinate Lender shall not be entitled to assign all or any part of its rights and obligations under this Agreement or the Subordinate Debt.

18. **Entire Agreement; Severability** This Agreement contains the entire agreement among the parties hereto with respect to the subordination and postponement of obligations of the Subordinate Lender. If any of the provisions of this Agreement shall be held invalid or unenforceable by any court having jurisdiction, this Agreement shall be construed as if not containing those provisions, and the rights and obligations of the parties hereto should be construed and enforced accordingly. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Intercreditor Agreement, the rights and obligations of the parties will be governed by the provisions of the Intercreditor Agreement.

19. **Acknowledgement** The Subordinate Lender hereby acknowledges receipt of a copy of this Agreement and accepts and further agrees with the Collateral Agent to give effect to all of the provisions of this Agreement.

20. **Governing Law** This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

21. **Termination** This Agreement shall terminate upon the earlier of:

(a) the repayment or payment in full of the Senior Debt; and

(b) the written agreement of the Collateral Agent and the Subordinate Lender.

Subject to Section 8(a), the Senior Debt shall be considered to be repaid or paid in full when no further amounts are owing to the Senior Creditors and all obligations of the parties

under the Credit Agreement, the Shell Energy Agreements and the Other Commodity Supply Agreements have been terminated.

22. **Counterparts** This Agreement may be executed in any number of counterparts, all of which shall be deemed to be an original and such counterparts taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

23. **Electronic Execution** Delivery of an executed signature page to this Agreement by any party by electronic transmission will be effective as delivery of a manually executed copy of the Agreement by such party.

24. **Enurement** This Agreement shall be binding upon and enure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

NATIONAL BANK OF CANADA,
as Collateral Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

[NAME OF DEBTOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

[NAME OF SUBORDINATE LENDER]

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE O

PRIORITY SUPPLIER PAYABLES CERTIFICATE

TO: National Bank of Canada, as administrative agent (the "**Agent**")

AND TO: The Lenders under the Credit Agreement (as defined below)

RE: Ninth Amended and Restated Credit Agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Credit Agreement**") among Just Energy Ontario L.P., by its general partner Just Energy Corp., and Just Energy (U.S.) Corp., each as a borrower, the Agent and each of the financial institutions from time to time party thereto as lenders (the "**Lenders**")

DATE: ●, 20●

All defined terms set forth, but not otherwise defined in this certificate shall have the respective meanings set forth in the Credit Agreement.

The undersigned, the **[insert title of senior officer]** of the Canadian Borrower, hereby certifies, in that capacity and without personal liability, that:

1. I have read and am familiar with the provisions of the Credit Agreement and have made such examinations and investigations, including a review of the applicable books and records of the Borrowers as are necessary to enable me to express an informed opinion as to the matters set out herein and to furnish this Certificate in accordance with Section 9.03(10).

2. I have furnished this Certificate with the intent that it may be relied upon by the Agent and the Lenders as a basis for determining compliance by the Borrowers with their respective covenants and obligations under the Credit Agreement and the other Credit Documents as of the date of this Certificate.

3. As of **[insert date of last day of month just ended]**, the highest amount of Priority Suppler Payables at any time during the immediately prior calendar month is Cdn.$ _____.

4. As of **[insert date of last day of month just ended]**, the Fin/Phys Accumulated Balance is Cdn.$ _____.

JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP.

By: _____
Authorized Signatory

SCHEDULE 8.01(6)

TAXES

[REDACTED]

SCHEDULE 8.01(16)

CORPORATE STRUCTURE

[REDACTED]

SCHEDULE 8.01(19)

RELEVANT JURISDICTIONS

[REDACTED]

SCHEDULE 8.01(21)

INTELLECTUAL PROPERTY

[REDACTED]

SCHEDULE 8.01(22)

MATERIAL CONTRACTS AND LICENCES

[REDACTED]

SCHEDULE 8.01(27)

ENVIRONMENTAL REPORTS

Nil.

SCHEDULE 8.01(35)

NON ARM'S LENGTH TRANSACTIONS

Nil.

SCHEDULE 8.01(38)

BANK ACCOUNTS AND LIST OF BLOCKED ACCOUNT AGREEMENTS

[REDACTED]

SCHEDULE 9.03(9)

FORM OF PORTFOLIO REPORT

[REDACTED]

SCHEDULE 9.04(14)

LOCATION OF ASSETS IN OTHER JURISDICTIONS

Please see Schedule 8.01(19) – Relevant Jurisdictions above.

SCHEDULE 10.01

SECURITY DELIVERED AS OF THE EFFECTIVE DATE

[REDACTED]

TAB N

THIS IS EXHIBIT "N" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

FIRST AMENDED AND RESTATED LOAN AGREEMENT

AMONG

JUST ENERGY GROUP INC.
as Borrower

AND

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Agent

AND

SAGARD CREDIT PARTNERS, LP and EACH OTHER PERSON
from time to time party hereto as a Lender,
as Lenders

MADE AS OF
September 28, 2020

TABLE OF CONTENTS

FIRST AMENDED AND RESTATED LOAN AGREEMENT

THIS FIRST AMENDED AND RESTATED LOAN AGREEMENT is made as of September 28, 2020

AMONG:

JUST ENERGY GROUP INC., a corporation existing under the laws of Canada (hereinafter referred to as the "**Borrower**")

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, in its capacity as administrative agent (hereinafter referred to as the "**Agent**")

- and -

SAGARD CREDIT PARTNERS, LP, and each other Person from time to time party to this Agreement as a Lender (hereinafter in such capacities individually referred to as a "**Lender**" and collectively in such capacities referred to as, the "**Lenders**")

WHEREAS the Borrower, the Agent and the Lenders are party to a loan agreement dated as of September 18, 2018 as amended by a limited waiver and amending agreement dated as of March 19, 2019, a limited waiver and second amending agreement dated as of June 25, 2019, a third amending agreement to loan agreement dated as of July 23, 2019, a limited waiver and fourth amending agreement dated as of November 30, 2019, a limited waiver and fifth amending agreement dated as of March 31, 2020 and a sixth amending agreement dated as of August 19, 2020 (collectively, the "**Original Loan Agreement**");

AND WHEREAS, the Corporation is party to a trust deed dated as of January 29, 2014 between the Borrower, U.S. Bank Trustees Limited as trustee and Elavon Financial Services Limited, UK Branch, pursuant to which the Borrower issued US$150 million aggregate principal amount of 6.5% convertible bonds issued due December 31, 2020 (the "**UK Convertible Bonds**");

AND WHEREAS the Borrower and the Lenders entered into a support agreement dated as of July 8, 2020, as supplemented on August 25, 2020 pursuant to a support agreement supplement (collectively, the "**Support Agreement**"), pursuant to which, among other things, they have agreed to amend and restate the Original Loan Agreement pursuant to the terms of this first amended and restated loan agreement;

AND WHEREAS pursuant to an order of the Superior Court of Justice of Ontario on September 2, 2020**,** (the "**Court Order**") the court approved the Recapitalization Plan (defined below) with the effect that all obligations outstanding under the UK Convertible Bonds will be extinguished and the holders of the UK Convertible Bonds shall be deemed to be Additional Lenders (defined below) hereunder;

AND WHEREAS pursuant to the agency assignment and release agreement dated as of September 28, 2020, National Bank of Canada resigned as the Agent under the Loan Agreement and the other Loan Documents to which it is a party, and Computershare Trust Company of Canada was appointed and designated by the Lenders to act as the Agent under the Loan Agreement and the other Loan Documents;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

In this Agreement unless something in the subject matter or context is inconsistent therewith:

"**$15 Million Subordinated Note**" means the $15,000,000 aggregate principal amount (plus any interest or fee in respect of such indebtedness that is paid in kind (and not in cash) of 7% subordinated note of the Borrower maturing September 27, 2026, issued on September 28, 2020 pursuant to the $15 Million Subordinated Note Indenture.

"**$15 Million Subordinated Note Indenture**" means the note indenture made as of September 28, 2020 between the Borrower and Computershare Trust Company of Canada, as trustee, as may be supplemented, amended or restated from time to time in accordance with the terms of this Agreement, pursuant to which the $15 Million Subordinated Note is issued.

"**Acquisition**" means, with respect to any Person, any purchase or other acquisition, regardless of how accomplished or effected (including any such purchase or other acquisition effected by way of amalgamation, merger, arrangement, business combination or other form of corporate reorganization or by way of purchase, lease or other acquisition arrangements), of (a) any other Person (including any purchase or acquisition of such number of the issued and outstanding securities of, or such portion of an equity interest in, such other Person that such other Person becomes a Subsidiary of the purchaser or of any of its Affiliates) or of all or substantially all of the Property of any other Person, or (b) any division, business, operation or undertaking of any other Person or of all or substantially all of the Property of any division, business, operation or undertaking of any other Person.

"**Additional Lenders**" means any Person that is not an existing Lender to the Original Loan Agreement and that have been deemed pursuant to the Court Order to have provided Additional Term Commitments pursuant to Section 2.01(2) and "**Additional Lender**" means any one of the Additional Lenders and includes each of their successors and permitted assigns.

"**Additional Term Commitments**" means, in respect of each Additional Lender from time to time, the amount set forth in Schedule A to this Agreement opposite such Additional Lender's name (which may be amended and distributed to all parties by the Agent from time to time as other persons become Additional Lenders).

"**Additional Term Loans**" has the meaning set forth in 2.01(2).

"**Advance**" means each borrowing by the Borrower by way of a term loan under the Loan Facility and any reference relating to the amount of Advances will mean the sum of the principal amount of all outstanding Advances plus any PIK Interest or PIK Fees that has been added to the principal in accordance with Section 4.01 or Section 4.03.

"**Affiliate**" has the meaning ascribed thereto in the *Business Corporations Act* (Ontario) and for greater certainty, with respect to the Borrower includes a Subsidiary of the Borrower.

"**Agent**" means Computershare Trust Company of Canada in its capacity as administrative agent for the Lenders, including any successor agent pursuant to Section 11.08 hereof, and as Depository Agent.

"**Agent's Payment Location**" means the office of the Agent that the Agent may from time to time designate by notice to the Borrower and the Lenders.

"Aggregate Swap Exposure" means, at any time, the negative net marked to market amount, if any, that would be carried in the accounts of the Borrower on a Modified Consolidated Basis at such time with respect to Hedges (other than Commodity Hedges) as a liability in accordance with GAAP.

"**Agreement**" means this first amended and restated loan agreement, the schedules and all amendments made hereto in accordance with the provisions hereof as amended, revised, replaced, supplemented or restated from time to time.

"**Alberta Utilities Commission Debt**" means Debt in the aggregate principal amount of approximately $3,900,000 incurred by an Obligor from time to time owing to Her Majesty the Queen in Right of Alberta or Balancing Pool, a corporation established by the Electric Utilities Act (Alberta) or, in each case, any agency thereof, in connection with the utility payment deferral programs established or to be established under the Utility Payment Deferral Program Act (Alberta), including for certainty, any Debt incurred by (i) Just Energy Alberta L.P. pursuant to a loan agreement between Just Energy Alberta L.P. and Her Majesty the Queen in Right of Alberta, as represented by the Associate Minister of Natural Gas and Electricity, (ii) Hudson Energy Canada Corp. pursuant to a loan agreement between Hudson Energy Canada Corp. and Her Majesty the Queen in Right of Alberta, as represented by the Associate Minister of Natural Gas and Electricity, (iii) Just Energy Alberta L.P. pursuant to a funding agreement between Just Energy Alberta L.P. and Balancing Pool, and (iv) Hudson Energy Canada Corp. pursuant to a funding agreement between Hudson Energy Canada Corp. and Balancing Pool.

"**Anti-Corruption Laws**" means the *Corruption of Foreign Public Officials Act* (Canada), the FCPA and all other similar Applicable Law with respect to the prevention of corruption and bribery.

"**Applicable Law**" means, in respect of any Person, property, transaction, event or other matter, as applicable, all domestic and foreign laws, rules, statutes, regulations, treaties, orders, judgments and decrees and, to the extent they have the force of law, all official directives, rules, guidelines, orders, policies and other requirements of any Governmental Authority (collectively

the "**Law**") and will also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation in each case having the force of law relating or applicable to such Person, property, transaction, event or other matter.

"**Applicable Order**" means any applicable domestic or foreign order, judgment, award or decree made by any court or Governmental Authority.

"**Arm's Length**" has the meaning specified in the definition of "**Non Arm's Length**".

"**Assignment Agreement**" has the meaning specified in Section 13.02.

"**Associate**" means an "associate" as defined in the *Business Corporations Act* (Ontario).

"Available Supply" means, at any time, the amount of natural gas, electricity or JustGreen Products (whether physical or financial) contracted for by the Obligors under existing Supplier Contracts, less any sales of excess of such commodity already contracted for under existing Supplier Contracts at such time.

"**Average Net Senior Debt Utilization to EBITDA Ratio**" means, for any Fiscal Quarter, the ratio of (a) the daily average of (i) the amount of the Senior Debt, less (ii) the aggregate amount of the cash on deposit in the bank accounts of the Obligors and any Cash Equivalents (determined on a Modified Consolidated Basis), each measured at 5:00 p.m. Toronto time on each day in such Fiscal Quarter, and (b) EBITDA in respect of the immediately preceding Four Quarter Period.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Billed Accounts Receivable**" means all present and future amounts in respect of gas, electricity or JustGreen Products that has been delivered to a Customer pursuant to a Customer Contract, and that have been billed to such Customer and assigned or sold to an LDC pursuant to a Collection Service Agreement.

"**Borrower**" means Just Energy Group Inc. and includes its successors and assigns.

"**Borrower's Counsel**" means the firm of Fasken Martineau DuMoulin LLP or such other firm or firms of legal counsel as the Borrower may from time to time designate.

"**Business**" means the business carried on by the Obligors consisting of (i) the purchase of natural gas, electricity and JustGreen Products under Supplier Contracts, (ii) the marketing and sale of natural gas, electricity and JustGreen Products to Customers under Customer Contracts, (iii) the marketing, sale and lease of home and business solutions, including smart thermostats, energy monitoring and management applications, smart sprinkler controllers and other smart home and business devices, (iv) the management of consumers' and businesses' energy consumption, (v) the marketing and sale of solar energy products; (vi) the ownership and operation of green energy generation assets; and (vii) the generating of sales leads of other third party products.

"**Business Day**" means a day on which banks are generally open for business in Toronto, Ontario and Montreal, Quebec.

"**Canadian Dollars**", "**Cdn. Dollars**", "**Cdn.$**" and "**$**" mean the lawful money of Canada.

"**Canadian Pension Plan**" means any "pension plan" or "plan" that is subject to the funding requirements of the *Pension Benefits Act* (Ontario) or applicable pension benefits legislation in any other Canadian jurisdiction and is applicable to employees resident in Canada of an Obligor.

"**Canadian Welfare Plan**" means any medical, health, hospitalization, insurance or other employee benefit or welfare plan or arrangement applicable to employees resident in Canada of an Obligor, but excluding (a) any Canadian Pension Plans and (b) plans established by statute or administered by a Governmental Authority, including the Canada Pension Plan, the Quebec Pension Plan or plans administered pursuant to federal or provincial health, workers compensation and employment insurance legislation.

"Cash Equivalents" means:

(a) marketable direct obligations issued by, or unconditionally guaranteed by, the government of Canada or the government of the United States or any agency or instrumentality of either of them, and backed by the full faith and credit of Canada or the United States, as the case may be, in each case maturing within one year from the date of acquisition;

(b) demand deposits, term deposits, certificates of deposit or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any commercial bank organized under the laws of Canada or the United States or any state thereof whose long term debt is rated at least A or the equivalent thereof by S&P or at least A2 or the equivalent thereof by Moody's; and

(c) commercial paper of an issuer rated at least A-1+ or the equivalent thereof by S&P or at least P-1 or the equivalent thereof by Moody's or at least R-1 (High) or the equivalent thereof by DBRS, and in each case maturing within six months from the date of acquisition.

"**Cash Security Deposit**" means an amount required to be paid by an Obligor to an LDC pursuant to a Collection Service Agreement following the occurrence of an event of default

thereunder, in respect of amounts owing by such Obligor to such LDC pursuant to such Collection Service Agreement.

"**CERCLA**" means the *Comprehensive Environmental Response Compensation and Liability Act of 1980*, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq., and any future amendments thereto.

"**Change of Control**" means, following the Closing Date, with respect to the Borrower, the occurrence of any of the following: (a) the acquisition by any Person or group of Persons who are associates (as such term is defined in the *Securities Act* (Ontario)), or who act together in concert for such purpose, of (i) common shares or other voting securities of the Borrower to which are attached more than 50% of the votes that may be cast to elect the directors, or (ii) the ability, through operation of law or otherwise, to elect or cause the election or appointments of a majority of the directors. Where control is exercised *de-facto* by contract or representation on the board of directors of the Borrower, any change in the foregoing relationship where a reasonable Person would deem control to have been acquired as a result of such change, will constitute a Change of Control; (b) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, plan of arrangement, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Borrower and its Subsidiaries taken as a whole to any Person or group of Persons acting jointly or in concert for purposes of such transaction; (c) the adoption of a plan relating to the liquidation or dissolution of the Borrower, which is not otherwise permitted under this Agreement or (d) the first day on which a majority of the members of the board of directors of the Borrower are not Continuing Directors.

"**Closing Date**" means the date on which all of the conditions precedent set forth in Section 3.01 are satisfied or waived.

"**Code**" means the *Internal Revenue Code of 1986* of the United States, as amended, and any successor statute thereto.

"**Collection Service Agreement**" means a collection service agreement entered into from time to time between an Obligor and a LDC providing for billing and collection services by such LDC on behalf of such Obligor with respect to its Customers, as supplemented, amended or restated from time to time.

"**Commitment**" means, in respect of each Lender from time to time, the amount of set forth in Schedule A to this Agreement opposite such Lender's name (which will be amended and distributed to all parties by the Agent from time to time as other persons become Lenders), which for greater certainty will in each case be reduced by such Lender's Proportionate Share of the amount of any permanent prepayments or reductions required or made hereunder.

"Commodity Hedges" means any agreement for the hedging or fixing of the cost of commodities used in the ordinary course of business so long as such obligations are settled by the payment of money and not by the delivery of such commodities.

"**Compliance Certificate**" means the certificate required pursuant to Section 8.03(3) substantially in the form annexed as Schedule I and signed by a senior officer of the Borrower.

"**Contingent Obligation**" means, with respect to any Person, calculated without duplication, obligations of such Person in respect of synthetic lease obligations, contingent liabilities in respect of letters of credit, letters of guarantee and similar instruments, capital stock which in accordance with GAAP is not included in shareholders' equity, net obligations under Hedges, contingent liabilities required to be treated as a liability on a balance sheet of such Person in accordance with GAAP and contingent liabilities under any guarantee, including without limitation, under any guarantee of any of the foregoing, but excluding operating leases and trade payables arising in the ordinary course of business.

"**Continuing Directors**" means, as of any date of determination, any member of the board of directors of the Borrower who (a) was a member of the board of directors of the Borrower on the Closing Date (after giving effect to the implementation of the Recapitalization Plan), or (b) was nominated for election or elected to the board of directors of the Borrower with the approval of a majority of the Continuing Directors who were members of the board of directors at the time of such nomination or election.

"**Controlled Group**" means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control, which together with the Borrower and any of its subsidiaries, are treated as a single employer under Section 414 of the Code or Section 4001 of ERISA.

"**Court Order**" has the meaning provided in the recitals to this Agreement.

"**Credit Card Payment Account**" means a bank account maintained by an Obligor into which Customers make credit card payments in respect of exit fees and other payments in respect of the Business and in respect of which a security interest is granted to a merchant services provider.

"**Currency Hedge**" means any agreement, whether in the form of a futures or forward contract, swap or otherwise, for the hedging of a currency risk in Canadian Dollars or US Dollars.

"Customer Contracts" means contracts entered into from time to time by Obligors with Customers in connection with the Business.

"**Customers**" means residential, small to mid-size commercial and small industrial purchasers of products of the Business from an Obligor.

"**Debt**" means, with respect to any Person, without duplication, the aggregate of the following amounts, at the date of determination: (a) the principal amount of all indebtedness of such Person for borrowed money, (b) the principal amount of all obligations of such Person for the deferred purchase price of Property or services in excess of 90 days which constitute indebtedness, (c) the principal amount of all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) the principal amount of all obligations of such Person created or arising under any conditional sale or other title retention agreement (other than operating leases) with respect to property acquired by such Person (whether or not the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Lease Obligations of such Person, (f) the undrawn amount of all letters of credit issued on behalf of such Person and the full face amount of all bankers' acceptances issued by or on behalf of such Person, (g) all obligations of such Person to purchase, redeem, retire, defease

or otherwise acquire for value any partnership or shareholder or other equity interests of such Person, (h) all Contingent Obligations of such Person in respect of any of the foregoing items, (i) all Hedges, (j) all Debt referred to in clauses (a) through (i) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Encumbrance on property (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt, limited to the fair market value of such property, and (k) any other obligation arising under arrangements or agreements that, in substance, constitute indebtedness for borrowed money of such Person.

"**Deferred Compensation Plan**" means the deferred compensation plan pursuant to which rights to common shares of the Borrower are issued to directors in lieu of fees payable in cash and are exchangeable into common shares of the Borrower, as supplemented, amended or restated from time to time.

"Depository Agent" has the meaning set forth in Section 2.01(3)14.01(1).

"Depreciation Expense" means, for any period with respect to the Borrower, depreciation, amortization (excluding the amortization of contract initiation costs), depletion and other like reductions to income of the Borrower for such period not involving any outlay of cash, determined, without duplication, on a Modified Consolidated Basis in accordance with GAAP and includes, for greater certainty, amortization of any upfront financing fees.

"**Designated Disposition**" means a Disposition by the Borrower or any of its Subsidiaries of (i) any shares or other equity interests in Ecobee Inc., (ii) any shares or other equity interests in a Filter Entity, or (iii) any Property of a Filter Entity.

"**Disposition**" means any sale, assignment, transfer, conveyance, permanent user license or other disposition of any nature or kind whatsoever of any Property or of any right, title or interest in or to any Property, and the verb "**Dispose**" will have a correlative meaning.

"Distributions" means the payment by a Person: (a) of any dividends or distributions on any equity interests, (b) of any interest, premium or fees owing on any indebtedness, including any indebtedness which is subordinate to the indebtedness owing to the Lenders (including, without limitation, in respect of Existing Intercompany Debt, Future Intercompany Debt, Permitted Unrestricted Subsidiary Debt and the $15 Million Subordinated Note), (c) distributions paid in cash under the Restricted Share Grant Plan or the Deferred Compensation Plan, (d) non-cash distributions of Share Based Compensation, (e) the application of such Person's assets to the purchase, redemption or other acquisition or retirement of any of its shares, partnership, or trust units, as applicable, (f) permanent repayments (partial or full) of the principal amount of the Alberta Utilities Commission Debt or the $15 Million Subordinated Note, or (g) any other like distributions of funds whatsoever by such Person; for greater certainty the capitalization of interest together with any fees payable hereunder and the addition thereof to the principal amount of the Obligations from time to time shall not constitute a Distribution.

"EBITDA" means, for any period for the Borrower determined on a Modified Consolidated Basis, net income for such period:

(a) increased by the sum of (without duplication):

(i) Total Interest Expense for such period;

(ii) Income Tax Expense for such period;

(iii) Depreciation Expense for such period (which for greater certainty does not include any amortization of contract initiation costs);

(iv) non-cash losses resulting from the fair value of derivative financial investments for such period;

(v) accrued (but not yet actually realized) foreign exchange translation losses;

(vi) losses on the purchase or redemption of securities issued by the Borrower and the Restricted Subsidiaries for such period;

(vii) any other cash or non-cash extraordinary, unusual or non-recurring losses for such period, excluding, for greater certainty, (A) provisions made for litigation and other similar proceedings and (B) losses associated with trading, settlement or balancing of Commodity Hedges; and

(viii) Share Based Compensation to the extent settled with shares of the Borrower (i.e. non-cash);

(b) decreased by the sum of (without duplication):

(i) non-cash gains resulting from the fair value of derivative financial investments for such period;

(ii) accrued (but not yet actually realized) foreign exchange translation gains;

(iii) gains on the purchase or redemption of securities issued by the Borrower and the Restricted Subsidiaries for such period;

(iv) any reduction in deferred tax recovery for such period; and

(v) any other cash or non-cash extraordinary, unusual or non-recurring gains for such period, excluding, for greater certainty, gains associated with trading, settlement or balancing of Commodity Hedges.

"**EDC**" means Export Development Canada.

"**EDC Indemnity**" means the bonding products declaration and indemnity dated December 30, 2016, provided by each Obligor in favour of EDC.

"**EEA**" means the European Economic Area.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution

described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Electricity Service Agreements**" means electricity service agreements entered into between an Obligor and an LDC regarding such Obligor's electricity Customers.

"**Eligible Customer Contracts**" means Customer Contracts for sales entered into in connection with the Business in Canada, the United States or such other jurisdiction as the Majority Lenders consent to in writing.

"**Encumbrance**" means, in respect of any Person, any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such Person's Property, or any lease in respect of a Right of Use Asset by such Person as lessee or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation, and "**Encumbrances**", "**Encumbrancer**", "**Encumber**" and "**Encumbered**" will have corresponding meanings.

"**Equity Hedges**" means any agreement, whether in the form of a futures or forward contract, swap or otherwise for the hedging of the price of shares.

"**Equivalent Amount**" means with respect to any two currencies, the amount obtained in one such currency when an amount in the other currency is converted into the first currency using the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Business Day, then at close of business on the immediately preceding Business Day) and, in either case, if no such rate is quoted, the spot rate of exchange quoted for wholesale transactions by Canadian Imperial Bank of Commerce in Toronto, Ontario on the Business Day such conversion is to be made in accordance with its normal practice.

"**ERISA**" means the *Employee Retirement Income Security Act of 1974* of the United States, together with the regulations thereunder as the same may be amended from time to time. Reference to Sections of ERISA also refer to any successive Sections thereto.

"**ERISA Plan**" means an "employee welfare benefit plan" or "employee pension benefit plan" as such terms are defined in Sections 3(1) and 3(2) of ERISA.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Event of Default**" means any of the events described in Section 9.01.

"**Excluded Taxes**" means in the case of each Lender, the Agent or any other recipient of any payment to be made by or on account of any obligation of the Obligors hereunder (i) Taxes imposed on or measured by its net income (however denominated), net worth, net profits, capital and franchise taxes imposed on it in lieu of net income taxes and branch profits taxes, in each case, (A) by the jurisdiction under the laws of which such Lender or the Agent (as the case may be) is organized or has its principal office or applicable lending office or any political subdivision thereof or (B) that are Other Connection Taxes; (ii) any withholding Taxes imposed on interest payable to or for the account of such Lender or the Agent pursuant to law in effect on the date on which such Lender or the Agent became a Lender or the Agent hereunder (except to the extent such Taxes were not considered Excluded Taxes with respect to such Lender's or the Agent's immediate assignor); (iii) Taxes attributable to such Lender's failure to comply with Sections 12.01(3), 12.01(4) or 12.01(5); (iv) any Canadian withholding Tax imposed on a payment by or on account of any obligation of an Obligor hereunder as a result of: (A) the recipient and the Obligor being Non-Arm's Length; (B) the recipient being a "specified non-resident shareholder" of the Obligor or being Non-Arm's Length with a "specified shareholder" of the Obligor (in each case, within the meaning of the *Income Tax Act* (Canada)), or (C) such payment being a payment of interest that is paid or payable in respect of a debt or other obligation to pay an amount to a person with whom the payer is Non-Arm's Length, other than in each case where the Non-Arm's Length, "specified shareholder" or "specified non-resident shareholder" relationship arises in connection with or as a result of a Lender or Agent having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under or received or enforced any rights under any Loan Document; and (v) any United States withholding Taxes imposed under FATCA.

"**Existing Intercompany Debt**" means any Debt owing by an Obligor to any other Obligor, in each case in existence on the Closing Date.

"**Expiration Date**" means the date that is six months from the Closing Date.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code, and any agreements (including any intergovernmental agreements or any laws, rules or practices implementing such intergovernmental agreements) implementing the foregoing (including, for greater certainty, Part XVIII of the *Income Tax Act* (Canada)).

"**FCPA**" means the Foreign Corrupt Practices Act, 15 U.S.C. §§78dd-1, et seq.

"**Financial Assistance**" means, without duplication and with respect to any Person (a) all loans granted by that Person and Contingent Obligations incurred by that Person for the purpose of or having the effect of providing financial assistance to another Person or Persons, including, without limitation, letters of guarantee, letters of credit, legally binding comfort letters or indemnities issued in connection therewith, endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business), obligations to purchase assets regardless

of the delivery or non-delivery thereof and obligations to make advances or otherwise provide financial assistance to any other entity, or (b) all acquisitions of any equity interests or investments made by that Person in another Person or Persons, and for greater certainty "**Financial Assistance**" will include any guarantee of any third party lease obligations.

"**Fiscal Quarter**" means each three month period of the Borrower's Fiscal Year ending on June 30, September 30, December 31 and March 31 of each calendar year.

"**Fiscal Year**" means the 12-month fiscal period of the Borrower ending on the last day of; (i) March or (ii) subject to the requirements of Section 8.04(12) of this Agreement, December, in any calendar year.

"**Fitch**" means Fitch Ratings, Inc. and its successors.

"**Four Quarter Period**" means as at the last day of any particular Fiscal Quarter, the period of four consecutive Fiscal Quarters which includes such Fiscal Quarter (including the last day thereof) and the immediately preceding three Fiscal Quarters.

"**Future Intercompany Debt**" means Debt incurred after the Closing Date by any Obligor and owing to any other Obligor; provided same is subject to the Restricted Subsidiary Subordination Agreement.

"**GAAP**" means those accounting principles which are recognized as being generally accepted in Canada and which are in effect from time to time, as published in the Handbook of the Chartered Professional Accountants of Canada, or International Financial Reporting Standards, as the case may be; provided that all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under any Financial Accounting Standard to value any Debt or other liabilities of any Obligor or any Subsidiary of any Obligor at "fair value" as defined in any such Financial Accounting Standard.

"**Governmental Authority**" means the government of any nation, province, territory, municipality, state or other political subdivision of any nation, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"Gross Margin" means, for any Fiscal Quarter, the net cash receipts, including accruals recorded in accordance with GAAP, (calculated in Canadian dollars) generated by Eligible Customer Contracts by the Borrower and the Restricted Subsidiaries on a Modified Consolidated Basis in such Fiscal Quarter less the cost of goods sold, recorded in accordance with GAAP, in such Fiscal Quarter, as determined as of the last day of such Fiscal Quarter in respect of the immediately preceding Four Quarter Period.

"**Guarantee**" means an unconditional and irrevocable guarantee of all of the Obligations of the Borrower under this Agreement in form and substance satisfactory to the Lenders.

"**Guarantors**" means each of the Restricted Subsidiaries and any other Person that provides a Guarantee in favour of the Agent and "**Guarantor**" means any one of them.

"**Hazardous Substance**" means any substance, product, waste, pollutant, material, chemical, contaminant, dangerous goods, constituent or other material listed, regulated, or addressed under any Requirements of Environmental Law, including, without limitation, asbestos, petroleum, polychlorinated biphenyls and any "hazardous substance" as defined by CERCLA and any "hazardous waste" as defined by the *Resource Conservation and Recovery Act* of the United States.

"**Hedges**" means, collectively, Interest Rate Hedges, Currency Hedges, Commodity Hedges and Equity Hedges.

"**IFRS 16**" means the International Financial Reporting Standard 16: Leases.

"**Income Tax Expense**" means, with respect to the Borrower, for any period, the aggregate, without duplication, of all Taxes on the income of such Person for such period, whether current or deferred, determined on a Modified Consolidated Basis.

"**Information**" has the meaning set forth in Section 14.01(1).

"**Insolvency Legislation**" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and the *Bankruptcy Code* (United States).

"**Intellectual Property**" means the intellectual property in patents, patent applications, trade-marks, trade-mark applications, trade names, service marks, copyrights, copyright registrations and trade secrets including, without limitation, customer lists and information and business opportunities, industrial designs, technology and other similar intellectual property rights.

"**Intercreditor Agreement**" means the sixth amended and restated intercreditor agreement dated as of September 1, 2015 between the Senior Collateral Agent, the Senior Administrative Agent on behalf of the Senior Lenders and the Lender Hedge Providers (as defined in the Senior Credit Agreement), Shell Energy, the Other Commodity Suppliers (as defined therein), Just Energy Ontario L.P., Just Energy (U.S.) Corp., the Restricted Subsidiaries and such other persons as from time to time become party thereto, as amended by the first amending agreement and adhesion agreement dated May 17, 2018.

"**Interest Payment Date**" means (i) the last Business Day of March and the last Business Day of September in each Fiscal Year and (ii) the Maturity Date, provided that in the case of (i), any cash payment of interest payable hereunder may be made within two Business Days of such Interest Payment Date until the repayment in full of the Senior Credit Agreement (or the replacement or refinancing thereof).

"**Interest Rate**" means a fixed interest rate of **[Percentage Redacted]** per annum, which shall be increased by (i) **[Percentage Redacted]** for any accruing and payable PIK Interest on the

relevant Interest Payment Date and (ii) 2% upon the occurrence and during the continuance of any Event of Default.

"Interest Rate Hedge" means any agreement, whether in the form of a futures or forward contract, swap or otherwise for the hedging of interest on Debt.

"**JEBPO**" means JEBPO Services LLP, a limited liability partnership incorporated in India and an indirect Subsidiary of the Borrower.

"**JEC**" means Just Energy Corp., an Ontario corporation, formerly known as Ontario Energy Savings Corp.

"**JEC Assignment Agreement**" means the Assignment, Assumption, Consent and Release Agreement dated as of August 1, 2005 between JEC, Just Energy Ontario L.P. and Shell Energy.

"**Judgment Conversion Date**" has the meaning set forth in Section 14.05(1)(b).

"**Judgment Currency**" has the meaning set forth in Section 14.05(1).

"JustGreen Products" means environmental derivative products, including carbon offsets, carbon credits, renewable energy certificates or attributes and the equivalents thereof.

"**LDC Agreements**" means Collection Service Agreements and Transportation Agreements and the Electricity Service Agreements listed on Schedule E hereto as such agreements are in effect on the Original Closing Date and as from time to time supplemented, amended restated or replaced from time to time and any such agreement entered into with LDCs after the Original Closing Date, whether or not scheduled.

"LDCs" means (i) local distribution companies to whom volumes of natural gas are delivered by an Obligor and with whom such Obligor has Transportation Agreements and Collection Service Agreements and (ii) local electricity distribution companies, which deliver electricity to Customers for and on behalf of an Obligor and with whom such Obligor has an Electricity Service Agreement.

"**Lease Obligations**" means, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) any Right of Use Asset which obligations are required to be recorded on a balance sheet of such Person in accordance with IFRS 16. For the purposes of this Agreement, including all calculations of any Lease Obligations to be made hereunder, any lease which would be accounted for as an operating lease under the International Financial Reporting Standards as in effect on December 31, 2018 shall be, notwithstanding any subsequent change in the International Financial Reporting Standards, deemed to be accounted for as an operating lease under such prior IFRS rules (regardless of whether such lease is entered into or assumed before or after December 31, 2018) and the obligations thereunder shall not be Lease Obligations for the purpose of this Agreement.

"**Lender-Related Distress Event**" means, with respect to any Lender or any Person that directly or indirectly controls such Lender (each, a "**Distressed Person**"), (a) a voluntary or involuntary case with respect to such Distressed Person under any Insolvency Legislation or (b) a custodian,

conservator, receiver or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or (c) such Distressed Person is subject to a forced liquidation, merger, sale or other change of control supported in whole or in part by guaranties or other support (including, without limitation, the nationalization or assumption of ownership or operating control by the government of Canada, the United States or other Governmental Authority), or (d) such Distressed Person makes a general assignment for the benefit of its creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person or its assets to be, insolvent, bankrupt, or deficient in meeting any capital adequacy or liquidity standard of any such Governmental Authority, or (e) such Distressed Person becomes the subject of a Bail-In Action.

"**Lenders**" means Sagard, in its capacity as Lender, and the Persons from time to time designated in Schedule A annexed hereto as a Lender and "**Lender**" means any one of the Lenders and includes each of their successors and permitted assigns.

"**Lenders' Counsel**" means the firm of Torys LLP or such other firm of legal counsel as the Agent may from time to time designate and any and all local agent counsel retained by Torys LLP for and on behalf of the Agent.

"**Leverage Ratio Test**" means the Average Net Senior Debt Utilization to EBITDA Ratio at the end of the Fiscal Quarter immediately preceding the Fiscal Quarter in which the applicable Interest Payment Date or Payment Date is due, is less than 1.00:1.00

"**Liquidity Test**" means, on the applicable Interest Payment Date or Payment Date, the consolidated balance of cash and Cash Equivalents of the Obligors (determined on a Modified Consolidated Basis) *plus* the undrawn amount of the credit facilities available under the Senior Credit Agreement would on a *pro forma* basis be equal to or greater than Cdn. **[Dollar Amount Redacted]**, as set out in a certificate of an officer of the Borrower delivered to the Agent on such date.

"**Loan Documents**" means (a) this Agreement, the Guarantees and any Notes issued hereunder, (b) the Payment Letter and arrangements letter referred to in Section 4.03 and (c) all present and future agreements delivered by any Obligor to the Agent or the Lenders pursuant to, or in respect of the agreements referred to in clauses (a), (b) and (c) inclusive of this definition, in each case as the same may be supplemented, amended or restated from time to time, and "**Loan Document**" will mean any one of the Loan Documents.

"**Loan Facility**" has the meaning set forth in Section 2.01(1).

"**Majority Lenders**" means Sagard and the Specified Lender, as Lenders, plus such other Lenders as may be required to hold at least **[Percentage Redacted]** of the outstanding Advances under the Loan Facility.

"**Material Adverse Effect**" means (a) a material adverse effect on the business, operations, properties, assets, or condition (financial or otherwise) of all Obligors on a consolidated basis; (b) an adverse effect on the legality, validity or enforceability of any of the Loan Documents which could reasonably be considered material having regard to the Loan Documents considered as a whole; (c) a material adverse effect on the right, entitlement or ability of the Obligors as a

whole, to pay or perform any of its debts, liabilities or obligations under any of the Loan Documents; or (d) a material adverse effect on the right, entitlement or ability of the Agent or the Lenders to enforce their rights or remedies under any of the Loan Documents, for greater certainty: (i) the restatement of the Borrower's financial statements for fiscal 2019 and fiscal 2020 documented in Management's Discussion and Analysis dated July 8, 2020; and (ii) the disclosure in Note 3(b) to the Borrower's 2020 audited financial statements filed with SEDAR on July 8, 2020, shall not constitute a Material Adverse Effect.

"**Material Contracts**" means, collectively, (i) all material LDC Agreements; (ii) all Supplier Contracts, excluding (A) those Supplier Contracts that are immaterial (provided that the supply under Supplier Contracts excluded in this subparagraph (A) does not exceed, in the aggregate, 10% of the total supply under all Supplier Contracts) and (B) Supplier Contracts entered into by an Unrestricted Subsidiary; and (iii) any other agreement entered into by an Obligor which:

(a) if not complied with or terminated, could reasonably be expected to have a Material Adverse Effect; or

(b) is necessary for the business of an Obligor and not replaceable in the commercial marketplace on commercially reasonable terms.

"**Material Licences**" means, collectively, each licence, permit or approval issued by any Governmental Authority, or any applicable stock exchange or securities commission, to any Obligor, the breach or default of which could reasonably be expected to result in a Material Adverse Effect.

"**Maturity Date**" means March 31, 2024.

"Modified Consolidated Basis" means the consolidated financial position or results of the Borrower and the Restricted Subsidiaries, as determined in accordance with GAAP.

"**Non-Arm's Length**" and similar phrases have the meaning attributed thereto for the purposes of the *Income Tax Act* (Canada); and "**Arm's Length**" will have the opposite of such meaning.

"**Non-Funding Lender**" means any Lender (i) that has failed to fund any payment or Advances required to be made by it hereunder or to purchase all participations required to be purchased by it hereunder and under the Loan Documents, or (ii) that has given verbal or written notice to the Borrower, the Agent or any Lender or has otherwise publicly announced that it believes that it will be unable to fund advances under credit arrangements to which it is a party, or (iii) with respect to which one or more Lender-Related Distress Events has occurred, or (iv) with respect to which the Agent has knowledge that such Lender has defaulted in fulfilling its obligations (whether as an agent, lender or letter of credit issuer) under one or more other syndicated credit facilities, or (v) with respect to which the Agent has concluded, acting reasonably, and has advised the Lenders in writing that it is of the view that, there is a reasonable chance that such Lender shall become a "Non-Funding Lender" pursuant to any of (i), (ii) or (iii) above and that such Lender has been deemed a "Non-Funding Lender".

"**Note**" has the meaning set forth in Section 4.06.

"**Obligations**" means, with respect to any Obligor, all of its present and future indebtedness, liabilities and obligations of any and every kind, nature or description whatsoever (whether direct or indirect, joint or several or joint and several, absolute or contingent, matured or unmatured, in any currency and whether as principal debtor, guarantor, surety or otherwise, including without limitation any interest that accrues thereon after or would accrue thereon but for the commencement of any case, proceeding or other action, whether voluntary or involuntary, relating to the bankruptcy, insolvency or reorganization whether or not allowed or allowable as a claim in any such case, proceeding or other action) to each of the Agent, the Lenders and each of them under, in connection with, relating to or with respect to each of the Loan Documents, and any unpaid balance thereof.

"**Obligors**" means, collectively, the Borrower and the Guarantors and each of their respective successors and assigns and "**Obligor**" means any one of them.

"**Original Lenders**" means the Lenders party to the Original Credit Agreement on the Original Closing Date and each of their respective permitted successors and assignees.

"**OFAC**" means The Office of Foreign Assets Control of the US Department of Treasury.

"**Operating Budget**" means (i) the annual operating budget of the Borrower in, consisting of a statement of cash available for distribution and a cash flow forecast and (ii) forecasted calculations in respect of each Fiscal Quarter for the purposes of (A) the financial covenants in Section 8.02 and (B) Section 8.05(4) (and which, for greater certainty, shall be substantially the form attached hereto as Schedule F and shall include in respect of all Unrestricted Subsidiaries of the Borrower only separate select information concerning the RCE's and Gross Margin (as if such definition applied to Unrestricted Subsidiaries *mutatis mutandis*) of such Unrestricted Subsidiaries calculated on an annual basis).

"Original Closing Date" means September 12, 2018.

"**Organizational Documents**" means, with respect to any Person, such Person's articles or other charter documents, by-laws, unanimous shareholder agreement, partnership agreement, joint venture agreement, operating agreement, limited liability company agreement or trust agreement, as applicable, and any and all other similar agreements, documents and instruments relative to such Person, setting forth the manner of election or duties of the directors, officers or managing members of such Person or the designation, amount or relative rights, limitations and preferences of any equity interests of such Person.

"**Other Connection Taxes**" means, with respect to any recipient, Taxes imposed as a result of a former or present connection between such recipient and the jurisdiction imposing the Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Advance or Loan Document).

"**Participant**" has the meaning set forth in Section 13.03(1).

"**Participant Register**" has the meaning set forth in Section 13.03(3).

"**Patriot Act**" has the meaning set forth in Section 7.01(45).

"**Payment Date"** has the meaning set forth in the Payment Letter as amended by Section 4.03.

"**Payment Letter**" means the amended and restated payment letter between the Borrower and the Agent, on behalf of the Original Lenders, dated as of October 30, 2018, as amended, modified, restated or supplemented from time to time.

"**PB Plan**" means the Performance Bonus Plan under which employees and sales representatives are awarded securities of the Borrower as bonuses, as amended or replaced from time to time.

"**Pending Event of Default**" means an event which, but for the requirement for the giving of notice, lapse of time, or both, or but for the satisfaction of any other condition subsequent to such event, would constitute an "Event of Default".

"**Permitted Asset Dispositions**" means Dispositions by an Obligor of:

(a) tangible personal property in the normal course of its Business for fair market value and on customary trade terms;

(b) any Property pursuant to a Designated Disposition;

(c) tangible personal property other than pursuant to clauses (a), (b) or (d) hereof where the value of all such Property Disposed in any Fiscal Year pursuant to this clause (c) does not exceed in the aggregate **[Dollar Amount Redacted]**;

(d) tangible or intangible personal property to any other Obligor;

(e) Billed Accounts Receivable and Sold Unbilled Accounts Receivable under the Customer Contracts to LDCs in accordance with the LDC Agreements;

(f) all of the shares or equity interests in, or all or substantially all of the Property of, EdgePower Inc. (collectively, the "**EdgePower Property**") so long as the following conditions are satisfied: (i) no Pending Event of Default or Event of Default has occurred and is continuing at the time of such Disposition or will arise as a result of the implementation of any of the transactions contemplated by such Disposition; (ii) the Borrower and the Restricted Subsidiaries shall have received all necessary consents and approvals of any Governmental Authorities and other third parties (including the Priority Suppliers (as defined in the Senior Credit Agreement)) required for the Borrower and the Restricted Subsidiaries to consummate such Disposition and release of the Security over the shares, equity interests and Property of EdgePower Inc.; and (iii) such Disposition will be on Arm's Length terms, or

(g) intangible personal property, other than pursuant to clauses (d) and (e) hereof, in the normal course of its business for fair market value where the value of all such intangible property disposed in any Fiscal Year by all Obligors does not exceed **[Dollar Amount Redacted]** in the aggregate.

"Permitted Debt" means:

(a) Debt under this Agreement;

(b) (i) Debt under the Senior Credit Agreement in an aggregate principal amount not to exceed the Senior Lender Limitation Amount at any time, (ii) Debt under Hedges, provided that the Aggregate Swap Exposure shall not exceed **[Dollar Amount Redacted]** at any time, and (iii) Debt under agreements evidencing treasury facilities and cash management products provided by any Senior Lender or an Affiliate of a Senior Lender and permitted under the Senior Credit Agreement;

(c) Debt in respect of Purchase Money Security Interests and Lease Obligations in an outstanding amount not to exceed **[Dollar Amount Redacted]** in the aggregate for all Obligors;

(d) Existing Intercompany Debt;

(e) Future Intercompany Debt;

(f) Permitted Unrestricted Subsidiary Debt;

(g) [Reserved];

(h) [Reserved];

(i) guarantees of any Debt (other than in respect of the $15 Million Subordinated Note) otherwise permitted hereunder;

(j) Debt under (i) Canadian Dollar corporate credit cards of the Obligors provided that the amount of all such Debt at no time exceeds **[Dollar Amount Redacted]** in the aggregate for all Obligors and (ii) US Dollar corporate credit cards of the Obligors provided that the amount of all such Debt at no time exceeds **[Dollar Amount Redacted]** in the aggregate for all Obligors;

(k) [Reserved]

(l) [Reserved]

(m) EDC Indemnity;

(n) the $15 Million Subordinated Note, provided that the trustee of the $15 Million Subordinated Note has issued a confirmation in favour of the Agent that the Obligations constitute "Senior Indebtedness" under the $15 Million Subordinated Note Indenture; and

(o) Debt consented to in writing by the Majority Lenders from time to time.

"Permitted Distributions" means:

(a) Distributions from an Obligor (other than the Borrower) to another Obligor;

(b) Distributions by way of issuance of common shares or preferred shares of the Borrower to the public (including, for greater certainty, by way of private placement);

(c) [Reserved];

(d) [Reserved];

(e) non-cash Distributions of Share Based Compensation;

(f) distributions paid in cash under the Restricted Share Grant Plan, the PB Plan or under the Deferred Compensation Plan in an aggregate amount over the term of this Agreement not exceeding **[Dollar Amount Redacted]**; and

(g) [Reserved];

(h) [Reserved];

(i) [Reserved];

(j) Distributions on the account of any Alberta Utilities Commission Debt, provided that each such Distribution shall be made solely with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts;

(k) payments of principal, interest or fees in respect of the Senior Credit Agreement and related hedges and cash management services; and

(l) interest payments that are paid in kind (and not in cash) on the $15 Million Subordinated Note.

"**Permitted Encumbrances**" means, with respect to any Person, the following:

(a) Encumbrances for Taxes not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(b) Encumbrances in respect of claims for unpaid wages, vacation pay, worker's compensation, unemployment insurance premiums, pension plan contributions, employee or non-resident withholding tax source deductions, realty taxes (including utility charges and business taxes which are collectable like realty taxes), unremitted goods and services taxes, provincial sales taxes, customs duties or similar statutory obligations secured by an Encumbrance on any Obligor's assets, but only if the obligations secured by such Encumbrances are paid before

they become delinquent or they are being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(c) undetermined or inchoate liens, rights of distress and charges incidental to current operations which relate to obligations not yet due, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person or they do not exceed **[Dollar Amount Redacted]** in the aggregate;

(d) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workmen's compensation, unemployment insurance, letters of credit, surety or appeal bonds, or costs of litigation when required by law in any case not to exceed **[Dollar Amount Redacted]** or the Equivalent Amount in US$ in aggregate outstanding at any time, liens and claims incidental to current construction, mechanics', warehousemen's, landlords', carriers', surety bonds and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;

(e) the Encumbrance created by a judgment of a court of competent jurisdiction, so long as the same does not result in an Event of Default;

(f) Encumbrances on real property which consist of (i) reservations, limitations, provisos and conditions expressed in the original grant from the Crown, (ii) any general qualifications to title imposed under the land registry system in which any real property is situate, (iii) any encroachments, variations in description or by-law infractions which might be revealed by an up-to-date survey of the real property, (iv) any agreement with a municipality with respect to the development of the buildings, fixtures and improvements on the real property, (v) restrictions or restrictive covenants disclosed by registered title, (vi) any easement or right-of-way disclosed by registered title and (vii) any easement for the supply of utilities to the real property;

(g) liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts (including segregated deposit accounts for Customers if required by Applicable Law) or other funds maintained with a financial institution;

(h) the Encumbrances created by the security granted to the Senior Collateral Agent pursuant to the Senior Credit Documents;

(i) Purchase Money Security Interests and Encumbrances securing Lease Obligations, provided that the aggregate outstanding amount of Debt secured thereby or arising thereunder does not exceed **[Dollar Amount Redacted]** or the Equivalent Amount in US$ at any time;

(j) any Encumbrance granted by any Obligor to LDCs in respect of Billed Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 8.04(1);

(k) any Encumbrance granted by any Obligor to LDCs in respect of Sold Unbilled Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 8.04(1);

(l) any Encumbrance granted by any Obligor to LDCs in respect of Unbilled Accounts Receivable in accordance with Collection Service Agreements, provided that the aggregate value of such Unbilled Accounts Receivable Encumbered at any time shall not exceed **[Dollar Amount Redacted]**;

(m) any Encumbrance granted by any Obligor to LDCs in respect of Cash Security Deposits in accordance with Collection Service Agreements, provided that the aggregate value of such Cash Security Deposits Encumbered at any time shall not exceed **[Dollar Amount Redacted]**;

(n) any Encumbrance granted by an Obligor to an LDC in respect of natural gas in storage with such LDC if required by such LDC or the tariff applicable to such LDC; provided that the aggregate volume of such natural gas in storage so Encumbered shall not at any time exceed 15% of the aggregate volume of all such natural gas in storage;

(o) Encumbrances over Credit Card Payment Accounts to secure obligations of certain Obligors to certain deposit banks pursuant to merchant services agreements;

(p) [Reserved]

(q) Encumbrances over any and all cash, monies and interest bearing instruments delivered to, deposited with or held by an exchange for natural gas and any rights to payment or performance owing from an exchange for natural gas including, without limitation, accounts payable owed by the exchange to an Obligor to the extent that such proceeds are to be used as security for future transactions and all proceeds of any of the foregoing, provided that the aggregate value of such Encumbrances at any time shall not exceed **[Dollar Amount Redacted]**; and

(r) such other Encumbrances as agreed to in writing by the Majority Lenders in accordance with this Agreement.

"**Permitted Unrestricted Subsidiary Debt**" means Debt owing by the Obligors to Unrestricted Subsidiaries in existence as of the Closing Date in an amount not to exceed **[Dollar Amount Redacted]** in the aggregate at any time; provided that such Debt is subordinated and postponed to the Obligations pursuant to the terms of a Subordination Agreement.

"**Person**" is to be broadly interpreted and will include an individual, a corporation, a limited liability company, an unlimited liability company, a partnership, a trust, an incorporated organization, a joint venture, financial institution, the government of a country or any political subdivision of a country, or an agency or department of any such government, any other Governmental Authority and the executors, administrators or other legal representatives of an individual in such capacity.

"**PIK Interest**" and "**PIK Fees**" means any interest or Yield Enhancement Payment payable hereunder or under the Payment Letter, as applicable, that is required to be capitalized pursuant to Sections 4.01 or 4.03 of this Agreement.

"**Plan of Arrangement**" means the amended and restated plan of arrangement dated as of September 2, 2020 with respect to the Borrower and 12175592 Canada Inc., court file no. **CV-**20-00643596-00CL.

"**Proceedings**" means the proceedings commenced by the Borrower on July 8, 2020 under section 192 of the *Canada Business Corporations Act* before the Ontario Superior Court of Justice (Commercial List) in Toronto, Ontario.

"**Property**" means, with respect to any Person, all or any portion of its undertaking, property and assets, both real and personal, including, for greater certainty, (i) any share in the capital of a corporation or ownership interest in any other Person and (ii) its interest under all Supplier Contracts, LDC Agreements and related permits.

"**Proportionate Share**" means in respect of each Lender from time to time and with respect to the Advances, such Lender's *pro rata* share in accordance with the aggregate unpaid amount of the Advances owed to such Lender.

"**Purchase Money Security Interest**" means an Encumbrance created or assumed by an Obligor securing Debt incurred to finance the unpaid acquisition price (including any installation costs or costs of construction) of Property provided that (a) such Encumbrance is created substantially concurrently with the acquisition of such Property, (b) such Encumbrance does not at any time encumber any Property other than the Property and the proceeds thereof financed or refinanced (to the extent the principal amount is not increased) by such Debt, (c) the amount of Debt secured thereby is not increased subsequent to such acquisition, and (d) the principal amount of Debt secured by any such Encumbrance at no time exceeds 100% of the original purchase price of such Property at the time it was acquired, installed or constructed and for the purposes of this definition the term "acquisition" will include a lease in respect of a Right of Use Asset and the term "acquire" will have a corresponding meaning.

"**RCE**" means a residential customer equivalent which is a unit of measurement to a customer using, as regards natural gas, 2,815 m3 (or 106 GJ's) of natural gas on an annual basis and, as regards electricity, 10,000 kWh of electricity on an annual basis, which represents respectively the approximate amount of gas and electricity used by a typical household.

"**Recapitalization Plan**" means the plan of arrangement in respect of the Borrower pursuant to the *Canada Business Corporations Act*, which plan shall be consistent with the terms of the

recapitalization set out in the Support Agreement, and in form and substance satisfactory to the Agent, acting reasonably.

"**Receiving Lender**" has the meaning set forth in Section 11.12.

"**Register**" has the meaning set forth in Section 13.02(3).

"**Release**" means a "release", as such term is defined in CERCLA.

"Relevant Jurisdiction" means, from time to time, with respect to any Obligor, such Obligor's jurisdiction of formation, chief executive office, registered office or chief place of business and, for greater certainty, at the Closing Date includes the jurisdictions set forth in Schedule 7.01(19).

"**Repayment Notice**" means the notice substantially in the form annexed hereto as Schedule C.

"**Requirements of Environmental Law**" means all requirements of the common law or of statutes, regulations, by-laws, ordinances, treaties, judgments and decrees, and (to the extent that they have the force of law) rules, policies, guidelines, orders, approvals, notices, permits, directives, and the like, of any federal, territorial, provincial, state, regional, municipal or local judicial, regulatory or administrative agency, board or governmental authority in Canada, the United States and any other jurisdiction in which any Obligor has operations or assets relating to environmental or occupational health and safety matters (as they relate to exposure to a Hazardous Substance) and the assets and undertaking of any Obligor and the intended uses thereof in connection with such matters, including but not limited to, all such requirements relating to: (a) the protection, preservation or remediation of the natural environment (the air, land, surface water or groundwater); (b) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (c) consumer, occupational or public safety and health (as they relate to exposure to a Hazardous Substance); and (d) Hazardous Substances or conditions (matters that are prohibited, controlled or otherwise regulated, such as contaminants, pollutants, toxic substances, dangerous goods, wastes, hazardous wastes, liquid industrial wastes, hazardous materials, petroleum and other materials such as urea formaldehyde and polyurethane foam insulation, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs) or PCB contaminated fluids or equipment, lead based paint, explosives, radioactive substances, petroleum and associated products, above ground and underground storage tanks or surface impoundments).

"**Requirements of Law**" means, as to any Person, any Applicable Law, or determination of a Governmental Authority having the force of law, in each case applicable to or binding upon such Person or any of its business or Property or to which such Person or any of its business or Property is subject.

"**Restricted Share Grant Plan**" means the 2010 restricted share grant plan pursuant to which restricted common shares of the Borrower are granted to senior officers and service providers to the Borrower and to senior officers of the Borrower's Subsidiaries and Affiliates, as supplemented, amended or restated from time to time.

"**Restricted Subsidiary**" means each direct or indirect Subsidiary of the Borrower that has provided a Guarantee and for greater certainty, includes (i) the Obligors, and (ii) any Subsidiary formed or acquired by any Obligor following the Closing Date.

"**Restricted Subsidiary Subordination Agreement**" means the subordination and postponement of inter-corporate debt agreement dated as of the Original Closing Date between the Obligors and the Agent, whereby the Obligors subordinate and postpone certain Debt of the Obligors including (i) any Existing Intercompany Debt; and (ii) any Future Intercompany Debt, to the Obligations, as such agreement may be supplemented, amended or restated from time to time.

"**Right of Use Asset**" means, with respect to any Person, any asset that is leased by such Person and constituting a right of use asset pursuant to IFRS 16.

"**Sagard**" means Sagard Credit Partners, LP and its successors and assigns.

"**Sanctioned Person**" means a person named on the list of Specially Designated Nationals maintained by OFAC or otherwise designated under Sanctions Laws.

"**Sanctions Event**" has the meaning set forth in Section 7.01(43).

"**Sanctions Laws**" means any economic, trade or financial sanctions or trade embargoes imposed, administered or enforced from time to time under laws and executive orders of the Canadian government (including without limitation including under the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Freezing Assets of Corrupt Foreign Officials Act* (Canada), the *Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law)* and the *Criminal Code* (Canada) and, in each case, the regulations promulgated thereunder), the United States government, or any other relevant sanctions authority.

"**Senior Administrative Agent**" means National Bank of Canada in its capacity as "Agent" under the Senior Credit Agreement.

"**Senior Collateral Agent**" means National Bank of Canada in its capacity as "Collateral Agent" under the Senior Security Documents and the Intercreditor Agreement, or such Person from time to time appointed as collateral agent in accordance with the terms of the Intercreditor Agreement.

"**Senior Credit Agreement**" means the ninth amended and restated credit agreement dated as of the date hereof between, among others, Just Energy Ontario L.P. and Just Energy (U.S.) Corp., as borrowers, National Bank of Canada as administrative agent and each person party thereto as a lender, as may be supplemented, modified, amended or restated from time to time.

"**Senior Credit Documents**" has the meaning ascribed to the term "Credit Document" in the Senior Credit Agreement.

"**Senior Debt**" means Total Debt minus (i) Debt incurred hereunder and (i) the $15 Million Subordinated Note, all as determined on a Modified Consolidated Basis in accordance with GAAP.

"**Senior Debt to EBITDA Ratio**" means, for any Four Quarter Period, the ratio of Senior Debt as at the last day of the applicable Four Quarter Period to EBITDA in respect of such Four Quarter Period.

"Senior Lender Limitation Amount" means **[Dollar Amount Redacted]**, which amount shall be reduced by the amount of any permanent repayments of principal under the Senior Credit Agreement from time to time, but shall not be less than **[Dollar Amount Redacted]**.

"**Senior Lenders**" means each lender party to the Senior Credit Agreement as a lender from time to time.

"**Senior Obligations**" means the "Obligations" as defined in the Senior Credit Agreement.

"**Senior Security Documents**" means the documents evidencing the Encumbrances granted by the Obligors in favour of the Senior Collateral Agent from time to time.

"**Senior Subordination Agreement**" means the amended and restated subordination agreement dated as of the Closing Date between the Senior Administrative Agent, the Agent, the Borrower and each of the Restricted Subsidiaries, as may be amended, restated, supplemented, modified or replaced from time to time.

"**Share Based Compensation**" means compensation paid by the Borrower to the directors, officers, full-time employees and service providers of the Borrower and the Borrower's Subsidiaries and Affiliates in the form of common shares pursuant to the Share Compensation Plan, the Restricted Share Grant Plan, the PB Plan or the Deferred Compensation Plan.

"**Share Compensation Plan**" means the 2020 share compensation plan pursuant to which common shares of the Borrower are granted to directors, officers and full-time employees of and service providers to the Borrower, and its Subsidiaries and Affiliates, as supplemented, amended or restated from time to time.

"**Shell Energy**" means Shell Energy North America (Canada) Inc., formerly known as Coral Energy Canada Inc.

"**Sold Unbilled Accounts Receivable**" means all present and future amounts that have not yet been billed to a Customer in respect of gas, electricity or JustGreen Products that has been delivered to such Customer pursuant to a Customer Contract and which have been assigned or sold to an LDC concurrently with the delivery of such gas, electricity or JustGreen Products and which are subject to a Collection Service Agreement.

"**Specified Canadian Pension Plan**" means any Canadian Pension Plan which contains a "defined benefit provision", as defined in subsection 147.1(1) of the *Income Tax Act* (Canada).

"**Specified Lender**" mean the entity disclosed by the Borrower to the Agent on the confidential schedule delivered prior to the Closing Date, together with its affiliates (including funds and accounts for which it serves as investment manager or advisor).

"**Subsidiary**" means, at any time, as to any Person, any other Person, if at such time the first mentioned Person owns, directly or indirectly, alone or together with one or more of its Affiliates, securities or other ownership interests in such other Person having ordinary voting power to elect a majority of the board of directors or persons performing similar functions for

such other Person, and will include any other Person in like relationship to a Subsidiary of such first mentioned Person.

"**Supplier Contracts**" means contracts between any Obligor and a supplier of natural gas, electricity or JustGreen Products, including, without limitation, the natural gas sales agreement dated as of October 15, 1998 between JEC and Shell Energy, as amended by amending agreements dated as of September 26, 2001 and January 15, 2004 between Just Energy Ontario L.P. and Shell Energy, and as assigned to Just Energy Ontario L.P. pursuant to the JEC Assignment Agreement, as supplemented, amended or restated from time to time in accordance with the terms of this Agreement.

"**Supply Commitments**" means, at any time, the amount of natural gas, electricity or JustGreen Products anticipated to be deliverable by the Obligors to Customers under (i) committed existing Customer Contracts; (ii) supplied but not flowing renewals of expiring Customer Contracts; and (iii) supplied but not flowing new Customer Contracts.

"Support Agreement" has the meaning set forth in the recitals of this Agreement.

"**Tax**" or "**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, capital, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments, royalties, duties, deductions, compulsory loans or similar charges in the nature of a tax, including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments, and any interest, fines and penalties, imposed by any Governmental Authority (including federal, state, provincial, municipal and foreign Governmental Authorities) in respect thereof, whether disputed or not.

"**Total Debt**" means all Debt of the Borrower but, for the avoidance of doubt, excludes (i) Debt arising under Hedges, (ii) the principal amount outstanding of all Existing Intercompany Debt, Future Intercompany Debt and Permitted Unrestricted Subsidiary Debt, and (iii) Debt arising under the EDC Indemnity and (iv) the Alberta Utilities Commission Debt, all as determined on a Modified Consolidated Basis in accordance with GAAP.

"**Total Interest Expense**" of the Borrower means, for any period and on a Modified Consolidated Basis, without duplication, the aggregate amount of interest and other financing charges accrued or actually paid by the Borrower, during such period with respect to Debt including interest, discount and financing fees, commissions, discounts, the interest or time value of money component of costs related to factoring or securitizing receivables or monetizing inventory and other fees and charges payable with respect to letters of credit, letters of guarantee and bankers' acceptance financing, standby fees and the interest charges with respect to Lease Obligations, all as determined in accordance with GAAP.

"**Transportation Agreements**" means, collectively, the transportation agreements entered into between the Obligors and LDCs (or entered into between JEC and LDCs and assigned to Just Energy Ontario L.P. pursuant to the JEC Assignment Agreement) providing for the delivery of

gas provided by an Obligor to its Customers and related matters, as supplemented, amended or restated from time to time in accordance with the terms of this Agreement.

"**UK Convertible Bonds**" has the meaning set forth in the recitals of this Agreement.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unbilled Accounts Receivable**" means all present and future amounts in respect of gas or electricity or JustGreen Products that have been delivered to a Customer pursuant to a Customer Contract, and that have not yet been billed to such Customer or assigned or sold to an LDC pursuant to a Collection Service Agreement, and which, for greater certainty, remain an asset of an Obligor.

"**United States Dollars**", "**US Dollars**" and "**US$**" means the lawful money of the United States of America.

"**Unrestricted Subsidiaries**" means a direct or indirect Subsidiary of the Borrower that is not a Restricted Subsidiary.

"**US Pension Plan**" means a "pension plan", as such term is defined in Section 3(2) of ERISA, which is subject to Title IV of ERISA (other than a multiemployer plan as defined in Section 4001(a)(3) of ERISA), and to which an Obligor, or any corporation, trade or business that is, along with any other Person, a member of a Controlled Group, may reasonably be expected to have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"**US Welfare Plan**" means a "welfare plan", as such term is defined in Section 3(1) of ERISA.

"**Withholding Agent**" means any Obligor and the Agent.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to any UK Resolution Authority, any powers of such UK Resolution Authority from time to time under the Bail-In Legislation for the United Kingdom to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is

to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

"**Yield Enhancement Payments**" means all yield enhancement payments and other payments due and payable to the Agent on behalf of the Original Lenders pursuant to the Payment Letter.

1.02 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.03 Number

Words importing the singular number only will include the plural and *vice versa*, words importing the masculine gender will include the feminine and neuter genders and *vice versa*.

1.04 Accounting Principles

Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any Loan Document, such determination or calculation will, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with GAAP.

1.05 Accounting Practices

All calculations for the purposes of determining compliance with the financial ratios and financial covenants contained in this Agreement will be made on a basis consistent with GAAP in existence as at the date hereof applied on a Modified Consolidated Basis in accordance with GAAP. In the event of a change in such GAAP which in any material respect changes or results in a change in the method of calculation of, or has an adverse impact on, financial covenants, standards or terms applicable to an Obligor under any of the Loan Documents as determined by the Lenders, acting reasonably, the Borrower and the Agent (with the approval of the Majority Lenders) will negotiate in good faith to revise (if appropriate) such ratios and covenants to reflect GAAP as then in effect, in which case all calculations thereafter made for the purpose of determining compliance with the financial ratios and financial covenants contained in this Agreement will be made on a basis consistent with GAAP in existence as at the date of such revisions.

1.06 Currency

Unless otherwise specified in this Agreement, all references to dollar amounts (without further description) will mean Canadian Dollars.

1.07 Paramountcy

In the event of a conflict in or between the provisions of this Agreement and the provisions of any of the other Loan Documents then, notwithstanding anything contained in such other Loan Document, the provisions of this Agreement will prevail and the provisions of such other Loan Document will be deemed to be amended to the extent necessary to eliminate such conflict. In particular, if any act or omission of an Obligor is expressly permitted under this Agreement but is expressly prohibited under another Loan Document, such act or omission will be permitted. If any act or omission is expressly prohibited under a Loan Document (other than this Agreement), but this Agreement does not expressly permit such act or omission, or if any act is expressly required to be performed under such Loan Document but this Agreement does not expressly relieve the applicable Obligor from such performance, such circumstance will not constitute a conflict in or between the provisions of this Agreement and the provisions of such Loan Document.

1.08 Non-Business Days

Unless otherwise expressly provided in this Agreement, whenever any payment is stated to be due on a day other than a Business Day, the payment will be made on the immediately following Business Day. In the case of interest or fees payable pursuant to the terms of this Agreement, the extension or contraction of time will be considered in determining the amount of interest and fees. Unless otherwise expressly provided in this Agreement, whenever any action to be taken is stated or scheduled to be required to be taken on, or (except with respect to the calculation of interest or fees) any period of time is stated or scheduled to commence or terminate on, a day other than a Business Day, the action will be taken or the period of time will commence or terminate, as the case may be, on the immediately following Business Day.

1.09 Statutory and Material Contract References

Any reference in this Agreement to any act or statute or regulation (including any regulation of any Governmental Authority), or to any section of or any definition in any act, statute or regulation (including any regulation of any Governmental Authority), will be deemed to be a reference to such act, statute or regulation (including any regulation of any Governmental Authority) or section or definition as amended, supplemented, substituted, replaced or re-enacted from time to time. Any reference in this Agreement to an agreement, indenture, debenture or contract (including without limitation a Material Contract) will be deemed to be a reference to such document as supplemented, amended, restated, replaced or otherwise modified from time to time in accordance with the terms of this Agreement. Notwithstanding the above, references to the Senior Credit Agreement or any of the Senior Credit Documents shall not include any references to any refinancings or replacements thereof (unless such refinancing or replacement thereof is expressly permitted by Section 8.04(26)).

1.10 Interest Payments and Calculations

(1) All interest payments to be made under this Agreement will be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.

(2) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest or rate of fees "per annum" or a similar expression is used, such interest or fees will be calculated on the basis of a calendar year of 360 days and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.

(3) For the purposes of the *Interest Act* (Canada) and disclosure under such act, whenever interest to be paid under this Agreement is to be calculated on the basis of a year of 360 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or such other period of time, as the case may be. EACH OF THE OBLIGORS CONFIRMS THAT IT FULLY UNDERSTANDS AND IS ABLE TO CALCULATE THE RATE OF INTEREST APPLICABLE TO THE LOAN FACILITY BASED ON THE METHODOLOGY FOR CALCULATING PER ANNUM RATES PROVIDED FOR IN THIS AGREEMENT. The Agent agrees that if requested in writing by the Borrower it will calculate the nominal and effective per annum rate of interest on any Advance outstanding at the time of such request and provide such information to the Borrower promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve either Borrower or any other Obligor of any of its obligations under this Agreement or any other Loan Document, nor result in any liability to the Agent or any Lender. EACH OBLIGOR HEREBY IRREVOCABLY AGREES NOT TO PLEAD OR ASSERT, WHETHER BY WAY OF DEFENCE OR OTHERWISE, IN ANY PROCEEDING RELATING TO THE CREDIT DOCUMENTS, THAT THE INTEREST PAYABLE UNDER THE LOAN DOCUMENTS AND THE CALCULATION THEREOF HAS NOT BEEN ADEQUATELY DISCLOSED TO THE OBLIGORS, WHETHER PURSUANT TO SECTION 4 OF THE *INTEREST ACT* (CANADA) OR ANY OTHER APPLICABLE LAW OR LEGAL PRINCIPLE.

(4) In calculating interest or fees payable under this Agreement for any period, unless otherwise specifically stated, the first day but not the last day of such period will be included.

(5) Notwithstanding anything herein to the contrary, in no event will any interest rate or rates referred to herein (together with other fees payable hereunder which are construed by a court of competent jurisdiction to be interest or in the nature of interest) exceed the maximum interest rate permitted by Applicable Law. If such maximum interest rate would be exceeded by the terms hereof, the rates of interest payable hereunder will be reduced to the extent necessary so that such rates (together with other fees which are construed by a court of competent jurisdiction to be interest or in the nature of interest) equal the maximum interest rate

permitted by Applicable Law, and any overpayment of interest received by the Agent or the Lenders theretofore will be applied, forthwith after determination of such overpayment, to pay all then outstanding interest, and thereafter to pay outstanding principal, as if the same were a prepayment of principal and treated accordingly hereunder.

1.11 Determination by the Borrower

All provisions contained herein requiring the Borrower to make a determination or assessment of any event or circumstance or other matter to the best of its knowledge shall be deemed to require the Borrower to make all due inquiries and investigations as may be necessary or prudent in the circumstances before making any such determination or assessment.

1.12 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be part hereof:

Schedule A	–	Lenders and Advances
Schedule B	–	[Reserved]
Schedule C	–	Repayment Notice
Schedule D	–	Assignment Agreement
Schedule E	–	List of LDC Agreements
Schedule F	–	Form of Operating Budget
Schedule G	–	List of Guarantors as of the Closing Date
Schedule H	–	Form of Subordination Agreement
Schedule I	–	Form of Compliance Certificate
Schedule J	–	[Reserved]
Schedule K	–	[Intentionally Deleted]
Schedule 4.04	–	[Reserved]
Schedule 4.06	–	Form of Note
Schedule 7.01(6)	–	Taxes
Schedule 7.01(16)	–	Corporate Structure
Schedule 7.01(22)	–	Material Contracts and Material Licences
Schedule 7.01(28)	–	Environmental Reports
Schedule 7.01(36)	–	Non Arm's Length Transactions

ARTICLE 2
THE LOAN FACILITY

2.01 Loan Facility

(1) Subject to the terms and conditions of the Original Loan Agreement, the Lenders established in favour of the Borrower as of the Original Closing Date a non-revolving multi-draw term loan facility (the "**Loan Facility**"). As of the Closing Date, (i) no further Advances under the Loan Facility shall be made by the Lenders or requested by the Borrower and (ii) the aggregate principal amount of the Advances outstanding under the Loan Facility is US$205,899,999.94. As of the Closing Date, the outstanding principal amount of Advances owing to each Lender is as set out in Schedule A hereto. For clarity, such principal amount of

Advances in Schedule A hereto includes the principal amount of the Advances in respect of the Additional Term Loans provided for in Section 2.01(2) below.

(2) On the Closing Date, subject to the satisfaction of the terms and conditions in this Agreement, (i) each Additional Lender shall be deemed to have made an Advance to the Borrower (an "**Additional Term Loan**") in an amount equal to its Additional Term Commitment and (ii) each Additional Lender shall become a Lender hereunder with respect to the Additional Term Commitment and the Additional Term Loans made pursuant thereto. Notwithstanding the foregoing, Additional Term Loans have identical terms to any of the loans as provided for in Section 2.01(1) above.

(3) The delivery of the Additional Term Loans (and any certificates or other evidence of holdings thereof) to be issued pursuant to this Agreement shall be made in accordance with standing procedures in place with the Agent, and a register of holders of the Additional Term Loans will be maintained by the Agent. Each Additional Lender receiving an Additional Term Loan shall be deemed to be a party to this Agreement as a Lender. In the event that an Additional Lender has not delivered its New Term Loan Lender Information to the Agent prior to the date that is five (5) Business Days prior to the expected Effective Date, such Additional Lender's Additional Term Loan shall be held by the Agent, acting as depository agent (in such capacity, the "**Depository Agent**"), until such time as the Additional Lender provides its New Term Loan Lender Information.

(4) In accordance with Subsection (3) above, until such time that an Additional Lender provides its New Term Loan Lender Information (as defined in the Plan of Arrangement) to the Agent, the Additional Term Loan attributed to such Additional Lender shall be held by the Agent, acting as Depository Agent, on behalf of such Additional Lender; provided that on the Expiration Date, all Additional Term Loans held by the Agent, acting as Depository Agent, shall be deemed to be cancelled and forfeited by the applicable Additional Lender. Upon the earlier of (i) the tendering of all New Term Loan Lender Information by the Additional Lenders, or (ii) the Expiration Date, The Depositary Agent will cease to act as a depository agent and the Depositary Agent shall have no further duties and obligations as Depositary Agent and the obligation of the Borrower to pay Monthly Retainer to the former Depository Agent shall cease.

ARTICLE 3
CONDITIONS PRECEDENT

3.01 Conditions Precedent to Effectiveness of this Agreement

The obligations of the Lenders under this Agreement are subject to and conditional upon the following conditions precedent being fulfilled to the satisfaction of the Agent and the Lenders:

(1) this Agreement will have been executed and delivered by all parties thereto;

(2) a confirmation of guarantee in form and substance satisfactory to the Agent will have been executed and delivered by the Guarantors;

(3) the Agent will have received, unless otherwise stated herein, in form and substance satisfactory to the Agent:

(i) evidence of a successful implementation of the Recapitalization Plan in form and substance satisfactory to the Lenders, including a copy of the final order of the Court approving the Recapitalization Plan pursuant to the Proceedings;

(ii) evidence of a successful completion of an equity offering of common shares of the Borrower for aggregate proceeds of the lesser of (i) $100,000,000 and (ii) US$73,000,000;

(iii) a flow of funds including a sources and uses of funds statement of the Borrower to complete the Recapitalization Plan;

(iv) certified copies of (a) the Senior Credit Agreement and all other agreements, instruments and documents evidencing that the Senior Debt (as defined in the Original Loan Agreement) and the Debt under the UK Convertible Bonds (as defined in the Original Loan Agreement) have been fully refinanced on terms satisfactory to the Lenders, acting reasonably and (b) the $15 Million Subordinated Note Indenture and all other agreements, instruments and documents evidencing the $15 Million Subordinated Note; and

(v) subject to Section 2.01(3), all "Know Your Client", anti-money laundering, anti-terrorism or similar identification information required by the Agent shall have been provided by the Additional Lenders;

(4) the Agent will have received certified copies of the Organizational Documents of each Obligor, the resolutions authorizing the execution, delivery and performance of each Obligor's obligations under the Loan Documents and the transactions contemplated herein, and certificates as to the incumbency of the officers of each Obligor;

(5) copies of all agreements which restrict or limit the powers of any Obligor or its directors or officers not otherwise delivered under Subsection 3.01(4), certified by such Obligor to be true, will have been delivered to the Agent;

(6) certificates of status or good standing, as applicable, of each Obligor will have been delivered to the Agent;

(7) the Agent will have received certified copies of all approvals of any Governmental Authorities or other third parties (including in connection with the Senior Credit Agreement, which shall be in form and substance satisfactory to the Lenders) required for (a) the execution, delivery and performance of each Obligor's obligations under the Loan Documents and the transactions contemplated therein as of the Closing Date (other than the approvals, clarifications or authorizations of the Governmental Authorities (including, without limitation, the Reserve Bank of India) required under the laws of India for the execution and delivery by JEBPO of the Guarantee and the Loan Documents to which it is a party, and the performance by

JEBPO of its obligations thereunder), (b) the implementation of the Recapitalization Plan and (c) the issuance of the $15 Million Subordinated Note, each as of the Closing Date;

(8) the Agent, the Senior Administrative Agent and the other parties thereto shall have executed and delivered the Senior Subordination Agreement, in form and substance satisfactory to the Lenders;

(9) the Agent will have received a duly executed confirmation from the trustee of the $15 Million Subordinated Note in favour of the Agent that the Obligations constitute "Senior Indebtedness" under the $15 Million Subordinated Note Indenture, in form and substance satisfactory to the Lenders;

(10) a currently dated certificate of the Borrower that the representations and warranties set forth in Section 7.01 are true and correct (subject to any materiality thresholds contained therein) as at such time and a Compliance Certificate dated as of the Closing Date demonstrating, among other things, pro forma compliance with the financial covenants set out in Section 8.02 of this Agreement will each have been delivered to the Agent;

(11) releases and discharges (or written authorizations to discharge from the applicable Encumbrance holder in form acceptable to the Agent) with respect to all Encumbrances which are not Permitted Encumbrances, if any, will have been delivered to the Agent;

(12) no Event of Default or Pending Event of Default has occurred and is continuing on the Closing Date;

(13) a currently dated letter of opinion of Borrower's Counsel along with the opinions of local counsel as required for each Restricted Subsidiary, each in form and substance satisfactory to the Lenders and the Lenders' Counsel will have been delivered to the Agent and the Lenders as addressees;

(14) no Material Adverse Effect shall have occurred since March 31, 2020**;**

(15) the Agent and the Lenders will have received, or arrangements satisfactory to the Agent and the Lenders shall have been made to ensure that they will receive, all fees and expenses due under the Loan Documents or as otherwise agreed to with the Borrower pursuant to any fee letters or other agreements between such parties;

(16) the Borrower will have paid, or arrangements satisfactory to the Agent and the Lenders shall have been made to ensure that the Borrower will pay, all reasonable out-of-pocket expenses (including all reasonable legal fees and consultant's fees) incurred by or on behalf of the Agent in connection with this Agreement and the transactions and other documents contemplated by this Agreement;

(17) all "Know Your Client", anti-money laundering, anti-terrorism or similar identification information required by the Agent or any of the Lenders shall have been provided by the Borrower (and the Restricted Subsidiaries, if necessary);

(18) no "Pending Event of Default" or "Event of Default" under the Senior Credit Agreement has occurred and is continuing (as defined therein);

(19) the Agent will have received such additional evidence, documents or undertakings as the Lenders will reasonably request to establish the consummation of the transactions contemplated hereby and be satisfied, acting reasonably, as to the taking of all proceedings in connection herewith in compliance with the conditions set forth in this Agreement,

provided that all documents delivered pursuant to this Section 3.01 will be in full force and effect, and in form and substance satisfactory to the Agent and the Lenders, acting reasonably.

3.02 Waiver

The conditions set forth in Section 3.01 are inserted for the sole benefit of the Agent and Lenders and may be waived by the Agent and Lenders in accordance with the terms of Section 11.09, in whole or in part (with or without terms or conditions).

3.03 Amendment and Restatement

On and as of the Closing Date, this Agreement shall amend and restate the Original Loan Agreement in its entirety and the Original Loan Agreement as so amended and restated is hereby ratified and confirmed by the parties hereto. This Agreement is not intended by the parties to, and shall not constitute, a payment, discharge, satisfaction or novation of any obligation of the Borrower to any of the Agent or Lenders, including the whole or any item or part of the Obligations (as defined in the Original Loan Agreement) remaining outstanding and owing to any of the Agent or Lenders until paid in full in accordance with the provisions of this Agreement. The Borrower hereby confirms to and agrees with the Agent that its Obligations (as defined in the Original Loan Agreement) shall continue in full force and effect in accordance with their respective terms (amended and restated, as applicable, by this Agreement). With effect from and as of the Closing Date, each Advance outstanding under the Loan Facility (as each such term is defined in the Original Loan Agreement) immediately before the Closing Date shall continue as a term loan outstanding under the Loan Facility, respectively, under this Agreement. At or before the Closing Date, the Agent (in reliance on the Court order and in consultation with the Lenders) will determine and notify the Borrower and the Lenders of the amounts of all interest, fees and other amounts accrued and payable under the Original Loan Agreement to the Agent and the Lenders (each as defined in the Original Loan Agreement) as at the Closing Date and specify the date each such amount should be paid. The Borrower shall pay such amounts to the Agent on the date so specified.

ARTICLE 4
PAYMENTS OF INTEREST AND FEES

4.01 Interest on Advances

(1) From and after the Closing Date until December 31, 2021 and any time thereafter when Section 4.01(2) and 4.01(3) do not apply, the Advances shall accrue interest in US Dollars at a rate per annum equal to the Interest Rate, which interest will be calculated on the principal

amount of all Advances outstanding during such period (including for certainty all PIK Interest and PIK Fees added to the principal of the Advances) on the basis of a year of 360 days and such interest shall be capitalized in arrears on each Interest Payment Date and added to the principal amount of the Advances for the period from and including the preceding Interest Payment Date to and including the day preceding such Interest Payment Date until the date that all Obligations are repaid in full to the Lenders.

(2) If a Compliance Certificate delivered to the Agent on or after December 31, 2021 confirms that the Leverage Ratio Test has been met, and if the Liquidity Test is met on the applicable Interest Payment Date, then the Borrower shall be required to pay interest on the Advances in US Dollars at a rate per annum equal to the Interest Rate, calculated as set out above and payable in arrears on the next following Interest Payment Date for the period from and including the Interest Payment Date immediately preceding the delivery of such Compliance Certificate to and including the day preceding the Interest Payment Date immediately following the delivery of such Compliance Certificate as follows:

(a) With respect to the Interest Payment Date that is March 31, 2022, 50% of the interest accrued and owing on such date shall be paid in cash and 50% shall be capitalized and added to the principal amount of the Advances;

(b) With respect to the Interest Payment Date that is September 30, 2022, 50% of the interest accrued and owing on such date shall be paid in cash and 50% shall be capitalized and added to the principal amount of the Advances;

(c) With respect to the Interest Payment Date that is March 31, 2023, 100% of the interest accrued and owing on such date shall be paid in cash; and

(d) With respect to the Interest Payment Date that is September 30, 2023 and thereafter on each Interest Payment Date, 100% of the interest accrued and owing on such date shall be paid in cash.

(3) Upon the repayment in full of the Senior Credit Agreement (or the replacement or refinancing thereof), the Leverage Ratio Test shall be deemed to have been met and be continuing and the Liquidity Test shall be deemed to have been met and all interest payable under this Section 4.01 shall be paid in cash in arrears on each following Interest Payment Date for the period from and including the preceding Interest Payment Date to and including the day preceding the Interest Payment Date until the date that all Obligations are repaid in full to the Lenders and will be calculated on the principal amount of all Advances outstanding during such period (including for certainty all PIK Interest and PIK Fees added to the principal of the Advances) on the basis of a year of 360 days.

4.02 No Set-Off, Deduction etc.

All payments (whether interest or otherwise) to be made by the Borrower or any other party to each Lender pursuant to this Agreement are to be made in freely transferable, immediately available funds and without set-off or deduction of any kind whatsoever (whether for deemed re-investment or otherwise) except to the extent required by Applicable Law, and if any such set-off or deduction is so required and is made, the Borrower or other party will, as a

separate and independent obligation to each Lender, be obligated to immediately pay to each Lender all such additional amounts as may be required to fully indemnify and save harmless such Lender from such set-off or deduction and will result in the effective receipt by such Lender of all the amounts otherwise payable to it in accordance with the terms of this Agreement. For greater certainty, the Borrower will not be required to make any payment under this Section 4.02 in duplication of any payment required to be made under Section 12.01 or to the extent expressly excluded in Section 12.01.

4.03 Fees

(1) The Borrower will pay to the Agent for the account of the Original Lenders, as applicable, the Yield Enhancement Payments in the amounts, and on the terms and conditions, set out in the Payment Letter, as amended by this Section 4.03, or as otherwise agreed to in writing from time to time by the Original Lenders and the Borrower. Three weeks prior to any applicable Yield Enhancement Payment or Annual Yield Enhancement Payment, the Original Lenders will confirm to the Agent the amount of the applicable Yield Enhancement Payment or Annual Yield Enhancement Payment and provide the corresponding calculations in support of this amount.

(2) Notwithstanding any other provisions of the Payment Letter or any other Loan Document, from and after the Closing Date until December 31, 2021 and any time thereafter when Section 4.03(3) and 4.03(4) do not apply, all Yield Enhancement Payments shall be capitalized in arrears on each Payment Date for the period from and including the preceding Payment Date to and including the day preceding such Payment Date and paid by adding such Yield Enhancement Payments to the outstanding principal amount of the Advances owing to the Original Lenders on a rateable basis in accordance with the terms of the Payment Letter.

(3) If a Compliance Certificate delivered to the Agent on or after December 31, 2021 confirms that a Leverage Ratio Test has been met, and the Liquidity Test is met on the applicable Payment Date, the Borrower shall be required to pay the Yield Enhancement Payments to the Agent for the account of the Original Lenders only, on the next following Payment Date for the period from and including the Payment Date immediately preceding the delivery of such Compliance Certificate to and including the day preceding the Payment Date immediately following the delivery of such Compliance Certificate as follows:

(a) With respect to the Payment Date that is September 30, 2022, 50% of the Yield Enhancement Payments owing on such date shall be paid in cash and 50% shall be capitalized and added to the outstanding principal amount of the Advances; and

(b) With respect to the Payment Date that is September 30, 2023 and thereafter on each following Payment Date, 100% of the Yield Enhancement Payments owing on such date shall be paid in cash.

(4) Upon the repayment in full of the Senior Credit Agreement (or the replacement or refinancing thereof), the Leverage Ratio Test shall be deemed to have been met and be continuing and the Liquidity Test shall be deemed to have been met and all Yield Enhancement

Payments payable under the Payment Letter shall thereafter be paid in cash in accordance with the terms of the Payment Letter.

(5) For greater certainty, the Payment Letter and any other written arrangements between the Agent and the Borrower respecting fees will constitute Loan Documents, will survive the execution of this Agreement and will in all respects remain operative and binding on the Borrower. All references in the Payment Letter to the "Closing Date" shall be deemed to be a reference to the Original Closing Date. All references in the Payment Letter to the "Payment Date" shall be deemed to be a reference to September 30 of each calendar year while Yield Enhancement Payments remain payable thereunder, provided that any cash payment of a Yield Enhancement Payment may be made within two (2) Business Days of such Payment Date until such time as the Senior Credit Agreement is repaid in full (or the replacement or refinancing thereof). All references in the Payment Letter to "Lenders" or "Lender" shall be deemed to be a reference to the Original Lenders or an Original Lender, as the case may be.

(6) The Borrower agrees that the Yield Enhancement Payments payable in accordance with Section 4.03(2) on September 30, 2020 shall be grossed up to include the additional days in such period that will have elapse due to the extension of the Payment Date from September 12, 2020 to September 30, 2020.

4.04 [Reserved]

4.05 Account of Record

The Agent will open and maintain books of account evidencing all Advances and all other amounts owing by the Borrower to the Lenders hereunder. The Agent will enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrower hereunder. The information entered in the foregoing accounts will constitute *prima facie* evidence of the obligations of the Borrower to the Lenders hereunder with respect to all Advances and all other amounts owing by the Borrower to the Lenders hereunder. After a request by the Borrower, the Agent will promptly advise the Borrower of such entries made in the Agent's books of account.

4.06 Notes

The Borrower agrees that, upon request to the Agent by any Lender, in order to evidence such Lender's pro rata portion of each Advance, the Borrower will execute and deliver to such lender a promissory note substantially in the form of Schedule 4.06 (each as amended, supplemented, replaced or otherwise modified from time to time, a "**Note**") in each case with appropriate insertions therein as to payee, date and principal amount, payable to such Lender. Each Note shall be dated the date of the initial Advance and may be updated from time to time to reflect any PIK Interest applicable to such Advance.

4.07 Maximum Rate of Interest

Notwithstanding anything herein or in any of the other Loan Documents to the contrary, in the event that any provision of this Agreement or any other Loan Documents would oblige the Borrower to make any payment of interest or other amount payable to the Agent or the

Lenders in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Agent or the Lenders of interest at a criminal or prohibited rate (as such terms are construed under the *Criminal Code* (Canada) or any other Applicable Law), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with the same effect as if adjusted at the Closing Date to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Agent or the Lenders of interest at a criminal or prohibited rate, such adjustment to be effected to the extent necessary in each case, as follows:

(a) by reducing any fees and other amounts which would constitute interest for the purposes of Section 347 of the *Criminal Code* (Canada) or any other Applicable Law; and

(b) by reducing the amount or rate of interest exigible under Article 4 of this Agreement; and

any amount or rate of interest referred to in this Section 4.07 shall be determined in accordance with generally accepted actuarial practices and principles over the maximum term of this Agreement (or over such shorter term as may be required by Section 347 of the *Criminal Code* (Canada) or any other Applicable Law) and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Agent shall be conclusive for the purposes of such determination, absent manifest error.

ARTICLE 5
REPAYMENT

5.01 Mandatory Repayment of Principal at Maturity or on a Change of Control

Subject to the terms hereof, the Borrower will repay all Obligations in connection with the Loan Facility, including, for certainty, all accrued interest, fees (including Yield Enhancement Payments), and other amounts then unpaid by it (including, in each case below, the Prepayment Fee) in full on the earliest to occur of (a) a Change of Control, (b) the Maturity Date or (c) the date of the acceleration of the Obligations pursuant to Section 9.02 of this Agreement; and the Loan Facility will be automatically terminated on the Maturity Date.

5.02 Voluntary Repayments

(1) Subject to the terms hereof, the Borrower may prepay the Advances at any time in a minimum amount of **[Dollar Amount Redacted]**, subject to the concurrent payment to the Lenders of a prepayment fee of **[Percentage Redacted]** of such prepayment amount (the "**Prepayment Fee**"), together with all accrued and unpaid interest thereon, provided that the Agent receives a Repayment Notice at least thirty (30) days prior to such prepayment and if such prepayment would result in the aggregate principal amount of the Advances outstanding being less than **[Dollar Amount Redacted]**, such prepayment shall be required to be increased to the amount that is the then outstanding Advances.

Any amounts prepaid or repaid shall not be reborrowed. All amounts prepaid or repaid shall be applied (a) firstly, in reduction of accrued and unpaid interest and all other amounts then

outstanding (other than the principal amount of the Obligations), and (b) thereafter, in reduction of the principal amount of the Obligations being prepaid or repaid.

ARTICLE 6
PLACE AND APPLICATION OF PAYMENTS

6.01 Place of Payment of Principal, Interest and Fees

All payments by the Borrower under any Loan Document, unless otherwise expressly provided in such Loan Document, will be made to the Agent in US Dollars at the Agent's Payment Location, or at such other location as may be agreed upon by the Agent and the Borrower**,** for the account of the Lenders entitled to such payment, not later than 10:00 (Toronto time) for value on the date when due, and will be made in immediately available funds without set-off or counterclaim.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.01 Representations and Warranties

The Borrower represents and warrants to the Agent and to each of the Lenders and acknowledges and confirms that the Agent and each of the Lenders is relying upon such representations and warranties:

(1) Existence and Qualification. Each Obligor (i) has been duly incorporated, formed, amalgamated, merged or continued, as the case may be, and is validly subsisting as a corporation, company, limited liability company, partnership or trust, under the laws of its jurisdiction of formation, amalgamation, merger or continuance, as the case may; and (ii) is duly qualified, in good standing and has all required Material Licences to carry on its business in each jurisdiction in which the nature of its business requires qualification to the extent necessary to carry on its business.

(2) Power and Authority. Each Obligor has the corporate, trust, company, limited liability company or partnership power and authority, as the case may be, (i) to enter into, and to exercise its rights and perform its obligations under, the Loan Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Loan Documents, and (ii) to own its Property and carry on its business as currently conducted and as currently proposed to be conducted by it.

(3) Execution, Delivery, Performance and Enforceability of Documents. The execution, delivery and performance of each of the Loan Documents to which each Obligor is a party, and every other instrument or agreement delivered by an Obligor pursuant to any Loan Document has been duly authorized by all corporate, trust, company or partnership actions required, and each of such documents has been duly executed and delivered. Each Loan Document to which any Obligor is a party constitutes the legal, valid and binding obligations of such Obligor, enforceable against such Obligor in accordance with its terms (except, in any case, as such enforceability may be limited by applied bankruptcy, insolvency, reorganization or

other laws of general application limiting creditors' rights generally and by principles of equity).

(4) Loan Documents Comply with Applicable Laws, Organizational Documents and Contractual Obligations. The execution or delivery of, the consummation of the transactions contemplated in, or compliance with the terms, conditions and provisions of any of, the Loan Documents by any Obligor, does not conflict with or will not conflict with, or does not result or will not result in any breach of, or will not constitute a default under or contravention of, (a) any Obligors' Organizational Document, (b) any Material Contract or Material Licence, or (c) any Requirement of Law other than immaterial breaches.

(5) Consent Respecting Loan Documents. Each Obligor has, obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required with Governmental Authorities, third parties or otherwise to enable it to execute and deliver each of the Loan Documents to which it is a party and to consummate the transactions contemplated in the Loan Documents, other than the approvals, clarifications or authorizations of the Governmental Authorities (including, without limitation, the Reserve Bank of India) required under the laws of India for the execution and delivery by JEBPO of the Guarantee and the Loan Documents to which it is a party, and the performance by JEBPO of its obligations thereunder.

(6) Taxes. Except as set forth on Schedule 7.01(6), each Obligor has paid or made adequate provision for the payment of all Taxes levied on its Property or income which are due and payable, or has accrued such amounts in its financial statements for the payment of such Taxes, except for charges, fees or dues which are not material in amount, which are not delinquent or if delinquent are being contested, and in respect of which non-payment would not individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect, and there is at the date given no material action, suit, proceeding, investigation, audit or claim now pending, or to its knowledge, threatened by any Governmental Authority regarding any Taxes, nor has it or any other Obligor agreed to waive or extend any statute of limitations with respect to the payment or collection of Taxes.

(7) Judgments, Etc. At the date given, no Obligor is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) which has not been lifted or stayed or of which enforcement has not been suspended for a period of 15 days or more in an amount (individually or in the aggregate for all Obligors) in excess of the lesser of (a) **[Dollar Amount Redacted]** and (b) **[Percentage Redacted]** of EBITDA (calculated on a last twelve months basis).

(8) Absence of Litigation. There are no actions, suits or proceedings pending or, to the best of its knowledge and belief, after due inquiry and all reasonable investigation, threatened against or involving any Obligor which would reasonably be expected to have a Material Adverse Effect, other than in respect of which the Agent has been provided notice of pursuant to Section 8.01(11).

(9) **[Reserved]**

(10) [**Reserved**]

(11) **[Reserved]**

(12) Insurance. Each Obligor maintains insurance which is in full force and effect that complies with all material respects of the requirements of this Agreement.

(13) **[Reserved]**

(14) Compliance with Laws. No Obligor is in material violation of any material Applicable Law or material Applicable Order, subject to the provisions of Section 7.01(28), in the case of Requirements of Environmental Law.

(15) No Event of Default or Pending Event of Default. Neither any Event of Default nor any Pending Event of Default has occurred and is continuing.

(16) Corporate Structure. The corporate structure of the Borrower and its Subsidiaries is as set out in Schedule 7.01(16) (as updated pursuant to Section 8.05 from time to time), which Schedule contains:

(a) *Complete Names.* A complete and accurate list of the full and correct name of each Obligor referenced in this Section 7.01(16) (including any French and English forms of name) and the jurisdiction of incorporation or formation of each such Obligor.

(b) *Designation*: A designation of each Subsidiary of the Borrower as either a Restricted Subsidiary or an Unrestricted Subsidiary.

(17) **[Reserved]**

(18) Obligors. Each Obligor either carries on their Business in Canada, the United States, or India or carries on no business other than being a holding entity.

(19) Relevant Jurisdictions. Schedule 7.01(19) (as amended from time to time) identifies, in respect of each Obligor, the Relevant Jurisdictions as at the date given including each Obligor's jurisdiction of formation and organizational registration number (if any), its full address (including postal code or zip code), chief executive office, registered office and all places of business and, if the same is different, the address at which the books and records of such Obligor are located.

(20) **[Reserved]**

(21) **[Reserved]**

(22) Material Contracts and Material Licences.

(23) To the Borrower's knowledge, no event has occurred and is continuing which would constitute a breach of or a default under any Material Contract or Material Licence which would reasonably be expected to have a Material Adverse Effect on the Obligors and each Material Contract is binding upon the Obligor party thereto.

(24) Financial Year End. Its financial year end is March 31, or following written notice delivered in accordance with Section 8.04(12), December 31.

(25) Financial Information. All of the financial statements which have been furnished to the Agent and the Lenders, or any of them, in connection with this Agreement are complete in all material respects and such financial statements fairly present the results of operations and financial position of the of the Borrower and its Restricted Subsidiaries as of the dates referred to therein and have been prepared on a Modified Consolidated Basis, except that, in the case of quarterly financial statements, notes to the statements and audit adjustments required by GAAP are not included. All other financial information (including, without limitation the Operating Budget and the Borrower's projected summary of anticipated Available Supply and Supply Commitments) provided to the Agent and the Lenders as of the date prepared (a) were based on reasonable assumptions and expectations and represent reasonable good faith estimates and (b) were believed to be achievable.

(26) Liabilities. No Obligor has any liabilities, whether accrued, absolute, contingent or otherwise, of any kind or nature whatsoever, except (i) as disclosed in the financial statements most recently delivered under Section 8.03; (ii) as incurred after the date of such financial statements and are permitted to be incurred hereunder; (iii) as incurred in the ordinary course of business of an Obligor; provided that, in respect this clause (iii), such liabilities: (x) are not material to the Business, (y) are not required in accordance with GAAP to be disclosed in such Obligor's financial statements referred to in clause (i) above and (z) are not incurred in violation of this Agreement, and (iv) for liabilities consented to by the Agent on behalf of the Majority Lenders.

(27) No Material Adverse Effect. Since the date of the Borrower's most recent financial statements provided to the Agent, there has been no condition (financial or otherwise), event or change in its business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect nor, to the Borrower's knowledge, has there been any condition, event or change to the credit rating of Shell Energy or any material LDC which would reasonably be expected to have a Material Adverse Effect.

(28) Environmental. (a) No Obligor is subject to any civil or criminal proceeding relating to Requirements of Environmental Laws and is not aware of any investigation or threatened proceeding or investigation, (b) each Obligor has all material permits, licenses, registrations and other authorizations required by the Requirements of Environmental Laws for the operation of its business and the properties which it owns, leases or otherwise occupies, (c) each Obligor currently operates its business and its properties (whether owned, leased or otherwise occupied) in compliance in all material respects with all applicable material Requirements of Environmental Laws, (d) no Hazardous Substances are stored or disposed of

by any Obligor or otherwise used by an Obligor in violation of any applicable Requirements of Environmental Laws (including, without limitation, there has been no Release of Hazardous Substances by any Obligor at, on or under any property now or previously owned or leased by the Borrower or any of their Subsidiaries), (e) except as disclosed in the environmental reports identified on Schedule 7.01(28), to the knowledge of the Borrower (i) all underground storage tanks now or previously located on any real property owned or leased by it have been operated, maintained and decommissioned or closed, as applicable, in compliance with applicable Requirements of Environmental Law; and (ii) no real property or groundwater in, on or under any property now or previously owned or leased by any Obligor is or has been during such Obligor's ownership or occupation of such property contaminated by any Hazardous Substance except for any contamination that would not reasonably be expected to give rise to material liability under Requirements of Environmental Laws nor, to the best of its knowledge, is any such property named in any list of hazardous waste or contaminated sites maintained under the Requirements of Environmental Law.

(29) CERCLA. No portion of any Obligor's Property has been listed, designated or identified in the National Priorities List or the CERCLA Information System both as published by the United States Environmental Protection Agency, or any similar list of sites published by any federal, state or local authority proposed for requiring clean up or remedial or corrective action under any Requirements of Environmental Laws.

(30) Canadian Welfare and Pension Plans. The Borrower has adopted all Canadian Welfare Plans and all Canadian Pension Plans in accordance with Applicable Laws and each such plan has been maintained and is in compliance in all material respects with its terms and such laws including, without limitation, all requirements relating to employee participation, funding, investment of funds, benefits and transactions with the Obligors and persons related to them. As of the Closing Date and at no time preceding the Closing Date has any Obligor maintained, sponsored, administered, contributed to, or participated in a Specified Canadian Pension Plan. With respect to Canadian Pension Plans: (a) no steps have been taken to terminate any Canadian Pension Plan (wholly or in part) which could result in any Obligor being required to make an additional contribution in excess **[Dollar Amount Redacted]** to the Canadian Pension Plan; (b) no contribution failure in excess of **[Dollar Amount Redacted]** has occurred with respect to any Canadian Pension Plan sufficient to give rise to a lien or charge under any applicable pension benefits laws of any other jurisdiction; and (c) no condition exists and no event or transaction has occurred with respect to any Canadian Pension Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**. No Obligor has a contingent liability in excess of **[Dollar Amount Redacted]** with respect to any post-retirement benefit under a Canadian Welfare Plan. With respect of each Canadian Pension Plan: (a) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made to the appropriate funding agency in material compliance with all Applicable Laws and the terms of each Canadian Pension Plan have been made in accordance with all Applicable Laws and the terms of each Canadian Pension Plan; and (b) no event has occurred and no conditions exist with respect to any Canadian Pension Plan that has resulted or could reasonably be expected to result in any Canadian Pension Plan being the subject of a requirement to be wound up (wholly or in part) by any applicable regulatory authority, having its registration revoked or refused by any

applicable regulatory authority or being required to pay any taxes or penalties under any applicable pension benefits or tax laws.

(31) ERISA Plans. (a) Each ERISA Plan of any Obligor carrying on business in the United States has been maintained and is in compliance in all material respects with Applicable Laws including, without limitation, all requirements relating to employee participation, investment of funds, benefits and transactions with the Obligors and persons related to them, (b) with respect to such ERISA Plans: (i) no condition exists and no event or transaction has occurred with respect to any such ERISA Plan that is reasonably likely to result in any Obligor, to the best of its knowledge, incurring any liability, fine or penalty in excess of the US$ Equivalent Amount of **[Dollar Amount Redacted]**; and (ii) no Obligor carrying on business in the United States has a contingent liability with respect to any post-retirement benefit under a US Welfare Plan in excess of the US$ Equivalent Amount of **[Dollar Amount Redacted]**, (c) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made have been made in accordance with all Applicable Laws and the terms of each ERISA Plan, (d) each of the ERISA Plans that is intended to be "qualified" within the meaning of Section 401(a) of the Code (i) has received a favourable determination letter from the IRS, (ii) is or will be the subject of an application for a favourable determination letter, and no circumstances exist that has resulted or could reasonably be expected to result in the revocation or denial of any such determination letter, or (iii) is entitled to rely on an appropriately updated prototype plan document that has received a national office determination letter and has not applied for a favourable determination letter of its own and (e) no Obligor carrying on business in the United States has any US Pension Plans and no multiemployer plans as defined in Section 4001(a)(3) of ERISA are maintained by any Obligor or to their knowledge have been maintained by any member of any Obligor's Controlled Group.

(32) Not an Investment Company. No Obligor is an "investment company" or a company "controlled" by an "investment company" within the meaning of the United States Investment Company Act of 1940 or a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a holding company, or of a "subsidiary company" of a "holding company", within the meaning of the United States Public Utility Holding Company Act of 2005.

(33) No Margin Stock. No Obligor is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock. None of the proceeds of any Advance will be used to purchase or carry, or to reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System of the United States) or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(34) Full Disclosure. All information provided or to be provided by or on behalf of any Obligor to the Agent and the Lenders in connection with the Loan Facility (including with respect to the creditworthiness of Shell Energy and the LDCs) was or will be at the time prepared, to its knowledge, true and correct in all material respects and none of the documentation furnished to the Agent and the Lenders by or on behalf of any Obligor, to its knowledge, omitted or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of

expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it at the time made (and, to its knowledge any other Person who furnished such material on behalf of them).

(35) Insolvency. From and after the Closing Date, no Obligor, nor any of its predecessors where applicable, (i) has committed any act of bankruptcy; (ii) is insolvent, or has proposed, or given notice of its intention to propose, a compromise or arrangement pursuant to any bankruptcy or insolvency law to its creditors generally; (iii) has any petition for a receiving order in bankruptcy filed against it (unless it has been discharged or dismissed or it is being contested actively and diligently in good faith by appropriate and timely proceedings and is dismissed, vacated or permanently stayed within 15 days of knowledge by such Obligor of its institution), made a voluntary assignment in bankruptcy, taken any proceeding with respect to any compromise or arrangement pursuant to any bankruptcy or insolvency law, taken any proceeding to have itself declared bankrupt or wound-up, taken any proceeding to have a receiver appointed of any part of its assets, or has had any Encumbrancer take possession of any material part of its Property; or (iv) has had an execution or distress claiming payment in excess of **[Dollar Amount Redacted]** become enforceable or become levied on any of its Property which has not been satisfied.

(36) Non-Arm's Length Transactions. All agreements, arrangements or transactions between any Obligor, on the one hand, and any Associate of, Affiliate of or other Person not dealing at Arm's Length with such Obligor, on the other hand (other than another Obligor), in existence at the date hereof are set forth on Schedule 7.01(36) or are otherwise permitted pursuant to Section 8.04(20).

(37) Solvency. Immediately after the making of each Advance to the Borrower, and after giving effect to the application of the proceeds of such Advances, (i) the fair value of the assets of each Obligor, at a fair valuation, will exceed the debts and liabilities, subordinated, contingent or otherwise, of each Obligor; (ii) the present fair saleable value of the Property of each Obligor will be greater than the amount that will be required to pay the probable liability of each Obligor on its debts and other liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; (iii) each Obligor will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) each Obligor, if required pursuant to Applicable Law, will not have unreasonably small capital with which to conduct the businesses in which it is engaged as such businesses are now conducted and are proposed to be conducted after the date hereof.

(38) Debt. No Obligor has any Debt that is not Permitted Debt.

(39) **[Reserved]**

(40) Schedules. The information contained in each Schedule attached hereto is as at the date hereof, or at the time a replacement thereof is provided to the Agent or the Lenders pursuant hereto, will be true, correct and complete in all material respects.

(41) **[Reserved]**

(42) **[Reserved]**

(43) Sanctions. It is not in violation of, in any material respect, any of the country or list based economic and trade sanctions administered and enforced by OFAC, or any Sanctions Laws. As of the date of this Agreement, no Obligor (i) is a Sanctioned Person or (ii) is a Person designated under Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 or other Sanctions Laws. If a senior officer of any Obligor receives any written notice that any Obligor, any Affiliate or any Subsidiary of any Obligor is named on the then current OFAC SDN List or is otherwise a Sanctioned Person (such occurrence, a "**Sanctions Event**"), such Obligor shall promptly (i) give written notice to the Agent and the Lenders of such Sanctions Event, and (ii) comply in all material respects with all applicable laws with respect to such Sanctions Event (regardless of whether the Sanctioned Person is located within the jurisdiction of the United States of America or Canada), and each Obligor hereby authorizes and consents to the Agent and the Lenders taking any and all steps the Agent, acting on written instructions from the Lenders, or the Lenders, in their sole but reasonable discretion, deem necessary, to avoid violation of, in any material respect, all applicable laws with respect to any such Sanctions Event.

(44) Anti-Corruption Laws. No part of the proceeds of the Advances shall be used, directly or, to the Borrower's knowledge, indirectly: (a) to offer or give anything of value to any official or employee of any foreign government department or agency or instrumentality or government-owned entity, to any foreign political party or party official or political candidate, or to anyone else acting in an official capacity, in order to obtain, retain or direct business, or obtain any improper advantage, in material violation of any Anti-Corruption Law.

(45) Anti-Terrorism Laws. To the extent applicable, each Obligor is in compliance, in all material respects, with (i) the U.S. Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (ii) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (United States), as amended (the "**Patriot Act**"); and (iii) *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (collectively with clauses (i) and (ii) above, the "**Anti-Terrorism Laws**"). The use of the proceeds of the Advances will not violate, in any material respect, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto, in any material respect.

(46) Reporting Issuer. The Borrower is a reporting issuer, as defined under applicable Canadian securities laws, in all of the provinces and territories of Canada and is not in default in any material respect under any requirement of applicable Canadian or U.S. securities laws. The Borrower is in compliance in all material respects with the rules and regulations of the Toronto Stock Exchange and the New York Stock Exchange.

7.02 Survival and Repetition of Representations and Warranties

The representations and warranties set out in Section 7.01 will be repeated (i) in each Compliance Certificate delivered pursuant to Section 8.03(2)(b), (ii) as of the date of each request for a new Advance by the Borrower, and (iii) in accordance with Section 8.05 in

connection with the designation of Restricted Subsidiaries and Unrestricted Subsidiaries; except in any such case to the extent that on or prior to such date the Borrower advises the Agent in writing of the variation in any such representation or warranty as of such date; and provided further that such disclosure will not excuse any breach of covenant or Event of Default arising hereunder other than as a result of the incorrectness of such representation and warranty.

ARTICLE 8
COVENANTS

8.01 Positive Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, the Borrower will and will cause each other Obligor to:

(1) Timely Payment. Make due and timely payment of the Obligations required to be paid by it hereunder and under each other Loan Document.

(2) Conduct of Business, Maintenance of Existence, Compliance with Laws. (a) engage in business of the same general type as now conducted by it; (b) carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; (c) except as otherwise permitted by Section 8.04(2), preserve, renew and keep in full force and effect its existence; (d) take all action necessary to maintain all material registrations, material Intellectual Property, Material Contracts, Material Licenses, material rights, material privileges and franchises necessary or desirable in the normal conduct of its business; and (e) comply in all material respects with all Requirements of Law, including without limitation, Requirements of Environmental Law.

(3) Further Assurances. Provide the Agent and the Lenders with such other documents, opinions, consents, acknowledgements and agreements as are reasonably necessary to implement this Agreement, the other Loan Documents and are required by the Agent from time to time.

(4) **[Reserved]**

(5) Access to Information. Promptly provide the Agent with all information reasonably requested by the Agent for and on behalf of the Lenders from time to time concerning its financial condition, and during normal business hours and from time to time upon reasonable notice, permit representatives of the Agent, and the Lenders if accompanied by the Agent, to examine and take extracts from its financial books, accounts and records including but not limited to accounts and records stored in computer data banks and computer software systems, and to discuss its financial affairs and its business with its senior officers and (in the presence of such of its representatives as it may designate) its auditors. If an Event of Default or a Pending Event of Default has occurred and is continuing, the Borrower will pay all reasonable expenses incurred by such representatives in order to visit the Borrower's premises or attend at its and each other Obligor's principal office, as applicable, for such purposes.

(6) Payment Obligations. Pay or discharge, or cause to be paid or discharged (i) before the same become delinquent (A) all Taxes imposed upon it or upon its income or profits or in respect of its business or Property and file all tax returns in respect thereof and (B) all required payments under any of its Debt and (ii) in a timely manner in accordance with prudent business practices (A) all lawful claims for labour, materials and supplies, and (B) all other material obligations the failure of which would reasonably be expected to result in an Event of Default; provided, however that it will not be required to pay or discharge or to cause to be paid or discharged any such amount referred to in clauses (i) and (ii) so long as the validity or amount thereof is being contested in good faith by appropriate proceedings and an adequate reserve in accordance with GAAP and satisfactory to the Agent, acting reasonably, has been established in its books and records.

(7) **[Reserved].**

(8) Insurance. Maintain or cause to be maintained with reputable insurers, coverage against risk of loss or damage to its Property (including public liability and damage to property of third parties), business interruption insurance, fire and extended peril insurance and boiler and machinery insurance of such types as is customary for and would be maintained by a corporation with an established reputation engaged in the same or similar business in similar locations.

(9) Notice of Event of Default or Pending Event of Default. Promptly notify the Agent of any Event of Default or Pending Event of Default that would apply to it or to any Obligor of which it becomes aware.

(10) Notice of Material Adverse Effect. Promptly notify the Agent of any condition (financial or otherwise), event or change in its or any other Obligor's business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect.

(11) Notice of Litigation. Diligently defend itself and its properties from and against any lawsuits or claims in accordance with prudent business practice and promptly notify the Agent on becoming aware of the occurrence of any litigation, dispute, arbitration, proceeding or other circumstance (including, without limitation, any such dispute with Shell Energy or any LDC) the result of which if determined adversely would be a judgment or award against it (i) in excess of **[Dollar Amount Redacted]** or (ii) would reasonably be expected to result in a Material Adverse Effect to it, and (A) from time to time provide the Agent with all reasonable information requested by the Agent concerning the status of any such proceeding and (B) provide the Agent semi-annually in March and September of each year, a written update prepared by internal counsel to the Borrower in respect of each such proceeding in excess of **[Dollar Amount Redacted]**.

(12) Other Notices. Promptly, upon having knowledge, give notice to the Agent on behalf of the Lenders of:

(a) any violation of any Applicable Law, Material Contract or Material Licence which does or could reasonably be expected to have a Material Adverse Effect; or

(b) any termination of or default under a Material Contract or Material Licence;

(c) any change in the regulatory framework relating to the energy market which is materially adverse to the Business taken as a whole, or could reasonably be expected to be materially adverse to the Business taken as a whole, with the passage of time;

(d) any entering into of a Material Contract or Material Licence, together with a true copy thereof; and

(e) any "Pending Event of Default" or "Event of Default" under the Senior Agreement (each as defined in the Senior Credit Agreement).

(13) **[Reserved]**

(14) **[Reserved]**

(15) Environmental Compliance. Operate its business in compliance in all material respects with all applicable material Requirements of Environmental Laws and operate all Property owned, leased or otherwise occupied by it with a view to ensuring that no material obligation, including a clean-up or remedial obligation, will arise in respect of an Obligor under any Requirements of Environmental Law; provided however, that if any such obligation arises, the applicable Obligor will promptly satisfy or contest such obligation at its own cost and expense. It will promptly notify the Agent, to the extent not disclosed as of the date hereof, upon (i) learning of the existence of Hazardous Substance located on, above or below the surface of any land which it owns, leases, operates, occupies or controls (except those being stored, used or otherwise handled in substantial compliance with applicable Requirements of Environmental Law), or contained in the soil or water constituting such land and (ii) the occurrence of any lawfully reportable release, spill, leak, emission, discharge, leaching, dumping or disposal of Hazardous Substances that has occurred on or from such land which, in either case, is likely to result in liability under Requirements of Environmental Law.

(16) **[Reserved]**

(17) **[Reserved]**

(18) ERISA Matters.

(a) Maintain each ERISA Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any US Pension Plan or multiemployer plan as defined in Section 4001(a)(3) of ERISA without the prior written consent of the Majority Lenders; and

(c) promptly notify the Agent on becoming aware of (i) the institution of any steps by any Person to terminate any US Pension Plan, (ii) the failure of any Obligor to make a required contribution to any US Pension Plan if such failure is sufficient

to give rise to an Encumbrance under Section 303(k) of ERISA, (iii) the taking of any action with respect to a US Pension Plan which is reasonably likely to result in the requirement that any Obligor furnish a bond or other security to the US Pension Benefit Guaranty Corporation under ERISA or such US Pension Plan, or (iv) the occurrence of any event with respect to any ERISA Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**, and following notice to the Agent thereof, provide copies of all documentation relating thereto if requested by the Agent.

(19) Canadian Pension Plans.

(a) maintain each Canadian Pension Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any Specified Canadian Pension Plan without the prior written consent of the Majority Lenders; and

(c) promptly notify the Agent on becoming aware of (i) the institution of any steps by any Person to terminate any Canadian Pension Plan, (ii) the failure of any Obligor to make a required contribution to any Canadian Pension Plan if such failure is sufficient to give rise to a deemed trust or lien under applicable pension benefits standards laws, or (iii) the occurrence of any event with respect to any Canadian Pension Plan or Canadian Welfare Plan which is reasonably likely to result in any Obligor incurring any liability, fine or penalty in excess of **[Dollar Amount Redacted]**, and following notice to the Agent thereof, provide copies of all documentation relating thereto if requested by the Agent.

(20) Employee Benefit and Welfare Plans. Maintain all employee benefit and Canadian Welfare Plans relating to the Business in compliance in all material respects with all Applicable Laws and ensure that all premiums and payments relating to employee benefits and pensions are paid as due.

(21) Additional Information. Upon request, promptly provide the Agent with copies of all "management letters" or other material letters submitted by independent public accountants in connection with audited financial statements described in Section 8.03 raising issues associated with the audit of the Obligors.

(22) LDC Agreements. Notify the Agent of any notices received from LDCs in connection with any collections, services, agreements or any Transportation Agreements, requests to increase the billing service amount under any Collection Services Agreements, offsets or material matters under any LDC Agreement, in each case which would reasonably be expected to have a Material Adverse Effect.

(23) No Supplier Recourse. Other than in connection with Financial Assistance which is permitted pursuant to Section 8.04(5), ensure that no supplier to any Unrestricted Subsidiary has any recourse to any Obligor.

(24) **[Reserved]**

(25) **[Reserved]**

(26) **[Reserved]**

(27) Reporting Issuer Status. Maintain the listing of the equity interests of the Borrower on the Toronto Stock Exchange and maintain the status of the Borrower as a reporting issuer under the Canadian securities laws of all of the provinces and territories of Canada in the which it is a reporting issuer as of the date of this Agreement.

(28) Proceeds of Disposition re ecobee Inc. or Filter Group. Apply the net proceeds of any Disposition referred to in paragraph (b) of the definition of Permitted Asset Dispositions to either: (i) a reduction of the Priority Supplier Payables (as defined in the Senior Credit Agreement); and/or (ii) a repayment of the Senior Credit Facility in accordance with Article 6 thereof, in each case promptly upon receipt of such proceeds.

(29) Board Nominee. In addition to such rights as the Lenders may have in relation to the Borrower's board of directors under any other agreement or in any other capacity, the Borrower shall ensure that there shall at all times be on its board of directors one nominee of the Majority Lenders unless the Majority Lenders agree otherwise.

(30) Alberta Utilities Commission Debt. Promptly upon the entering into of the agreements relating to the Alberta Utilities Commission Debt by the relevant Obligors and the other parties thereto, provide to the Agent certified copies of all such agreements and such other information and documentation with respect to the Alberta Utilities Commission Debt as may be reasonably requested by the Agent.

8.02 Financial Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders:

(1) Senior Debt to EBITDA Ratio. The Borrower, on a Modified Consolidated Basis, will ensure that the Senior Debt to EBITDA Ratio determined as at the last day of each Fiscal Quarter is not greater than set forth in table below in respect of the immediately preceding Four Quarter Period.

Fiscal Quarter	**Senior Debt to EBITDA Ratio**
September 30, 2020 - December 31, 2020	**[Redacted]**
March 31, 2021 - June 30, 2021	**[Redacted]**
September 30, 2021 - December 31, 2021	**[Redacted]**
March 31, 2022 - June 30, 2022	**[Redacted]**
September 30, 2022-Maturity Date	**[Redacted]**

(2) Minimum EBITDA. The Borrower, on a Modified Consolidated Basis, will maintain a minimum trailing Four Quarter Period EBITDA of **[Dollar Amount Redacted]** determined as at the last day of each Fiscal Quarter.

8.03 Reporting Requirements

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, the Borrower will:

(1) Annual Reports. As soon as available and in any event within 120 days after the end of each Fiscal Year, cause to be prepared and delivered to the Agent the audited consolidated financial statements of the Borrower, including, without limitation, a balance sheet, statement of equity, income statement and cash flow statement, certified by the chief financial officer of the Borrower.

(2) Quarterly Reports.

(a) As soon as available and in any event within 60 days of the end of each of its first three Fiscal Quarters of each Fiscal Year, cause to be prepared and delivered to the Agent as at the end of such Fiscal Quarter the unaudited interim consolidated financial statements of the Borrower, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of the Borrower.

(b) As soon as available and in any event within 60 days of the end of each Fiscal Quarter (including the fourth Fiscal Quarter), cause to be prepared and delivered to the Agent as at the end of such Fiscal Quarter the unaudited financial statements of the Borrower prepared on a Modified Consolidated Basis, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of the Borrower.

(3) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Sections 8.03(1) and (2) above, provide the Agent with a Compliance Certificate.

(4) Operating Budget. As soon as available and in any event not later than June 30 in each year for the next three Fiscal Years, provide to the Agent for the Lenders, the Operating Budget.

(5) Supply/Demand Projection. Within 30 days of the end of each Fiscal Quarter, cause to be prepared and delivered to the Agent a supply vs. demand summary in respect of the Obligors' projected next 12 months and the next 36 months anticipated Available Supply and Supply Commitments for natural gas, electricity and JustGreen Products, separately.

(6) Notice of default. Forthwith upon receipt, furnish to the Agent a copy of any notice of default, event of default or non-compliance which is executed by, sent or received by any Obligor in connection with the Senior Credit Agreement or the Intercreditor Agreement.

(7) Senior Credit Agreement. Forthwith upon delivery to the Senior Administrative Agent, a copy of the following reporting required to be delivered to the Senior Administrative Agent pursuant to the terms of the Senior Credit Agreement or to the Secured Parties pursuant to the Intercreditor Agreement (which is not otherwise already delivered to the Agent under the terms of this Agreement):

Monthly

(i) Priority Supplier Payables Certificate delivered pursuant to Section 9.03(10) of the Senior Credit Agreement;

(ii) Portfolio Reports – Natural Gas and Electricity delivered pursuant to Section 9.02(4) of the Intercreditor Agreement;

(iii) Mark To Market Report Electricity delivered pursuant to Section 9.02(4) of the Intercreditor Agreement;

Quarterly

(i) Borrowing Base Certificate together with Borrowing Base calculation delivered pursuant to Section 9.03(6) of the Senior Credit Agreement;

(ii) Hedging Exposure report delivered pursuant to Section 9.03(7) of the Senior Credit Agreement;

(iii) Portfolio Reports delivered report delivered pursuant to Section 9.03(9) of the Senior Credit Agreement; and

Semi-Annually

(i) Borrowing Base Key Assumptions report delivered pursuant to Section 9.03(6) of the Senior Credit Agreement.

(8) Risk Management Policy. Promptly notify the Agent of any changes or modifications to the risk management and hedging policy of the Obligors from that in effect on the Original Closing Date and promptly provide a copy of such change or modification.

(9) Sufficient Copies to Agent. Ensure that in complying with this Section 8.03, the Agent is supplied with such quantities of all materials as the Agent may require in order to distribute such materials to each of the Lenders and wherever possible, that electronic copies are sent which the Agent is then authorized to send electronically to the Lenders.

(10) Other Information. Deliver to the Agent (i) such other information relating to the conduct of business or financial condition of the Obligors as the Agent on behalf of the Lenders may reasonably request from time to time and (ii) such other materials as agreed to by the Lenders and the Borrower from time to time.

8.04 Negative Covenants

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, the Borrower will not and will ensure that each other Obligor will not:

(1) Disposition of Property. Except for Permitted Asset Dispositions, Dispose of, in one transaction or a series of transactions, all or any part of its Property, whether now owned or hereafter acquired.

(2) Fundamental Changes. Enter into any corporate transaction (or series of transactions), whether by way of arrangement, reorganization, consolidation, amalgamation, merger or otherwise, whereby all or substantially all of its undertaking and assets would become the property of any other Person or in the case of any amalgamation, the property of the continuing corporation resulting from the amalgamation, except that if at the time of and immediately after giving effect to the corporate transaction, no Event of Default will have occurred and be continuing, it may amalgamate or merge (including by way of a wind-up that is not as a result of an insolvency) with or transfer all or substantially all of its assets to the Borrower, any wholly-owned Subsidiary of the Borrower; provided that it provides the Agent with prior notice of any such transaction and upon any amalgamation or merger (except by way of a wind-up), the resulting company or the entity to whom the assets have been transferred, as applicable, delivers to the Agent a Guarantee and an assumption agreement pursuant to which the amalgamated or merged company or the entity to whom the assets have been transferred, as applicable, confirms its assumption of all of the obligations of the amalgamating or merging companies or the entity which transferred the assets, as applicable, under the Loan Documents and such other certificates and opinions as may be required by the Agent.

(3) No Debt. Create, incur, assume or permit any Debt to remain outstanding, other than Permitted Debt provided that the aggregate principal amount of all Permitted Debt described in clauses (b)(i) and (j) of the definition of "Permitted Debt" shall at no time exceed the Senior Lender Limitation Amount.

(4) No Repayment or Prepayment of Debt.

(a) directly or indirectly voluntarily prepay, defease or in substance defease, purchase, redeem, retire or otherwise acquire the Alberta Utilities Commission Debt or the $15 Million Subordinated Note, in each case, in advance of Debt outstanding under this Agreement, except, in the case of the Alberta Utilities Commission Debt, with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts;

(b) make any amendment or modification to the subordination, ranking, term, granting of security or postponement terms of any indenture, note or other agreement evidencing or governing any Debt or any other term of such agreement which would be adverse to the Lenders (other than with respect to the Senior Credit Documents and then only in accordance with Section 8.04(26)); and

(c) following the occurrence of an Event of Default or a Pending Event of Default which, in either case, is continuing, make any payment in respect of any Debt other than (i) Debt hereunder, (ii) Existing Intercompany Debt or Future Intercompany Debt between Obligors (other than any such payments by the Borrower to another Obligor), (iii) non-cash Permitted Distributions in respect of Debt, (iv) payments in respect of obligations secured by Purchase Money Security Interests and payments in respect of Lease Obligations, (v) payments in respect of the Senior Obligations and (vi) principal repayments of the Alberta Utilities Commission Debt, provided that each such payment shall be made solely with the proceeds of the payments received by the Obligors from their Customers in the Province of Alberta under the applicable Customer Contracts.

(5) No Financial Assistance. Give any Financial Assistance to any Person other than:

(a) Existing Intercompany Debt;

(b) Future Intercompany Debt;

(c) guarantees made by the Obligors of Permitted Debt, other than the $15 Million Subordinated Note;

(d) Financial Assistance to Restricted Subsidiaries;

(e) loans and advances to employees made in accordance with Section 8.04(9);

(f) Financial Assistance to Unrestricted Subsidiaries (i) that was provided or advanced prior to July 7, 2020 and certified in a Compliance Certificate prior to such date; and (ii) from and after July 7, 2020, in an amount not to exceed **[Dollar Amount Redacted]**.

Notwithstanding clauses (a) to (f) above, no Financial Assistance shall be given by an Obligor to any Person that is not an Obligor if a Pending Event of Default or an Event of Default has occurred or if the making of any such Financial Assistance would cause a Pending Event of Default or Event of Default to occur.

(6) No Imbalance in Commitments.

(a) Permit, at any time, the projected amount of Available Supply of natural gas for the next 12 months to (i) exceed 115% of Supply Commitments for natural gas, or (ii) be less than 85% of Supply Commitments for natural gas in the same period;

(b) permit, at any time, the projected amount of Available Supply of electricity for the next 12 months to (i) exceed 115% of Supply Commitments for electricity, or (ii) be less than 85% of Supply Commitments for electricity in the same period;

(c) permit, at any time, the projected amount of Available Supply of natural gas for the next 36 months to (i) exceed 120% of Supply Commitments for natural gas, or (ii) be less than 80% of Supply Commitments for natural gas in the same period;

(d) permit, at any time, the projected amount of Available Supply of electricity for the next 36 months to (i) exceed 120% of Supply Commitments for electricity, or (ii) be less than 80% of Supply Commitments for electricity in the same period;

(7) No Distributions. Make or permit any Distributions, other than Permitted Distributions; provided that: no Permitted Distributions (other than in payments in respect of the Senior Obligations) shall be made in cash to any Person that is not an Obligor if a Pending Event of Default or an Event of Default has occurred or if the making of any such cash Distribution would cause a Pending Event of Default or Event of Default to occur.

(8) Distribution Restrictions. Other than this Agreement and the Senior Credit Agreement, enter into any agreement that would limit its ability to effect any dividends or distributions.

(9) Management Fees. Make or pay any bonus, consulting or management fee or corporate overhead payment or other like payment to any shareholder, director or officer, or any of their Affiliates, except for:

(a) salaries, benefits and other employment remuneration (including employee loans) paid in the ordinary course of business and on commercially reasonable terms; and

(b) any bonus, consulting or management fee or directors fee or payments to directors and officers of it, provided that any such payments are part of a commercially reasonable compensation package being paid by it for management services rendered.

(10) No Encumbrances. Subject to Section 8.04(23), create, incur, assume or permit to exist any Encumbrance upon any of its Property except Permitted Encumbrances.

(11) No Acquisitions. Make any Acquisition; provided however that Unrestricted Subsidiaries will be permitted to enter into Acquisitions.

(12) No Change to Year End**.** Make any change to its Fiscal Year, provided that with no less than 60 days prior written notice delivered to the Agent after the most recent March 31 Fiscal Year end, the Borrower may elect to change its Fiscal Year to end on December 31.

(13) No Change to Business. Carry on any business other than the Business; except to such extent as would not be material to the Obligors, taken as a whole.

(14) **[Reserved]**

(15) **[Reserved]**

(16) Amendments to Organizational Documents. Amend any of its Organizational Documents in a manner that would be prejudicial to the interests of any of the Lenders under the Loan Documents.

(17) **[Reserved]**

(18) Material Contracts. Except as provided in Section 8.04(26), amend, vary, alter or waive any material term of any Material Contract if such amendment, variance, alteration or waiver would be adverse to the Lenders in any material respect or allow any circumstances to arise which would allow any Material Contract to lapse or to be terminated during its term if the result could reasonably be expected to have a Material Adverse Effect.

(19) **[Reserved]**

(20) Non-Arm's Length Transactions. Effect any transactions with any Person (other than an Obligor) not dealing at Arm's Length with the transacting Obligor except for (i) those transactions identified in Schedule 7.01(36) on the Closing Date; (ii) the payment and receipt of Permitted Distributions; (iii) transactions permitted under Section 8.04(5); (iv) technical and administrative service agreements on commercially reasonable terms between any of the Borrower or JEC and its Subsidiaries and the provision of the services contemplated thereby; and (v) sales arrangements on commercially reasonable terms between an Obligor and an Unrestricted Subsidiary with respect to the Business.

(21) Sale and Leaseback. Enter into any arrangement with any Person providing for the leasing by any Obligor, as lessee, of property which has been or is to be sold or transferred by such Obligor to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or the lease obligation of any Obligor.

(22) Hedging Contracts. Enter into or permit to be outstanding at any time any Hedge unless such Hedge satisfies the following conditions:

(a) if such Hedge is an Interest Rate Hedge, it is designed to protect the Obligors against fluctuations in interest rates;

(b) if such Hedge is a Currency Hedge, it is designed to protect the Obligors against fluctuations in currency exchange rates;

(c) if such Hedge is an Equity Hedge, it is designed to protect the Obligors against fluctuations in share price; and

(d) such Hedge has been entered into by an Obligor *bona fide* and in good faith in the ordinary course of its business for the purpose of carrying on the same and not for speculative purposes.

(23) Customer Contracts. Permit any Encumbrances on Customer Contracts other than Permitted Encumbrances; provided, however, an Obligor may permit Encumbrances on Customer Contracts in favour of suppliers for such Customer Contracts so long as (i) revenue generated on all such Customer Contracts Encumbered in favour of suppliers accounts for no

more than 3% of revenue generated by all Customer Contracts; and (ii) gross margin generated by such Customer Contracts Encumbered in favour of suppliers accounts for no more than 3% of gross margin of the Borrower (on a consolidated basis) calculated on a rolling four quarter basis at the end of each Fiscal Quarter.

(24) **[Reserved]**

(25) Anti-Money Laundering and Anti-Terrorism Finance Laws; Foreign Corrupt Practices Act; Sanctions Laws; Restricted Person. The Borrower shall not, and shall not permit any Subsidiary to, (a) engage in or conspire to engage in any transaction that violates, in any material respect, any Anti-Terrorism Law, any Anti-Corruption Law or any Sanctions Law, or (b) use any part of the proceeds of the Advances, directly or, to the Borrower's knowledge, indirectly, for any conduct that would cause the representations and warranties in Sections 7.01(43), 7.01(44) or 7.01(45) to be untrue in any material respect as if made on the date any such conduct occurs.

(26) Changes to Senior Credit Documents. The Borrower shall not consent to any waiver, amendment or other change to any Senior Credit Document and shall not refinance or replace the Senior Credit Agreement and the other Senior Credit Documents unless the following conditions are satisfied:

(i) the aggregate principal amount available thereunder shall not exceed the Senior Lender Limitation Amount,

(ii) the Borrower is at all times in compliance with the requirements of Section 8.05(3), unless otherwise agreed by the Majority Lenders, and

(iii) if the Senior Credit Agreement is replaced, (a) the replacement administrative agent on behalf of the replacement lenders shall enter into subordination arrangements with the Agent on behalf of the Lenders on terms no more onerous to Agent and the Lender than those contained in the Senior Subordination Agreement and such agreement shall be in form and substance satisfactory to the Lenders.

(27) JEBPO. Notwithstanding any provision in this Agreement or any other Loan Document to the contrary:

(a) No Obligor shall:

(i) provide any Financial Assistance to JEBPO, other than in accordance with Section 8.04(5)(f) (and for the purposes of Section 8.04(5), JEBPO shall be deemed to be an Unrestricted Subsidiary); or

(ii) complete any Dispositions or any Distributions to JEBPO; and

(b) JEBPO shall not own any assets or engage in any business or activity other than in connection with operating a call centre and back office support centre in India in the normal course of its business.

8.05 Restricted and Unrestricted Subsidiaries

So long as this Agreement is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, the Borrower will ensure that:

(1) No Subsidiaries. The Borrower has no Subsidiaries, other than Restricted Subsidiaries and Unrestricted Subsidiaries.

(2) Status of Subsidiaries. Each Subsidiary of the Borrower:

(i) shall be a corporation, limited partnership, general partnership, trust or limited liability corporation formed under the laws of (A) Canada or a province thereof, (B) a state of the United States of America or the District of Columbia, (C) the United Kingdom, (D) Germany, (E) India, or (F) Hungary; and

(ii) shall (A) if such Subsidiary is a Restricted Subsidiary, be wholly-owned by the Borrower or a Restricted Subsidiary, or (B) if such Subsidiary is an Unrestricted Subsidiary, be owned, wholly or in part (subject to the terms of this Agreement), by the Borrower or another Subsidiary.

(3) Guarantee. Upon formation or acquisition or upon becoming a Guarantor under the Senior Credit Documents (including as amended, modified, replaced or refinanced from time to time in accordance with Section 8.04(26)), each Subsidiary will provide to the Agent on behalf of the Lenders a Guarantee of the Obligations, together with such opinions and other documents (including, without limitation, the Restricted Subsidiary Subordination Agreement) as the Agent may reasonably require, all in form and substance acceptable by the Agent.

(4) Composition of Borrower and Restricted Subsidiaries. The gross margin of the Borrower and the Restricted Subsidiaries shall at all times comprise of no less than **[Percentage Redacted]** of the consolidated gross margin of the Borrower and all of its Subsidiaries (excluding Filter Group Inc. and Filter Group USA Inc.).

(5) Revocation of Designation as an Unrestricted Subsidiary. From time to time the Borrower may change the designation of a Subsidiary from an Unrestricted Subsidiary to a Restricted Subsidiary; provided that:

(a) after giving effect to such designation, all representations and warranties contained in Section 7.01 of this Agreement will be true and correct in all material respects with the same force and effect as if such representations and warranties had been made on and as of the date of such designation;

(b) the Borrower is in compliance with all covenants contained herein and no Pending Event of Default or Event of Default shall have occurred and be continuing or will occur as a result of such designation;

(c) the Borrower shall have provided the Agent with a certificate of an officer certifying the foregoing;

(d) the Subsidiary will provide to the Agent on behalf of the Lenders a Guarantee, together with such opinions and other documents as the Agent and its counsel may require all in form and substance acceptable by the Lenders and Lenders' Counsel; and

(e) the Borrower shall have delivered to the Agent a revised Schedule 7.01(16) showing all Restricted Subsidiaries and Unrestricted Subsidiaries of the Borrower following such designation.

(6) Hungarian Subsidiary. Notwithstanding anything in this section 8.05, Just Energy (Finance) Hungary Zrt**.** shall not be required to provide a Guarantee and become a Restricted Subsidiary until such time as its net assets exceed **[Dollar Amount Redacted]**. Just Energy (Finance) Hungary Zrt. shall not conduct any operating business until such time as it has provided a Guarantee.

(7) Release re EdgePower Inc. Upon satisfaction of the conditions set forth in paragraph (f) of the definition of Permitted Asset Disposition contained in Section 1.01:

(a) the Lenders hereby direct and authorize the Agent to release and discharge EdgePower Inc. from its obligations under the Guarantee and the other Loan Documents to which it is a party; and

(b) the Lenders hereby direct and authorize the Agent to execute such documents and take such actions as the Agent may deem necessary to effect such release, all in form and substance satisfactory to the Agent (at the Borrower's sole cost and expense).

ARTICLE 9
DEFAULT

9.01 Events of Default

The occurrence of any one or more of the following events (each such event being herein referred to as an "**Event of Default**") will constitute a default under this Agreement:

(1) if the Borrower fails to pay any amount of principal of any Advance when due and payable; or

(2) if the Borrower fails to pay any interest or fees when due and payable hereunder or under any other Loan Document and such non-payment continues for a period of three Business Days; or

(3) if the Borrower fails to pay any Obligation (other than an Obligation for which a failure to pay is specifically dealt with elsewhere in this Section 9.01) when due and payable and such non-payment continues for a period of ten Business Days after notice by the Agent; or

(4) if the Borrower fails to observe or perform any of the financial covenants in Section 8.02 or any of the negative covenants in Section 8.04; or

(5) if the Borrower fails to observe or perform any of the positive covenants in Section 8.01 or the reporting covenants in Section 8.03 and the Borrower will fail to remedy such default within the earlier of 30 days from the date (i) the Borrower becomes aware of such default or (ii) the Agent delivers written notice of the default to the Borrower; or

(6) if any Obligor neglects to observe or perform any covenant or obligation in this Agreement or any other Loan Document on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 9.01) and either Borrower fails to remedy such default within the earlier of 30 days from the date (i) such Obligor becomes aware of such default or (ii) the Agent delivers written notice of the default to either Borrower; or

(7) if any representation or warranty made by any Obligor in this Agreement, any Loan Document or in any certificate or other document at any time delivered hereunder to the Agent or any Lender will prove to have been incorrect in any material respect on and as of the date thereof and such representation or warranty is not thereafter made true and correct within 30 days of any Obligor becoming aware of its incorrectness; or

(8) if any Obligor ceases or threatens to cease to carry on business generally except as permitted by this Agreement, or admits its inability or fails to pay its debts generally; or

(9) if any "Event of Default" as defined in the Senior Credit Agreement (as amended, modified, refinanced or replaced) occurs and such Event of Default is not cured or waived within 90 days of the occurrence thereof; or

(10) if any Obligor (i) fails to make any payment when such payment is due and payable, to any Person in relation to any Debt (other than Debt for which a failure to pay is specifically dealt with elsewhere in this Section 9.01) which, in the aggregate principal amount then outstanding, is in excess of **[Dollar Amount Redacted]** and such payment is not made within any applicable cure or grace period; or (ii) defaults in the observance or performance of any other agreement or condition in relation to any such Debt which in the aggregate principal amount then outstanding is in excess of **[Dollar Amount Redacted]** or contained in any instrument or agreement evidencing, securing or relating thereto and such default is not waived or cured within any applicable cure or grace period, or (iii) any other event will occur or condition exist, the effect of which default or other condition is to cause, such Debt to become due prior to its stated maturity date; or

(11) if any Obligor denies its obligations under any Loan Document or claims any of the Loan Documents to be invalid or withdrawn in whole or in part; or

(12) if any of the Loan Documents or any material provision of any of them becomes unenforceable, unlawful or is changed by virtue of legislation or by a court, statutory board or commission, and the applicable Obligor does not, within ten days of receipt of notice of such Loan Document or material provision becoming unenforceable, unlawful or being changed and being provided with any required new agreement or amendment for execution, replace such Loan Document with a new agreement that is in form and substance satisfactory to the Majority Lenders or amend such Loan Document to the satisfaction of the Majority Lenders; or

(13) if a decree or order of a court of competent jurisdiction is entered adjudging an Obligor, a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of an Obligor under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Bankruptcy Code* (United States) or the *Winding-Up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any substantial part of the assets of an Obligor or ordering the winding up or liquidation of its affairs; or

(14) if any Obligor becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* (United States), the *Winding-Up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrate or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition; or

(15) if any proceeding or filing will be instituted or made against any Obligor seeking to have an order for relief entered against such Obligor as debtor under, or to adjudicate it bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition under, any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including, without limitation, the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* (United States) and the *Winding-Up and Restructuring Act* (Canada)), or seeking appointment of a receiver, trustee, custodian or other similar official for such Obligor or for any substantial part of its properties or assets unless the proceeding or filing is being contested actively and diligently in good faith by appropriate and timely proceedings and is dismissed, vacated or indefinitely stayed within 15 days of knowledge by such Obligor of its institution; or

(16) if an Encumbrancer takes possession by appointment of a receiver, receiver and manager, or otherwise of any material portion of the Property of any Obligor; or

(17) if a final judgment, execution, writ of seizure and sale, sequestration or decree for the payment of money due will have been obtained or entered against the Obligors in an amount (individually or in the aggregate for all Obligors) in excess of the lesser of (a) **[Dollar Amount Redacted]** and (b) **[Percentage Redacted]** of EBITDA (calculated on a last twelve months basis), unless such judgment, execution, writ of seizure and sale, sequestration or decree is and remains vacated, discharged or stayed pending appeal within the applicable appeal period; or

(18) **[Reserved]**

(19) **[Reserved]**

(20) **[Reserved]**

(21) **[Reserved]**

(22) except as permitted hereunder, if proceedings are commenced for the dissolution, liquidation or winding-up of any Obligor, or for the suspension of the operations of any Obligor unless such proceedings are being actively and diligently contested in good faith; or

(23) if any report of the Borrower's auditors with respect to financial statements provided hereunder contains any qualification which is unacceptable to the Lenders acting reasonably, excluding any objections to the auditor's report on the 2020 financial statements on the basis of a "going concern" qualification contained therein; or

(24) there will have occurred a Material Adverse Effect; or

(25) if there is a write-down of the consolidated assets of the Borrower, determined on a consolidated basis, in an amount in excess of **[Dollar Amount Redacted]** in any Fiscal Year (excluding normal course amortization or depreciation of assets); or

(26) if the common shares of the Borrower cease to be listed for trading on the Toronto Stock Exchange (for certainty, not including in connection with a customary trading halt for the dissemination of news) or any order is made by any Governmental Authority in relation to the Borrower, or there is any change of law, or the interpretation or administration thereof, in each case, which in the reasonable opinion of the Agent, operates to prevent or materially restrict the trading of the common shares of the Borrower on the Toronto Stock Exchange, or to prevent or materially restrict the trading on the Toronto Stock Exchange.

9.02 Acceleration and Termination of Rights

If any Event of Default occurs and is continuing, all Obligations will, upon demand made by the Agent, at the option of the Agent or upon the request of the Majority Lenders, become immediately due and payable at the rate or rates determined as herein provided, including for certainty the Prepayment Fee, to the date of actual payment thereof, all without notice, presentment, protest, additional demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by each Obligor; provided, if any Event of Default described in Section 9.01(13) through 9.01(15) with respect to the Borrower occurs, the outstanding principal amount of all Advances and all other Obligations will automatically be and become immediately due and payable (including for certainty the Prepayment Fee). In such event the Lenders, in their discretion, or the Agent, acting on instructions from the Lenders, may exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against any Obligor authorized or permitted by law for the recovery of all the Obligations of the Borrower to the Lenders and no such remedy for the enforcement of the rights of the Lenders will be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

9.03 Remedies Cumulative and Waivers

For greater certainty, it is expressly understood and agreed that the respective rights and remedies of the Lenders and the Agent hereunder or under any other Loan Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lenders or by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to this Agreement will not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which any one or more of the Lenders and the Agent may be lawfully entitled for such default or breach. Any waiver by the Lenders or the Agent of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by the Lenders or the Agent will be effective only in the specific instance and for the purpose for which it was given and will be deemed not to be a waiver of any rights and remedies of the Lenders or the Agent under this Agreement or any other Loan Document or instrument executed pursuant to this Agreement as a result of any other default or breach hereunder or thereunder.

9.04 Termination of Lenders' Obligations

The occurrence of an Event of Default that has not been waived by the Lenders will relieve the Lenders of all obligations to provide any further Advances hereunder.

9.05 Perform Obligations

If an Event of Default has occurred and is continuing and if the Borrower has failed to perform any of its covenants or agreements in the Loan Documents, the Majority Lenders, may, but will be under no obligation to, instruct the Agent on behalf of the Lenders to perform any such covenants or agreements in any manner deemed fit by the Majority Lenders without thereby waiving any rights to enforce the Loan Documents. The reasonable expenses (including any legal costs) paid by the Agent and the Lenders in respect of the foregoing will be an Obligation.

9.06 Third Parties

No Person dealing with the Lenders or any agent of the Lenders will be concerned to inquire whether the powers which the Lenders or the Agent are purporting to exercise have been exercisable.

ARTICLE 10
COSTS, EXPENSES AND INDEMNIFICATION

10.01 Costs and Expenses

The Borrower will pay promptly upon notice from the Agent all reasonable out-of-pocket costs and expenses of the Agent in connection with preparation, execution and delivery of this Agreement and the other documents to be delivered hereunder and the reasonable out-of-

pocket costs of the Agent in the initial syndication of the Loan Facility, whether or not any Advance has been made hereunder, including without limitation, the reasonable fees and out-of-pocket expenses of Lenders' Counsel and counsel to the Specified Lender with respect thereto and with respect to advising the Agent, or the Lenders as to its or their rights and responsibilities under this Agreement and the other Loan Documents to be delivered hereunder. The Borrower further agrees to pay all reasonable out-of-pocket costs and expenses of the Agent (and, in case of (i), (iv) and (v) below, the Lenders) in connection with (i) the preparation or review of waivers, consents and amendments requested by the Borrower, (ii) questions of interpretation of this Agreement, (iii) the establishment of the validity and enforceability of this Agreement, (iv) the preservation or enforcement of rights of the Agent and the Lenders under this Agreement and other Loan Documents to be delivered hereunder, and (v) the exercise of any right or remedy of any nature or kind contained herein or in any Loan Document, including, without limitation, all reasonable costs and expenses sustained by each Lender or the Agent as a result of any failure by the Borrower to perform or observe any of its obligations hereunder. For greater certainty, the Borrower's obligations under the immediately preceding sentence shall include, without limitation, the obligation to pay the reasonable out-of-pocket costs and expenses of the Agent and the Lenders in respect of any strategic process, proceeding or transaction of the Borrower including, without limitation, with respect to any actual or potential sale, restructuring or recapitalization of the Borrower or its business and in respect of the Agent and the Lenders' review, assessment, participation or other activities relating thereto (which for certainty, includes any such strategic process, proceeding or transaction of the Borrower occurring prior to the Closing Date), including without limitation, the reasonable fees and out-of-pocket expenses of Lenders' Counsel and counsel to the Specified Lender with respect thereto.

10.02 Indemnification by the Borrower

In addition to any liability of the Borrower to any Lender or the Agent under any other provision hereof, except for liability arising from a Lender's or the Agent's own gross negligence or wilful misconduct, the Borrower will indemnify each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) and hold each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) harmless against any loss or expense incurred by such Lender or the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) as a result of:

(1) any failure by the Borrower to fulfil any of its Obligations including, without limitation, any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by any Lender to fund or maintain its Proportionate Share of any Advance as a result of the Borrower's failure to complete an Advance or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;

(2) the Borrower's failure to give any notice required to be given by it to the Agent or Lenders hereunder;

(3) the failure of the Borrower to make any other payment when due hereunder;

(4) any liability, obligations, loss (other than lost profits) or expense, that may be suffered by or asserted against any of them as a result of the breach by any Obligor in the performance of any of the Loan Documents, or by reason of the Agent or the Lenders agreeing to enter into this Agreement; or

(5) in connection with the use of any proceeds of the Loan Facility, or the consummation of any transaction contemplated by this Agreement.

Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Agent shall not be liable under any circumstances whatsoever for any special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages of any Person.

A certificate of a Lender or the Agent as to the amount of any such loss or expense will be *prima facie* evidence as to the amount thereof, in the absence of manifest error. The agreements in this Section will survive the termination of this Agreement and repayment of the Obligations.

10.03 Specific Environmental Indemnification

The Borrower will defend and indemnify each Lender and the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) and hold each harmless at all times from and against any and all costs, losses, damages, expenses, judgments, suits, claims, awards, fines, sanctions and liabilities whatsoever (including any reasonable out-of-pocket costs or expenses for preparing any necessary environmental assessment report or other such other reports) by a third party against any Lender or the Agent (and each of their directors, officers, employees, affiliates, agents and representatives) or any of them related to or as a result of (i) any release, deposit, discharge, or disposal of any Hazardous Substance in connection with the property or business of the Obligors; and (ii) the remedial actions (if any) taken by the Agent on behalf of the Lenders, in respect of such release, deposit, discharge or disposal; or (iii) a failure by any Obligor or any Unrestricted Subsidiary to comply with Requirements of Environmental Law. The Borrower will have the sole right, at its expense, to control any such legal action or claim and to settle on terms and conditions approved by the Borrower and approved by the party named in such legal action or claim whether it be the Lenders or the Agent, or any of them acting reasonably provided that if, in the opinion of the Lenders or the Agent, or any of them as the case may be, the interests of the Lenders or the Agent or any of them are different from those of the Borrower in connection with such legal action or claim, the Lenders or the Agent or any of them will have the sole right, at the Borrower's expense, to defend their own interests provided that any settlement of such legal action or claim will be on terms and conditions approved by the Borrower, acting reasonably. If the Borrower does not defend the legal action or claim, the Agent and the Lenders will have the right to do so on their own behalf and on behalf of the Borrower, as the case may be, at the expense of the Borrower. The defence and indemnity obligations contained throughout this Agreement will survive the termination of this Agreement and repayment of the Obligations.

10.04 Exclusion

Notwithstanding Sections 10.01, 10.02 and 10.03, the Borrower shall not be obliged to indemnify the Agent, any Lender or any of their respective directors, officers, employees, affiliates, agents and representatives ("**Indemnified Parties**") for any losses, claims, damages, liabilities or related expenses which are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnified Parties.

ARTICLE 11
THE AGENT AND THE LENDERS

11.01 Appointment

The Lenders hereby appoint the Agent to act as their agent as herein specified and, except as may be specifically provided to the contrary herein, each of the Lenders hereby irrevocably authorizes the Agent, as the agent of such Lender, to enter into on its behalf and thereafter take such action on its behalf under or in connection with the Loan Documents and to exercise such powers thereunder as are delegated to the Agent by the terms thereof and such other powers as are reasonably incidental thereto which it may be necessary for the Agent to exercise in order that the provisions of the Loan Documents are carried out. The Agent may perform any of its duties under the Loan Documents by or through its agents and may delegate its duties to an Affiliate or a Subsidiary. The Borrower will not be concerned to inquire whether the powers which the Agent is purporting to exercise have become exercisable or otherwise as to the propriety or regularity of any other action on the part of the Agent, and accordingly insofar as the Borrower is concerned the Agent will for all purposes hereof be deemed to have authority from the Lenders to exercise the powers and take the actions which are in fact exercised and taken by it.

11.02 Indemnity from Lenders

The Lenders agree, jointly and severally, to indemnify the Agent (to the extent that the Agent is not promptly reimbursed by the Borrower on demand) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any nature or kind whatsoever which may be imposed on, incurred by, or asserted against the Agent in its capacity as agent hereunder which in any way relate to or arise out of the Loan Documents or any action taken or omitted by the Agent under the Loan Documents; provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements which result from the Agent's gross negligence or wilful misconduct. Without limitation and absent gross negligence or wilful misconduct by the Agent, all Lenders agree to reimburse the Agent promptly upon demand for out-of-pocket expenses (including the fees and disbursements of counsel) incurred by the Agent in connection with the preparation of the Loan Documents and the determination or preservation of any rights of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, the Loan Documents, to the extent that the Agent is not promptly reimbursed for such expenses by the Borrower on demand.

Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Agent shall not be liable under any circumstances whatsoever for any special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages of any Person.

11.03 Exculpation

The Agent will have no duties or responsibilities except those expressly set forth in the Loan Documents and no implied covenants or obligations shall be read into the Loan Documents against the Agent. Neither the Agent (in its capacity as Agent and not as a Lender) nor any of its officers, directors, employees or agents will be liable for any action taken or omitted to be taken under or in connection with the Loan Documents, unless such act or omission constitutes gross negligence or wilful misconduct. All rights, privileges, indemnities, benefits and protections given to the Agent under this Agreement shall apply to the performance by the Agent of any of its duties and obligations and the exercise of any of its rights under the Loan Documents. The duties of the Agent will be mechanical and administrative in nature; the Agent will not have by reason of the Loan Documents a fiduciary relationship with any Lender and nothing in the Loan Documents, express or implied, is intended to or will be construed as to impose upon the Agent any obligation except as expressly set forth therein. None of the Lenders will have any duties or responsibilities to any of the other Lenders except as expressly set forth in the Loan Documents. The Agent will not be responsible for any recitals, statements, representations or warranties in any of the Loan Documents or which may be contained in any other document subsequently received by the Agent or the Lenders from or on behalf of any Obligor or for the authorization, execution, effectiveness, genuineness, validity or enforceability of any of the Loan Documents, and will not be required to make any inquiry concerning the performance or observance by any Obligor of any of the terms, provisions or conditions of any of the Loan Documents. Each of the Lenders severally represents and warrants to the Agent that it has made and will continue to make such independent investigation of the financial condition and affairs of the Obligors as such Lender deems appropriate in connection with its entering into of any of the Loan Documents and the making and continuance of any Advance hereunder, that such Lender has and will continue to make its own appraisal of the creditworthiness of the Obligors and that such Lender in connection with such investigation and appraisal has not relied upon any information provided to such Lender by the Agent.

11.04 Reliance on Information

The Agent will be entitled to rely upon any writing, notice, statement, certificate, facsimile, telex or other document or communication believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and, with respect to all legal matters pertaining to the Loan Documents and its duties thereunder, upon the advice of counsel selected by it.

11.05 Knowledge and Required Action

The Agent will not be deemed to have knowledge or notice of the occurrence of any Event of Default or Pending Event of Default (other than the non-payment of any principal, interest or other amount to the extent the same is required to be paid to the Agent for the account

of the Lenders) unless the Agent has received notice from a Lender or the Borrower specifying such Event of Default or Pending Event of Default and stating that such notice is given pursuant to this Agreement. In the event that the Agent receives such a notice, it will give prompt notice thereof to the Lenders. The Agent will also give prompt notice to the Lenders of each non-payment of any amount required to be paid to the Agent for the account of the Lenders. The Agent will, subject to Section 11.06 take such action with respect to such Event of Default or Pending Event of Default as will be directed by the Lenders in accordance with this Article 11 provided that, unless and until the Agent will have received such direction the Agent may, but will not be obliged to, take such action, or refrain from taking such action, with respect to such Event of Default or Pending Event of Default as it will deem advisable in the best interest of the Lenders; and provided further that the Agent in any case will not be required to take any such action which it determines to be contrary to the Loan Documents or to any Applicable Law.

11.06 Request for Instructions

Notwithstanding anything contained herein to the contrary, the Agent shall not be required to exercise any discretion or take any action but shall only be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Lenders. The Agent may at any time request instructions from the Lenders with respect to any actions or approvals which, by the terms of any of the Loan Documents, the Agent is permitted or required to take or to grant, and the Agent will be absolutely entitled to refrain from taking any such action or to withhold any such approval and will not be under any liability whatsoever as a result thereof until it will have received such instructions from the Lenders. No Lender will have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting under the Loan Documents in accordance with instructions from the Lenders. The Agent will in all cases be fully justified in failing or refusing to take or continue any action under the Loan Documents unless it will have received further assurances to its satisfaction from the Lenders of their indemnification obligations under Section 11.02 against any and all liability and expense which may be incurred by it by reason of taking or continuing to take such action, and unless it will be secured in respect thereof as it may deem appropriate.

11.07 [Reserved]

11.08 Resignation and Termination

If at any time (i) the Agent will deem it advisable, in its sole discretion, it may deliver to each of the Lenders and the Borrower written notification of its resignation insofar as it acts on behalf of the Lenders pursuant to this Article, or (ii) the Agent is in default of any of its obligations hereunder and the Majority Lenders will deem it advisable, in their sole discretion, they may deliver to the Agent and the Borrower written notification of the termination of the Agent's authority to act on behalf of the Lenders pursuant to this Article, such resignation or termination to be effective upon the date of the appointment by the Lenders of a successor which will assume all of the rights, powers, privileges and duties of the Agent hereunder, which appointment will be promptly made from among the remaining Lenders and written notice thereof will be given to the Borrower concurrently with such appointment. If in the case of resignation by the Agent no appointment of a successor Agent has been made by the Lenders and

approved by the Borrower within 30 days, the resigning Agent may make such appointment from among the remaining Lenders on behalf of the Lenders, subject to such Lender agreeing to act as Agent, and will forthwith give notice of such appointment to the Lenders and the Borrower.

11.09 Actions by Lenders

(1) Any consent, approval (including without limitation any approval of or authorization for any amendment to any of the Loan Documents), instruction or other expression of the Lenders under any of the Loan Documents may be obtained by an instrument in writing signed in one or more counterparts by the Majority Lenders, or where required by Section 11.09(2) all of the Lenders (which instrument in writing, for greater certainty, may be delivered by facsimile or electronically).

(2) Notwithstanding Section 11.09(1), without the consent of all the Lenders the Agent may not take the following actions:

(a) amend, modify, discharge, terminate or waive any of the terms of this Agreement if such amendment, modification, discharge, termination or waiver would increase the amount of the Loan Facility, reduce the fees or interest rates payable with respect to the Loan Facility, extend any date fixed for payment of principal or interest relating to the Loan Facility, extend the repayment dates of the Loan Facility, change the currency of Advances available or the notice periods relating thereto, or change the definition of Majority Lenders;

(b) release any Guarantees other than pursuant to the terms hereof;

(c) amend this Section 11.09; and

(d) amend Article 5.

(3) An instrument in writing from the Majority Lenders or, where applicable, all of the Lenders as provided for in this Section 11.09 (any such instrument in writing being an "**Approval Instrument**") will be binding upon all of the Lenders, and the Agent (subject to the provisions for its indemnity contained in this Agreement) will be bound to give effect thereto accordingly. For greater certainty, to the extent so authorized in the Approval Instrument, the Agent will be entitled (but not obligated) to execute and deliver on behalf of the Agent and all of the Lenders, without the requirement for the execution by any other Lender or Lenders, any consents, waivers, documents or instruments (including without limitation any amendment to any of the Loan Documents) necessary or advisable in the opinion of the Agent to give effect to the matters approved by the Majority Lenders or all of the Lenders, as the case may be, in any Approval Instrument; provided that, no Approval Instrument shall amend, modify or otherwise affect the rights or duties of the Agent or the Lenders, as the case may be.

(4) Notwithstanding anything to the contrary herein, where the Agent, acting as Depository Agent, is holding outstanding Advances under the Loan Facility for an Additional Lender pursuant to Section 2.01 of this Agreement, such Additional Lender's interest in the outstanding Advances will be disregarded and not counted towards (i) calculating the unanimous consent of the Lenders and (ii) determining the composition of the Majority

Lenders. For further clarity, under no circumstances will the Agent be required to provide consent on behalf of an Additional Lender whose outstanding Advances it holds as Depository Agent.

11.10 Provisions for Benefit of Lenders Only

The provisions of this Article 11, other than Sections 11.09 and 11.10 and the last sentence of Section 11.01 relating to the rights and obligations of the Lenders and the Agent *inter se* will be operative as between the Lenders and the Agent only, and the Obligors will not have any rights under or be entitled to rely for any purposes upon such provisions.

11.11 Payments by Agent

(1) For greater certainty, the following provisions will apply to any and all payments made by the Agent to the Lenders hereunder:

(a) the Agent will be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of such payment has been received by the Agent from the Borrower;

(b) if the Agent receives less than the full amount of any payment of principal, interest, fees or other amount owing by the Borrower under this Agreement, then the Agent will have no obligation to remit to each Lender any amount other than such Lender's Proportionate Share of that amount which is the amount actually received by the Agent;

(c) if any Lender advances more or less than its Proportionate Share of an Advance, such Lender's entitlement to such payment will be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;

(d) the Agent acting reasonably and in good faith will, after consultation with the Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination will, in the absence of manifest error, be binding and conclusive;

(e) upon request, the Agent will deliver a statement detailing any of the payments to the Lenders referred to herein; and

(f) all payments by the Agent to a Lender hereunder will be made to such Lender at its address set forth in the signature pages on this Agreement or on the applicable Assignment Agreement unless notice to the contrary is received by the Agent from such Lender.

11.12 Direct Payments

The Lenders agree among themselves that, except as otherwise provided for in this Agreement and except as necessary to adjust for Advances that are not in each Lender's Proportionate Share under the Loan Facility, all sums received by a Lender relating to this

Agreement will be shared by each Lender in its Proportionate Share and each Lender undertakes to do all such things as may be reasonably required to give full effect to this Section, including without limitation, the purchase from other Lenders of a portion thereof by the Lender who has received an amount in excess of its Proportionate Share as will be necessary to cause such purchasing Lender to share the excess amount rateably in its Proportionate Share with the other Lenders. If any sum which is so shared is later recovered from the Lenders who originally received it, the Lender will restore its Proportionate Share of such sum to such Lenders, without interest. If any Lender (a "**Receiving Lender**") will obtain any payment of moneys due under this Agreement as referred to above, the Receiving Lender will forthwith remit such payment to the Agent and, upon receipt, the Agent will distribute such payment in accordance with the provisions hereof.

11.13 Acknowledgements, Representations and Covenants of Lenders

(1) It is acknowledged and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, Property, affairs, status and nature of the Obligors. Accordingly, each Lender confirms to the Agent that it has not relied, and will not hereafter rely, on the Agent (a) to check or inquire on its behalf into the adequacy or completeness of any information provided by the Obligors under or in connection with this Agreement or the transactions herein contemplated (whether or not such information has been or is hereafter distributed to such Lender by the Agent) or (b) to assess or keep under review on its behalf the financial condition, creditworthiness, Property, affairs, status or nature of the Obligors.

(2) Each Lender represents and warrants that it has the legal capacity to enter into this Agreement pursuant to its charter and any applicable legislation and has not violated its charter, constating documents or any applicable legislation by so doing.

(3) Each Lender agrees to indemnify the Agent (to the extent not reimbursed by the Borrower), jointly and severally from and against any and all liabilities and obligations (whether direct or indirect, contingent or otherwise), losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of the Loan Documents or the transactions therein contemplated, provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or wilful misconduct. Without limiting the generality of the foregoing and absent gross negligence or wilful misconduct by the Agent, each Lender agrees to reimburse the Agent promptly upon demand for any out-of-pocket expenses (including counsel fees) incurred by the Agent in connection with the preservation of any rights of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Borrower. The obligation of the Lenders to indemnify the Agent will survive the termination of this Agreement.

(4) Each Lender acknowledges and agrees that its obligation to advance its Proportionate Share of Advances in accordance with the terms of this Agreement is independent and in no way related to the obligation of any other Lender hereunder.

(5) Each Lender hereby acknowledges receipt of a copy of this Agreement and acknowledges that it is satisfied with the form and content of such document.

(6) Except to the extent recovered by the Agent from the Borrower, promptly following demand therefor, each Lender is responsible jointly and severally to pay, and will pay to the Agent any and all reasonable costs, expenses, claims, losses and liabilities incurred by the Agent in connection with this Agreement except for those incurred by reason of the Agent's gross negligence or wilful misconduct.

(7) Each Lender will respond promptly to each request by the Agent for the consent of such Lender required hereunder.

11.14 Rights of Agent

(1) In administering the Loan Facility, the Agent may retain, at the expense of the Lenders if such expenses are not recoverable from the Borrower, such solicitors, counsel, auditors and other experts and agents as the Agent may select, in its sole discretion, acting reasonably and in good faith after consultation with the Lenders.

(2) The Agent will be entitled to rely on any communication, instrument or document believed by it to be genuine and correct and to have been signed by the proper individual or individuals, and will be entitled to rely and will be protected in relying as to legal matters upon opinions of independent legal advisors selected by it. The Agent may also assume that any representation made by the Borrower is true and that no Event of Default or Pending Event of Default has occurred unless the officers or employees of the Agent, acting in their capacity as officers or employees responsible for the Borrower's account, have actual knowledge to the contrary or have received notice to the contrary from any other party to this Agreement.

(3) None of the provisions contained in this Agreement shall require the Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded to its satisfaction.

11.15 Collective Action of the Lenders

Each of the Lenders hereby acknowledges that to the extent permitted by Applicable Law, the remedies provided under the Loan Documents to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder are to be exercised not severally, but by the Agent upon the decision of the Majority Lenders or all of the Lenders as required by this Agreement. Accordingly, notwithstanding any of the provisions contained herein, each of the Lenders hereby covenants and agrees that it will not be entitled to take any action hereunder or thereunder including, without limitation, any declaration of default hereunder or thereunder but that any

such action will be taken only by the Agent with the prior written agreement of the Majority Lenders or all of the Lenders, as required. Each of the Lenders hereby further covenants and agrees that upon any such written agreement being given by the Majority Lenders or all of the Lenders, as required, it will co-operate fully with the Agent to the extent requested by the Agent. Notwithstanding the foregoing, in the absence of the instructions from the Lenders and where in the sole opinion of the Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the interest of the Lenders.

11.16 Funding by Lenders; Presumption by Agent

Unless the Agent shall have received notice from a Lender at least three Business Days prior to the proposed date of any Advance that such Lender will not make available to the Agent such Lender's share of such Advance, the Agent may assume that such Lender has made such share available on such date in accordance with the provisions of this Agreement concerning funding by Lenders and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Advance available to the Agent then the applicable Lender shall pay to the Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Agent at a rate determined by the Agent in accordance with prevailing banking industry practice on interbank compensation. If such Lender pays such amount to the Agent then such amount shall constitute such Lender's pro rata share of the Advance. If the Lender does not do so forthwith, the Borrower shall pay to the Agent forthwith on written demand such corresponding amount with interest thereon at the interest rate applicable to the Advance in question. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that has failed to make such payment to the Agent.

11.17 Payments by the Borrower; Presumption by Agent

Unless the Agent shall have received notice from the Borrower at least three Business Days prior to the date on which any payment is due to the Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Agent at a rate determined by the Agent in accordance with prevailing banking industry practice on interbank compensation.

11.18 Non-Funding Lenders

(1) Certain Fees. A Non-Funding Lender shall not be entitled to receive any fee to which it may have been entitled for any period during which that Lender is a Non-Funding Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Non-Funding Lender).

(2) Liability of the Agent. Neither the Agent nor any of its Affiliates nor any of their respective officers, directors, employees, agents or representatives shall be liable to any Lender (including, without limitation, a Non-Funding Lender) for any action taken or omitted to be taken by it in connection with amounts payable by the Borrower to a Non-Funding Lender and received and deposited by the Agent in a cash collateral account and applied in accordance with the provisions of this Agreement save and except for the gross negligence or wilful misconduct of the Agent as determined by a final non-appealable judgement of a court of competent jurisdiction.

(3) Non-Funding Lender Waterfall. The Agent shall be entitled to set off any Non-Funding Lender's Proportionate Share of all payments received from the Borrower against such Non-Funding Lender's obligations to fund payments and Advances required to be made by it and to purchase participations required to be purchased by it in each case under this Agreement and the other Loan Documents. The Agent shall be entitled to withhold and deposit in one or more non-interest bearing cash collateral accounts in the name of the Agent all amounts (whether principal, interest, fees or otherwise) received by the Agent and due to a Non-Funding Lender pursuant to this Agreement which amounts shall be used by the Agent (A) first, to reimburse the Agent for any amounts owing to it by the Non-Funding Lender pursuant to any Loan Document, and then to reimburse, (B) second, to repay any Advances made by a Lender in order to fund a shortfall created by a Non-Funding Lender which repayment shall be in the form of an assignment by each such Lender of such Advance to the Non-Funding Lender, (C) third, to cash collateralize all other obligations of such Non-Funding Lender to the Agent owing pursuant to this Agreement in such amount as shall be determined from time to time by the Agent, acting on written instructions from the Lenders, including, without limitation, such Non-Funding Lender's obligation to pay its Proportionate Share of any indemnification or expense reimbursement amounts not paid by the Borrower, (D) fourth, on written instructions from the Lenders, to fund from time to time the Non-Funding Lender's Proportionate Share of Advances under the Loan Facility, as applicable, (E) fifth, on written instructions from the Lenders, to be held in an interest bearing deposit account and released pro rata in order to satisfy such Non-Funding Lender's Proportionate Share of future Advances under the Loan Facility, (F) sixth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Non-Funding Lender as a result of such Non-Funding Lender's breach of its obligations under this Agreement, (G) seventh, so long as no Pending Event of Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Non-Funding Lender as a result of such Non-Funding Lender's breach of its obligations under this Agreement; and (H) eighth, to such Non-Funding Lender or as otherwise directed by a court of competent jurisdiction. Any payments, prepayments or other amounts paid or payable to a Non-Funding Lender that are applied (or held) to pay amounts owed by a Non-Funding Lender shall be deemed paid to and redirected by such Non-Funding Lender, and each Lender irrevocably consents hereto.

(4) Voting and Consent Rights. For certainty, a Non-Funding Lender shall have no voting or consent rights with respect to matters under this Agreement or other Loan Documents. Accordingly, the aggregate unpaid principal amount of the Advances owing to any Non-Funding Lender shall be disregarded in determining Majority Lenders and all Lenders or all affected Lenders. Notwithstanding the foregoing, should a Non-Funding Lender (A) fund all outstanding

Advances that it previously failed to fund and pay all other amounts owing to the Agent, and (B) confirm in writing to the Agent that there is no reasonable likelihood that it will subsequently again become a Non-Funding Lender, then such Lender shall thereafter be entitled to vote and shall have consent rights in the same manner and fashion as if it were not a Non-Funding Lender.

(5) Reinstatement of Non-Funding Lender. If the Borrower and the Agent agree in writing that a Lender is no longer a Non-Funding Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Advances to be held pro rata by the Lenders in accordance with the Proportionate Share, whereupon such Lender will cease to be a Non-Funding Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Non-Funding Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from a Non-Funding Lender to a Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Non-Funding Lender.

11.19 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in this Agreement, any other Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

11.20 Acknowledgement Regarding Any Supported QFCs.

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any hedging agreement or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**", and each such QFC, a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Non-Funding Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section, the following terms have the following meanings:

(i) "**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party;

(ii) "**Covered Entity**" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b);

(iii) "**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable; and

(iv) "**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

11.21 Divisions

(1) For all purposes under the Loan Documents, in connection with any Division (or any comparable event under the laws of the applicable jurisdictions): (a) if any asset, right, obligation or liability of any Dividing Person becomes the asset, right, obligation or liability of a Dividing Successor, then it shall be deemed to have been transferred from the Dividing Person to the Dividing Successor, and (b) if any new Dividing Successor comes into existence, such Dividing Successor shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

(2) No Obligor shall effectuate a Division (a) without the prior written consent of the Agent to the Division (including, without limitation, the plan of division) and (b) unless the Division Successor joins to the Loan Documents pursuant to a joinder agreement in form and substance satisfactory to the Agent.

(3) For purposes of this Section 11.21:

(a) "**Dividing Person**" is defined in the definition of "Division";

(b) "**Division**" means, in reference to any Person which is an entity (the "**Dividing Person**"), the division of such Person into two (2) or more separate Persons with the Dividing Person either continuing or terminating its existence as part of the division including as contemplated under Section 18-217 of the Delaware Limited Liability Act for limited liability companies formed under Delaware law or any analogous action taken pursuant to any Applicable Law (of Delaware or any other jurisdiction) with respect to any corporation, limited liability company, partnership or other entity; and

(c) "**Division Successor**" shall mean any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

ARTICLE 12
TAXES

12.01 Taxes

(1) All payments to be made to the Agent or the Lenders pursuant to the Loan Documents will be made free and clear of, and without reduction for or on account of, any present or future Taxes; provided, however, if any Taxes are required by Applicable Law to be withheld from any interest or other amount payable to the Agent or any Lender under any Loan Document, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is a Tax other than an Excluded Tax, the amount so payable by the applicable Obligor to the Agent or such Lender will be increased to the extent necessary to yield to the Agent or such Lender, on a net basis after payment of all Taxes (including all Taxes imposed (other than Excluded Taxes) on any additional amounts payable under this Section), interest or any such other amount payable under such Loan Document at the rate or in the amount specified in such Loan Document. The Obligors will be fully liable and responsible for and will, promptly following receipt of a request from the Agent, pay to the Agent any and all Taxes in the nature of sales, use, excise, value-added, goods and services, harmonized sales, stamp, property and similar Taxes payable under the laws of Canada, any Province of Canada, the United States of America, any State of the United States of America or any other country or jurisdiction with respect to any and all goods and services made available under the Loan Documents to any Obligor by the Agent and the Lenders, or any and all Taxes arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Documents, but not including any Excluded Taxes. Whenever any Taxes are payable by an Obligor pursuant to this section, for the account of the Agent or a Lender, a certified copy of an original official receipt showing payment of such Taxes (or other reasonable documentary evidence of such payment) will be promptly provided by such Obligor to the Agent or such Lender. If an Obligor fails to pay any Taxes (other than Excluded Taxes) in respect of any payment made to the Agent or the Lenders pursuant to the Loan Documents when due or if an Obligor fails to remit to the Agent the required documentary evidence of such payment, the Obligors will indemnify and save harmless the Agent and the Lenders from any incremental Taxes (other than Excluded Taxes), interest, penalties or other reasonable expenses that may become payable by the Agent or by any Lender or to which the Agent or any Lender may be subjected as a result of any such failure. A certificate of the Agent or any Lender as to the amount of any such Taxes (other than Excluded Taxes), interest or penalties and containing reasonable details of the calculation of such Taxes, interest or penalties will be, absent manifest error, *prima facie* evidence of the amount of such Taxes, interest or penalties, as the case may be. If an Obligor has paid over or remitted an amount on account of Taxes pursuant to the foregoing provision and the amount so paid over or remitted is subsequently refunded to such Lender, in whole or in part, such Lender will remit to the such Obligor, provided there is then no Pending Event of Default or Event of Default and subject to the set off rights of the Lenders, such an amount equal to such refund (but only to the extent of indemnity payments or additional amount paid under this section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). The applicable Obligor, upon request of a Lender, shall repay to such Lender the amount paid over pursuant to the

foregoing sentence (plus penalties, interest or other charges imposed by the relevant Governmental Authority). Notwithstanding anything to the contrary in the preceding two sentences, in no event will a Lender be required to pay any amount to an Obligor pursuant to this section the payment of which would place such Lender in a less favorable net after-Tax position than such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. The foregoing three sentences shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Obligors or any other Person.

(2) Notwithstanding anything to the contrary contained herein, neither the Agent nor any Lender shall be entitled to any additional payments or indemnification under Section 12.01(1): (A) with respect to withholding Taxes (a) to the extent that the obligation to withhold amounts existed on the date that the Agent or such Lender became a party to this Agreement (except to the extent such Lender is an assignee of any other Lender that was entitled, at the time the assignment of such other Lender became effective, to receive additional amounts or indemnification under Section 12.01(1)) or (b) that are directly attributable to the failure by such Lender to deliver the documentation required to be delivered pursuant to Section 12.01(3), (4) or (5); or (B) otherwise arising as a direct result of any assignment or participation made by a Lender prior to an Event of Default pursuant to Section 13.02 or 13.03.

(3) Each Lender that is not a United States person as defined in Section 7701(a)(30) of the Code and that, at any of the following times, is entitled to an exemption from or reduction in United States withholding tax shall (a) on or prior to the date such Lender becomes a party to this Agreement, (b) on or prior to the date on which any such form or certification expires or becomes obsolete, (c) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it and (d) from time to time if requested by the Borrower or the Agent, provide the Agent and the Borrower with two completed originals of each of the following, as applicable: (i) Forms W-8ECI (claiming exemption for US withholding tax because the income is effectively connected with a U.S. trade or business), W-8BEN (through December 31, 2014) or W-8BEN-E (claiming exemption from, or a reduction of, U.S. withholding tax under an income tax treaty) or any successor forms, (ii) in the case of such Lender claiming exemption under Sections 871(h) or 881(c) of the Code, Form W-8BEN (through December 31, 2014) or W-8BEN-E (claiming exemption from U.S. withholding tax under the portfolio interest exemption) or any successor form and a certificate in form and substance acceptable to the Agent that such Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code or (iii) any other applicable document prescribed by the US Internal Revenue Service certifying as to the entitlement of such Lender to such exemption form United States withholding tax or reduced rate with respect to all payments to be made to such Lender under the Loan Documents.

(4) Each Lender that is a United States person as defined in Section 7701(a)(30) of the Code shall (A) on or prior to the date such Lender becomes a party to this Agreement, (B) on or prior to the date on which any such form or certification expires or becomes obsolete, (C) after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it and (D) from time to time if requested by the Borrower or the Agent, provide the

Agent and the Borrower with two completed originals of Form W-9 (certifying that such Lender is entitled to an exemption for U.S. backup withholding tax) or any successor form.

(5) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding or Canadian Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent, such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (5), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(6) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to the backup withholding or information reporting requirements. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Agent of its legal inability to do so. Notwithstanding anything to the contrary in the preceding three sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 12.01(3), (4) and (5)) shall not be required if in a Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial positions of such Lender.

(7) If an Obligor determines in good faith that a reasonable basis exists for contesting any Taxes for which payment has been made under this Section 12.01, the Agent or relevant Lender, as applicable, shall cooperate with the Obligor in a reasonable challenge of such Taxes if so requested by the Obligor; provided that (a) such Lender determines in its reasonable discretion that it would not be prejudiced by cooperating in such challenge, (b) the Obligor pays all related expenses of such Lender or the Agent and (c) the Obligor indemnifies such Lender or the Agent for any liabilities or other reasonable costs incurred by such Lender or the Agent, as applicable, in connection with such challenge. The preceding sentence shall not be construed to require the Agent or any Lender to make available its Tax returns (or any other information that it deems confidential) to the Obligors or any other Person.

ARTICLE 13
SUCCESSORS AND ASSIGNS AND ADDITIONAL LENDERS

13.01 Successors and Assigns

(1) The Loan Documents will be binding upon and enure to the benefit of the Agent, each Lender, the Borrower and their successors and assigns, except that the Borrower, other than as otherwise permitted hereunder, will not assign any rights or obligations with respect to this Agreement or any of the other Loan Documents without the prior written consent of all of the Lenders and none of the Lenders will assign any of their rights and obligations under this Agreement or any of the other Loan Documents except in accordance with this Agreement.

(2) Except (a) from one Lender to another Lender, (b) from one Lender to one of its Affiliates or (c) in the case of the Specified Lender, from one Lender that satisfies the definition of the Specified Lender to another Person that is included in the definition of the Specified Lender, none of the rights and obligations of the Lenders or any of the other Loan Documents may be assigned in whole or in part except with the prior written consent of the Borrower, such consent not to be unreasonably withheld. Notwithstanding the foregoing, no consent of the Borrower is required in respect of any assignment by any one or more of the Lenders following the occurrence of a Pending Event of Default or an Event of Default and for so long as it is continuing. Subject to the foregoing, any assignment made by one or more of the Lenders in accordance herewith will be made in accordance with the provisions of Section 13.02 and the other terms of this Agreement. The Borrower hereby consents to the disclosure of any Information to any potential Lender or Participant provided that the potential Lender or Participant agrees in writing to keep the Information confidential as required pursuant to Section 14.01 hereof and to return such Information if it does not become a Lender or a Participant.

(3) Each assignment will be of a uniform, and not a varying, percentage of all rights and obligations of the assignor(s). Each such assignment will, unless an Event of Default exists, be in a principal amount of not less than the lesser of the entire amount of such Lender's interest, and **[Dollar Amount Redacted]**; provided, however, there will be no minimum assignment amount (i) following the occurrence of an Event of Default and for so long as it is continuing, or (ii) in respect of an assignment from one Lender to any other Lender or to any Affiliate of a Lender, and each Lender will be entitled to hold and assign interests of less than **[Dollar Amount Redacted]** if the total Advances held by such Lenders and Affiliates of such Lender are equal to or greater than **[Dollar Amount Redacted]**. The determination of the amount of Advances held by a Lender under this Section 13.01(3) will be made as of the effective date of the Assignment Agreement relating to any assignment.

(4) Notwithstanding any provision in this Agreement to the contrary, each Lender agrees that it will not assign all or any portion of its rights under this Agreement without ten (10) Business Days prior notice to the Agent and without the prior written consent of the Agent.

(5) A participation by a Lender of its interest (or a part thereof) hereunder or a payment by a Participant to a Lender as a result of the participation will not constitute a payment hereunder to the Lender or an Advance to the Borrower.

13.02 Assignments

(1) Subject to Section 13.01 and the other terms of this Agreement, the Lenders collectively or individually may assign to one or more assignees all or a portion of their respective rights and obligations under this Agreement; provided that no such assignment shall be made to (A) the Borrower, any other Obligor, any Obligor's Affiliates or Subsidiaries, (B) to any Non-Funding Lender or any of its Affiliates or Subsidiaries, or (C) to a natural Person. There will be no restrictions on assignments while an Event of Default exists. The parties to each such assignment will execute (together with the Agent) and deliver an assignment agreement in respect of the Loan Facility substantially in the form of Schedule D to this Agreement (each, an "**Assignment Agreement**") to the Agent and the Agent will deliver such Assignment Agreement to the Borrower. In addition the Borrower will execute such other documentation as a Lender may reasonably request for the purpose of any assignment or participation. The assignor will pay a processing and recording fee of **[Dollar Amount Redacted]** to the Agent. After such execution, delivery, acknowledgement and recording in the Register (i) the assignee thereunder will be a party to this Agreement and, to the extent that rights and obligations hereunder have been assigned to it, have the rights and obligations of a Lender hereunder and (ii) the assigning Lender thereunder will, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, relinquish its rights and be released from its obligations under this Agreement, other than obligations in respect of which it is then in default, and, in the case of an Assignment Agreement covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender will cease to be a party hereto; provided that such assigning Lender shall continue to be entitled to the benefits of Section 12.01 with respect to facts and circumstances occurring prior to the effective date of such assignment.

(2) The agreements of an assignee contained in an Assignment Agreement will benefit the assigning Lender thereunder, the other Lenders and the Agent in accordance with the terms of the Assignment Agreement.

(3) The Agent will maintain at its address referred to herein a copy of each Assignment Agreement delivered to and acknowledged by it and a register for recording the names and addresses of the Lenders and the outstanding Advances made under the Loan Facility by each Lender from time to time (the "Register"). The entries in the Register will be conclusive and binding for all purposes, absent manifest error. The Borrower, the Agent and each of the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement, and need not recognize any Person as a Lender unless it is recorded in the Register as a Lender. The Register will be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(4) Upon its receipt of an Assignment Agreement executed by an assigning Lender and an assignee and approved by the Borrower (other than while an Event of Default or a Pending Event of Default exists when no such approval will be necessary), the Agent will, if the Assignment Agreement has been completed and is in the required form with such immaterial changes as are acceptable to the Agent:

(a) acknowledge the Assignment Agreement;

(b) record the information contained therein in the Register; and

(c) give prompt notice thereof to the Borrower and the other Lenders, and provide them with an updated version of Schedule A.

13.03 Participations

(1) Each Lender may (subject to the provisions of Section 13.01(1)) sell participations to one or more banks, financial institutions or other Persons (other than (x) any Borrower, any other Obligor, any Obligor's Affiliates or Subsidiaries, or (y) to a natural Person) (each, a "**Participant**") in or to all or a portion of its rights and obligations under this Agreement, but the Participant will not become a Lender and:

(a) the Lender's obligations under this Agreement will remain unchanged;

(b) the Lender will remain solely responsible to the other parties hereto for the performance of such obligations;

(c) the Borrower, the Agent and the other Lenders will continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement; and

(d) no Participant will have any right to approve any amendment or waiver of any provision of this Agreement, or any consent to any departure by any Person therefrom.

(2) The Borrower agrees that each Participant shall be entitled to the benefits of Section 12.01 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.02.

(3) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under the Loan Documents (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Advances or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

ARTICLE 14
GENERAL

14.01 Exchange and Confidentiality of Information

(1) Each of the Lenders and the Agent acknowledges the confidential nature of the financial, operational and other information, reports and data provided and to be provided to them by the Borrower and each other Obligor pursuant to this Agreement (the "**Information**") and agrees to hold the Information in confidence and will not discuss or disclose or allow access to, or transfer or transmit the Information to any person, provided however that:

(a) each of the Lenders and the Agent may disclose all or any part of the Information if such disclosure is required by any applicable law or regulation, or by applicable order, policy or directive having the force of law, to the extent of such requirement, or is required in connection with any actual judicial, administrative or governmental proceeding, including, without limitation, proceedings initiated under or in respect of this Agreement, provided that in any such circumstance the Lenders and the Agent, as soon as reasonably practicable, will advise the Borrower of their obligation to disclose such Information in order to enable the Borrower, if it so chooses, to attempt to ensure that any such disclosure is made on a confidential basis;

(b) each of the Lenders and the Agent may disclose Information to each other, their respective Affiliates and investors and to any permitted assignees or Participants and to their respective counsel, agents, auditors, employees and advisors, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(c) each of the Lenders and the Agent may disclose and discuss the Information with credit officers of any potential permitted assignees for the purposes of assignment pursuant to Section 13.02 or any Participant for the purposes of a participation, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(d) each of the Lenders and the Agent may disclose all or any part of the Information on a confidential basis to any direct or indirect contractual counter party or prospective counter party to a swap agreement, credit linked note or similar transaction, or such contractual counter parties' or prospective counter parties professional advisors, provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential;

(e) each of the Lenders and the Agent may disclose all or any part of the Information so as to enable such Lender or the Agent to initiate any lawsuit against any Obligor or to defend any lawsuit commenced by any Obligor in respect of the Loan Documents, the issues of which are directly or indirectly related to the Information,

but only to the extent such disclosure is necessary or desirable to the initiation or defence of such lawsuit;

(f) each of the Lenders and the Agent may disclose all or any part of the Information on a confidential basis, with the prior written consent of the Borrower, to any insurance or re-insurance company for the purpose of obtaining insurance in respect of the Loan Facility provided that the Person to whom the disclosure is made is informed of the confidential nature of such information and instructed to keep such information confidential; and

(g) each of the Lenders and the Agent may disclose Information to any person with the prior written consent of the Borrower.

(2) Notwithstanding the foregoing, "**Information**" will not include any such information:

(a) which is or becomes readily available to the public (other than by a breach hereof or by a breach of an obligation of confidentiality imposed on a permitted assignee or Participant or other person referred to in this Section) or which has been made readily available to the public by an Obligor;

(b) which the Agent or any Lender can show was, prior to receipt thereof from an Obligor, lawfully in the Agent's or the Lender's possession and not then subject to any obligation on its part to or for the benefit of such Obligor to maintain confidentiality; or

(c) which the Agent or any Lender received from a third party, prior to receipt thereof from an Obligor, which was not, to the knowledge of the Agent or such Lender after due enquiry, subject to a duty of confidentiality to or for the benefit of such Obligor at the time the Information was so received.

14.02 Nature of Obligations under this Agreement

(1) The obligations of each Lender and of the Agent under this Agreement are several and not joint and several. The failure of any Lender to carry out its obligations hereunder will not relieve the other Lenders, the Agent or the Borrower of any of their respective obligations hereunder.

(2) Neither the Agent nor any Lender will be responsible for the obligations of any other Lender hereunder.

14.03 Notice

Any notice or communication to be given under this Agreement (other than telephone notice as specifically provided in this Agreement) may be effectively given by delivering (whether by internationally-recognized overnight courier or personal delivery) the same at the mailing addresses set out on the signature pages of this Agreement (or with respect to any assignee pursuant to Section 13.02, to the mailing address provided by such assignee to the Borrower and

the Agent in connection with the applicable transfer or assignment to such assignee) or by electronic communication (including e-mail) to the parties at the facsimile numbers or email addresses set out on the signature pages of this Agreement (or with respect to any assignee pursuant to Section 13.02, to the facsimile number provided by such assignee to the Borrower and the Agent in connection with the applicable transfer or assignment to such assignee). Any notice sent by electronic communication (including e-mail) will be deemed to have been received on transmission (and receipt of confirmation of transmission) if sent by any party to this Agreement before 4:00 p.m. (Toronto time) on a Business Day and, if not, on the next Business Day following transmission. Any party may from time to time notify the other parties, in accordance with the provisions of this Section, of any change of its mailing address, facsimile number or email address which after such notification, until changed by like notice, will be the mailing address, facsimile number or email address, as the case may be, of such party for all purposes of this Agreement.

14.04 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where Property or assets of the Borrower may be found.

14.05 Judgment Currency

(1) If for the purpose of obtaining or enforcing judgment against any Obligor in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 14.05 referred to as the "**Judgment Currency**") an amount due in Canadian Dollars or United States Dollars under this Agreement, the conversion will be made at the rate of exchange prevailing on the Business Day immediately preceding:

(a) the date of actual payment of the amount due, in the case of any proceeding in the courts of the Province of Ontario or in the courts of any other jurisdiction that will give effect to such conversion being made on such date; or

(b) the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 14.05(1)(b) being hereinafter in this Section 14.05 referred to as the "**Judgment Conversion Date**").

(2) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 14.05(1)(b), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable Obligor will pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of Canadian Dollars or United States Dollars, as the case may be, which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date.

(3) Any amount due from an Obligor under the provisions of Section 14.05(2) will be due as a separate debt and will not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement.

(4) The term "rate of exchange" in this Section 14.05 means the spot rate of exchange based on Canadian interbank transactions in Canadian Dollars or United States Dollars, as the case may be, in the Judgment Currency published or quoted by the Bank of Canada at the close of business for the Business Day in question (or, if such conversion is to be made before close of business on such Business Day, then at close of business on the immediately preceding Business Day), or if such rate is not so published or quoted by the Bank of Canada, such term will mean the Equivalent Amount of the Judgment Currency.

14.06 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the Borrower, the Lenders, the Agent and their respective permitted successors and permitted assigns.

14.07 Severability

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

14.08 Whole Agreement

From the Closing Date, this Agreement supersedes all prior agreements, undertakings, declarations, commitments, representations, written or oral, in respect thereof.

14.09 Further Assurances

The Borrower, each Lender and the Agent will promptly cure any default by it in the execution and delivery of this Agreement, the Loan Documents or any of the agreements provided for hereunder to which it is a party. The Borrower, at its expense, will promptly execute and deliver to the Agent, upon request by the Agent, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or accomplishment of the covenants and agreements of the Borrower hereunder or more fully to state the obligations of the Borrower as set forth herein or to make any recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

14.10 Waiver of Jury Trial

THE BORROWER HEREBY KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY AGENT, ANY LENDER OR ANY OF THE

BORROWER. THE BORROWER ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER CREDIT DOCUMENT TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDERS ENTERING INTO THIS AGREEMENT AND EACH OTHER CREDIT DOCUMENT.

14.11 Consent to Jurisdiction

(1) The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such court. The Borrower hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceeding.

(2) The Borrower hereby irrevocably consents to the service of any and all process in such action or proceeding by the delivery of such process to the Borrower at its address provided in accordance with Section 14.03.

14.12 Time of the Essence

Time will be of the essence of this Agreement.

14.13 Electronic Execution and Delivery

Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic means shall be effective as delivery of an original counterpart of this Agreement. The words “execution”, “signed”, “signature”, and words of like import in this Agreement shall be deemed to include electronic signature or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law.

14.14 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument, and it will not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

14.15 [Reserved]

14.16 Term of Agreement

This Agreement shall remain in full force and effect until the payment and performance in full of all of the Obligations, other than those Obligations of the Obligors to indemnify the Agent and the Lenders, including, without limitation, the indemnities set forth in

Sections 4.02, 11.11 and Article 10 and Article 12, which shall survive and continue to be in full force and effect.

14.17 USA Patriot Act

Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

14.18 Anti-Money Laundering Legislation

(1) The Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws (collectively, including any guidelines or orders thereunder, "**AML Legislation**"), the Lenders and the Agent may be required to obtain, verify and record information regarding the Borrower, the Guarantors, their directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Borrower and the Guarantors, and the transactions contemplated hereby. The Borrower shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Agent, or any prospective assignee or participant of a Lender or the Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

(2) Each of the Lenders agrees that the Agent has no obligation to ascertain the identity of the Borrower or the Guarantors or any authorized signatories of the Borrower or a Guarantor on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from the Borrower or any Guarantor or any such authorized signatory in doing so.

14.19 Public Disclosure

Each Obligor agrees that neither it nor any of its Affiliates shall now or in the future issue any press release or other public disclosure using the name of any Agent, any Lender or any of their respective Affiliates or referring to this Agreement or any other Loan Document without the prior written consent of such Agent or such Lender, except to the extent that such Obligor or such Affiliate is required to do so under applicable law (in which event such Obligor or such Affiliate shall consult with such Agent or such Lender before issuing such press release or other public disclosure). Each Obligor hereby authorizes each Agent and each Lender, after consultation with the Borrower, to advertise the closing of the transactions contemplated by this Agreement, and to make appropriate announcements of the financial arrangements entered into among the parties hereto, as such Agent or such Lender shall deem appropriate, including, without limitation, on a home page or similar place for dissemination of information on the Internet or worldwide web, or in announcements commonly known as tombstones, in such trade publications, business journals, newspapers of general circulation and to such selected parties as such Agent or such Lender shall deem appropriate. Notwithstanding any of the foregoing, this Agreement may be filed with the SEDAR or EDGAR in accordance with any Requirements of Law.

14.20 Force Majeure

The Agent shall not be liable to the others, or held in breach of this Agreement, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times applicable to the Agent under this Agreement shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section.

14.21 Anti-Money Laundering

The Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Agent, in its sole judgment, acting reasonably, determines that such act might cause it to be in noncompliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline. Further, should the Agent, in its sole judgment, acting reasonably, determine at any time that its acting under the Loan Documents has resulted in its being in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline, then it shall have the right to resign on ten days' prior written notice sent to the Borrower provided that (i) the Agent's written notice shall describe the circumstances of such non-compliance; and (ii) if such circumstances are rectified to the Agent's satisfaction within such 10-day period, then such resignation shall not be effective.

14.22 Privacy

The parties hereto acknowledge that the Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:

a) to provide the services required under this agreement and other services that may be requested from time to time;

b) to help the Agent manage its servicing relationships with such individuals;

c) to meet the Agent's legal and regulatory requirements; and

d) if Social Insurance Numbers are collected by the Agent, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

Each party acknowledges and agrees that the Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of this agreement for the purposes described above and, generally, in the manner and on the terms described in its Privacy Code, which it shall make available on its website, www.computershare.com, or upon request, including revisions thereto. The Agent may transfer personal information to other companies in or outside of Canada that provide data processing and storage or other support in order to

facilitate the services it provides. Further, each party hereto agrees that it shall not provide or cause to be provided to the Agent any personal information relating to an individual who is not a party to this agreement unless that party has assured itself that such individual understands and has consented to the aforementioned terms, uses and disclosures.

14.23 Third Party Interests

Each party to this Agreement hereby represents to the Agent that any account to be opened by, or interest to be held by the Agent in connection with this Agreement, for or to the credit of such party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Agent's prescribed form as to the particulars of such party.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

Address:

100 King Street, West, Suite 2630
Toronto, Ontario M5X 1E1

Attention: **General Counsel**
Email: **legal@justenergy.com**

JUST ENERGY GROUP INC.

AGENT:

Address:

COMPUTERSHARE TRUST COMPANY OF CANADA, as Agent

Attention:

Facsimile:
Email:

LENDERS:

Address:

SAGARD CREDIT PARTNERS, LP, by its general partner, Sagard Credit Partners GP, Inc., as a Lender

Attention:

Email:

Address:

[Redacted], as a Lender

By: _____
Name:
Title:

Attention:
Email:

By: _____
Name:
Title:

Address:

[Redacted], as a Lender

By: _____
Name:
Title:

Attention:
Email:

By: _____
Name:
Title:

Address:

[Redacted], as a Lender

By: _____
Name:
Title:

Attention:
Email:

By: _____
Name:
Title:

Address:

[Redacted], as a Lender

By: _____
Name:
Title:

Attention:
Email:

By: _____
Name:
Title:

SCHEDULE A

LENDERS AND ADVANCES

Lender	Advances
SAGARD CREDIT PARTNERS, LP	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
[Name Redacted]	**[Dollar Amount Redacted]**
TOTAL ADVANCES	**US$205,899,999.94**

SCHEDULE B

INTENTIONALLY DELETED

SCHEDULE C

REPAYMENT NOTICE

TO: Computershare Trust Company of Canada, as administrative agent (the "**Agent**")

RE: First amended and restated loan agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Loan Agreement**") among Just Energy Group Inc., as borrower (the "**Borrower**"), the Agent and each other person party thereto from time to time as lenders (the "**Lenders**")

DATE: **[■]**

All defined terms set forth, but not otherwise defined, in this notice shall have the respective meanings set forth in the Loan Agreement.

The Borrower hereby gives irrevocable notice of its intention to make a voluntary repayment or prepayment of **[all/a portion of]** the Advances pursuant to Section 5.02 of the Loan Agreement as follows:

1. Total amount of repayment or prepayment: US$_____[1]

2. Prepayment Fee (if applicable): US$_____

3. Date of repayment: _____.[2]

[Signature Page Follows]

---

[1] Minimum amount of **[Dollar Amount Redacted]**, subject to the concurrent payment to the Lender of the Prepayment Fee, together with all accrued and unpaid interest thereon. If such prepayment would result in the aggregate principal amount of the Advances outstanding being less than **[Dollar Amount Redacted]**, such prepayment shall be required to be increased to the amount that is the then outstanding principal balance of the Advances, together with all accrued and unpaid interest thereon.

[2] At least 30 days prior written notice of the repayment

Dated as of the first date written above.

JUST ENERGY GROUP INC.

By: _____
Authorized Signatory

SCHEDULE D

ASSIGNMENT AGREEMENT

TO: Computershare Trust Company of Canada, as administrative agent (the "**Agent**")

RE: First amended and restated loan agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Loan Agreement**") among Just Energy Group Inc., as borrower (the "**Borrower**"), the Agent and each other person party thereto from time to time as lenders (the "**Lenders**")

DATE: **[■]**[1]

All defined terms set forth, but not otherwise defined, in this Assignment Agreement shall have the respective meanings set forth in the Loan Agreement, unless the context requires otherwise.

1. **[name of new lender]** (the "**Assignee**") acknowledges that its proper officers have received and reviewed a copy of the Loan Documents and further acknowledges the provisions of the Loan Documents.

2. The Assignee desires to **[become] [increase its Commitment as]** a Lender under the Loan Agreement. **[Name of selling Lender]** (the "**Assignor**") has agreed to and does hereby sell, assign and transfer to the Assignee **US$**_____ of the Commitment of the Assignor (the "**Transferred Commitment**") and, accordingly, the Assignee has agreed to execute this Assignment Agreement.

3. The Assignee, by its execution and delivery of this Assignment Agreement, agrees that **[from and after the date hereof it will] [it continues to]** be a Lender under the Loan Agreement and agrees to be subject to, bound by and to perform all of the terms, conditions and covenants of the Loan Agreement applicable to a Lender **[but its obligation to make Advances will be limited to the Transferred Commitment]**.

4. The Assignee hereby assumes, without recourse to the Assignor, all liabilities and obligations of the Assignor as Lender under the Loan Agreement to the extent of the Transferred Commitment as provided for herein and the Assignee hereby releases and discharges the Assignor from such obligations and liabilities to the same extent. Nothing herein will release or be deemed to release any claim, demand, action or cause of action which the Borrower may have against the Assignor arising out of or in connection with a breach or default by the Assignor of any provision of the Loan Agreement and the other Loan Documents.

5. The Assignee acknowledges and confirms that it has not relied upon the Assignor or the Agent or any of their respective directors, officers, employees or agents, for, and none of the foregoing have made any representation or warranty whatsoever as to, the due

---

[1] 10 Business Days prior notice to be provided to the Agent

execution, legality, effectiveness, validity or enforceability of any of the Loan Documents or any other documentation or information delivered by the Assignor or the Agent to the Assignee in connection therewith or for the performance thereof by any party thereto or of the financial condition of the Borrower or any Guarantor. All representations, warranties and conditions express or implied by law or otherwise are hereby excluded.

6. The Assignee represents and warrants that it deals at arm's length within the meaning of the *Income Tax Act* (Canada) with the Borrower and that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of, and investigation into, the financial condition, creditworthiness, affairs, status and nature of the Borrower or any Guarantor and has not relied and will not hereafter rely on the Assignor or the Agent or any of their respective directors, officers, employees or agents to appraise or keep under review on its behalf the financial condition, creditworthiness, affairs, status or nature of the Borrower or any Guarantor.

   [NTD: Following the occurrence and continuance of an Event of Default or of a Pending Event of Default, an Assignee may be a Person that does not deal at arm's length with the Borrower.]

7. Each of the Assignor and the Assignee represents and warrants to the other, and to the Agent and the Lenders that it has the capacity and power to enter into this Assignment Agreement in accordance with the terms hereof and to perform its obligations arising therefrom, and all actions required to authorize the execution and delivery hereof and the performance of such obligations have been duly taken.

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

9. Notices will be given to the Assignee in the manner provided for in the Loan Agreement as follows:

   -
   -

   Attention: •
   Telecopier: •

   [specify lending office of the Assignee if different from above]

10. This Assignment Agreement will be binding upon the Assignee and its successors and permitted assigns.

11. This Assignment Agreement may be executed in counterparts (including by way of facsimile or electronic transmission) and all of such counterparts taken together will be deemed to constitute one and the same instrument.

[Name of Assignor]

By: _____
Name:
Title:

The Assignor hereby acknowledges the above Assignment Agreement and agrees that its Commitment is reduced by an amount equal to the Transferred Commitment.

[Name of Assignee]

By: _____
Name:
Title:

Just Energy Group Inc. hereby acknowledges the above Assignment Agreement and consent to the Assignee **[becoming] [increasing its Commitment as]** a Lender under the Loan Agreement to the extent of the Transferred Commitment.

JUST ENERGY GROUP INC.

By: _____
Authorized Signatory

[NTD: Borrower's consent is not required during the continuance of an Event of Default or a Pending Event of Default.]

Computershare Trust Company of Canada, as administrative agent hereby acknowledges the above Assignment Agreement **[and receipt of [Dollar Amount Redacted] from the Assignor]** and consents to the Assignee **[becoming] [increasing its Commitment as]** a Lender under the Loan Agreement to the extent of the Transferred Commitment.

COMPUTERSHARE TRUST COMPANY OF CANADA, as Administrative Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE E

LIST OF LDC AGREEMENTS

[REDACTED]

SCHEDULE F

FORM OF OPERATING BUDGET

[REDACTED]

SCHEDULE G

GUARANTORS AS OF THE CLOSING DATE

[REDACTED]

SCHEDULE H

FORM OF SUBORDINATION AGREEMENT

- see attached -

SUBORDINATION AND POSTPONEMENT AGREEMENT

THIS SUBORDINATION AND POSTPONEMENT AGREEMENT (as amended, modified, supplemented, restated or replaced from time to time, this "**Agreement**") is made as of [■], 20[■] between (A) Computershare Trust Company of Canada ("**CPU**"), as administrative agent (together with any successor(s) thereto in such capacity, the "**Agent**") for and on behalf of itself and the Lenders (as defined below) under the Loan Agreement (as defined below) or any affiliate of a Lender, (B) **[name of Restricted Subsidiary]**, as debtor (together with its successors, the "**Debtor**"); and (C) **[name of Unrestricted Subsidiary]** (together with its successors, the "**Subordinate Lender**").

WHEREAS pursuant to a first amended and restated loan agreement dated as of September 28, 2020 (as such agreement may be amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**"), among Just Energy Group Inc., as borrower (the "**Borrower**"), the Agent and each of the financial institutions who from time to time become lenders thereunder (collectively, the "**Lenders**"), the Lenders have agreed to extend certain loans to the Borrower;

AND WHEREAS the Debtor has entered into a guarantee dated as of September 12, 2018 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Guarantee**") in favour of Agent pursuant to which the Debtor has guaranteed the obligations of the Borrower to any Lender or any affiliate of a Lender;

AND WHEREAS the Subordinate Lender has agreed to unconditionally and irrevocably subordinate and postpone the Subordinate Debt to the indefeasible repayment in full of the Senior Debt pursuant to this Agreement;

AND WHEREAS the Subordinate Lender has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties hereto make the following covenants, acknowledgments and agreements.

1. Defined Terms

Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein which are not otherwise defined herein shall have the meanings provided in the Loan Agreement. References in this Agreement to any agreement shall be deemed to be a reference to such agreement as amended, restated, supplemented, substituted, replaced or modified from time to time. In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Agent**" has the meaning ascribed thereto in the recitals;

"**Agreement**" has the meaning ascribed thereto in the recitals;

"**Applicable Law**" means, in respect of any Person, property, transaction, event or other matter, as applicable, all domestic and foreign laws, rules, statutes, regulations, treaties, orders, judgments and decrees and, to the extent they have the force of law, all official directives,

rules, guidelines, orders, policies and other requirements of any Governmental Authority and will also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation in each case having the force of law relating or applicable to such Person, property, transaction, event or other matter;

"**Borrower**" has the meaning ascribed thereto in the recitals;

"**Debtor**" has the meaning ascribed thereto in the recitals;

"**Governmental Authority**" means the government of any nation, province, territory, municipality, state or other political subdivision of any nation, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**Guarantee**" has the meaning ascribed thereto in the recitals;

"**Lenders**" has the meaning ascribed thereto in the recitals and "Lender" means any one of them;

"**Person**" means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual;

"**Senior Creditors**" means the Agent and the Lenders;

"**Senior Debt**" has the meaning ascribed to "Obligations" in the Loan Agreement;

"**Subordinate Debt**" means all indebtedness, liabilities and obligations, of any nature or kind, present or future, direct or indirect, absolute or contingent, whether as primary debtor or surety, matured or not and at any time owing by the Debtor to the Subordinate Lender; and

"**Subordinate Lender**" has the meaning ascribed thereto in the recitals.

2. Subordination and Postponement

The Subordinate Lender hereby covenants and agrees that all Subordinate Debt is hereby unconditionally and irrevocably deferred, postponed and subordinated in all respects to the prior indefeasible repayment in full by the Debtor of all the Senior Debt.

(a) Without limiting the generality of the foregoing, the deferrment, postponement and subordination of the Subordinate Debt contained herein shall be effective notwithstanding:

(i) the dates of any advances pursuant to the Loan Agreement;

(ii) the time or sequence of giving any notice or the making of any demand in respect of the Senior Debt;

(iii) the taking of any collection, enforcement or realization proceedings pursuant to the Subordinate Debt;

(iv) the date of obtaining any judgment or the order of any bankruptcy court or any court administering bankruptcy, insolvency, receivership or similar proceedings as to the entitlement of either the Senior Creditors or the Subordinate Lender to any money or property of the Debtor;

(v) the giving or failing to give any notice, or the sequence of giving any notice to the Debtor;

(vi) the failure to exercise any power or remedy reserved to the Agent or any of the Senior Creditors under the Loan Agreement or any other Loan Document; and

(vii) the rules of priority established under Applicable Law.

3. Repayment of Subordinate Debt Except for payments which are not prohibited by and which are made in accordance with the Loan Agreement, until the Senior Debt has been indefeasibly paid in full and the Loan Agreement has been terminated, no direct or indirect, distribution, payment (including, but not limited to, principal, interest and fees), prepayment or repayment on account of, or other distribution in respect of, the Subordinate Debt shall be made by, or on behalf of, the Debtor or received by, or on behalf of, the Subordinate Lender.

4. Restriction on Enforcement The Subordinate Lender shall not take any steps whatsoever to enforce payment of the Subordinate Debt (including, without limitation, demand for payment, rights of set-off, commencement of bankruptcy proceedings, foreclosure, sale, power of sale, taking of possession, appointing or making application to a court for an order appointing an agent or a receiver or receiver-manager) unless, prior to the taking of any such steps, the Senior Debt has been indefeasibly paid in full.

5. Subordinate Security The Subordinate Lender acknowledges that it has not been granted any security from the Debtor to secure the Subordinate Debt. The Subordinate Lender covenants in favour of the Senior Creditors that during the term of this Agreement it will not take from the Debtor security for the payment of or performance of obligations in respect of the Subordinate Debt. The Debtor covenants in favour of the Senior Creditors that during the term of this Agreement, it will not deliver to the Subordinate Lender any security for the payment of or performance of obligations in respect of the Subordinate Debt.

6. No Objection The Subordinate Lender shall not take, or cause or permit any other Person to take on their behalf, any steps whatsoever whereby the **[priority or]** validity of any of the Senior Debt or the rights of the Agent or any other Senior Creditor under the Loan

Agreement or any other Loan Document could be delayed, defeated, impaired or diminished.

7. [Reserved.]

8. Liquidation, Dissolution, Bankruptcy, etc.

(a) In the event of distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Debtor, or the proceeds thereof, to creditors in connection with the bankruptcy, liquidation or winding-up of the Debtor or in connection with any composition with creditors or scheme of arrangement to which the Debtor is a party, the Senior Creditors shall be entitled to receive (i) payment in full (including interest accruing to the date of receipt of such payment at the applicable rate whether or not allowed as a claim in any such proceeding) of the Senior Debt before the Subordinate Lender is entitled to receive any direct or indirect payment or distribution of any cash or other assets of the Debtor on account of the Subordinate Debt, and (ii) any payment or distribution of any kind or character, whether in cash or other assets, which shall be payable or deliverable upon or with respect to the Subordinate Debt for application in payment of such Senior Debt (to the extent necessary to pay all Senior Debt in full after giving effect to any substantially concurrent payment or distribution to the Senior Creditors in respect of the Senior Debt). To the extent any payment of Senior Debt (whether by or on behalf of the Subordinate Lender, as enforcement of any right of set-off or otherwise) is declared to be a fraudulent preference or otherwise voidable, set aside or required to be paid to a trustee, receiver or other similar Person under any bankruptcy, insolvency, receivership or similar law, then if such payment is recoverable by, or paid over to, such trustee, receiver or other Person, the Senior Debt or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

(b) In order to enable the Senior Creditors to enforce their rights hereunder in any of the actions or proceedings described in this Section 8, the Agent is hereby irrevocably authorized and empowered, in its discretion, to make and present for and on behalf of the Subordinate Lender, such proofs of claims or other motions or pleadings and to demand, receive and collect any and all dividends or other payments or disbursements made thereon in whatever form the same may be paid or issued and to apply the same on account of the Senior Debt. The Subordinate Lender hereby covenants and agrees to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings described in this Section 8 in favour of any plan, proposal, compromise, arrangement or similar transaction so as to give effect to: (i) the right of the Senior Creditors to receive payments and distributions otherwise payable or deliverable upon or with respect to the Subordinate Debt so long as any Senior Debt remains outstanding; or (ii) the obligation of the Subordinate Lender to receive, hold in trust, and pay over to the Senior Creditors certain payments and distributions as contemplated by Section 9.

(c) In the event of any dissolution, winding up, reorganization, bankruptcy, insolvency, receivership or other similar proceedings relating to the Debtor, all rights of the Subordinate Lender to exercise the voting and other consensual rights pertaining to Subordinate Debt and the securities it owns or holds in the capital of the Debtor of which it would otherwise be entitled to exercise shall, at the option of the Agent, become vested in the Agent, for and on behalf of the Senior Creditors, and the Agent shall thereupon have the right, but not the obligation, to exercise such voting and other consensual rights. For such purpose, the Subordinate Lender hereby irrevocably appoints the Agent or any officer of the Agent as its attorney in fact, with full power and authority in the place and stead of the Subordinate Lender and in the name of the Subordinate Lender or otherwise, from time to time in the Agent's absolute discretion and to the fullest extent permitted by law, to take any action and to execute any instruments which the Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, and the Subordinate Lender hereby ratifies all such actions that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an assignment of the Subordinate Lender's interest in any payments or distributions in respect of the Subordinate Debt and shall be irrevocable.

9. Payments Received by the Subordinate Lender Prior to the indefeasible payment in full of the Senior Debt, if the Subordinate Lender or any Person on its behalf shall receive any payment (other than such payments expressly permitted by Section 3 hereof) from a distribution of assets of the Debtor on account of any Subordinate Debt, then the Subordinate Lender shall, and shall cause such other Person to, receive and hold such payment or distribution in trust for the benefit of the Senior Creditors and promptly pay the same over or deliver to the Agent in precisely the form received by the Subordinate Lender or such other Person on their behalf (except for any necessary endorsement or assignment) and such payment or distribution shall be applied by the Agent to the repayment or payment of the Senior Debt.

10. [Reserved]

11. Representations and Warranties Each of the Subordinate Lenders hereby represents and warrants to the Senior Creditors in respect of itself that:

(a) it, or to the extent the Subordinate Lender is a limited partnership, its general partner, or to the extent the Subordinate Lender is a trust, its trustee or administrative agent, has all necessary power and authority to enter into this Agreement; and

(b) this Agreement constitutes a valid and legally binding obligation, enforceable against it in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

12. No Waiver of Subordination Provisions No right of the Agent to enforce the subordination as provided in this Agreement shall at any time in any way be prejudiced or impaired by

any act or failure to act on the part of the Subordinate Lender or by any act or failure to act by the Senior Creditors or any agent of or trustee for the Senior Creditors, or by any non-compliance by the Debtor with any of the agreements or instruments relating to the Subordinate Debt or the Senior Debt, regardless of any knowledge thereof which the Senior Creditors may have or be otherwise charged with. Without limitation of the foregoing, but in no way relieving the Subordinate Lender of its obligations under this Agreement, the Senior Creditors may, at any time and from time to time, without the consent of or notice to the Subordinate Lender and without impairing or releasing the subordination and other benefits provided in this Agreement or the obligations hereunder of the Subordinate Lender to the Senior Creditors, do any one or more of the following:

(a) amend, supplement, modify, restate or replace the Loan Agreement or any other Loan Document;

(b) settle or compromise any Senior Debt or any other liability of the Debtor or any liability incurred directly or indirectly in respect thereof, and apply any sums by whomsoever paid and however realized to the Senior Debt in any manner or order;

(c) exercise or delay in or refrain from exercising any right or remedy against the Debtor and elect any remedy and otherwise deal freely with the Debtor; and

(d) change, whether by addition, substitution, renewal, succession, assignment, grant of participation, transfer or otherwise, any of the Senior Creditors (including the Agent).

No loss of or in respect of any of the Senior Debt or otherwise or any carelessness or neglect by the Senior Creditors in asserting their rights or any other thing whatsoever, including without limitation the loss by operation of law of any right of the Senior Creditors against the Debtor, shall in any way impair or release the subordination and other benefits provided by this Agreement.

13. Waivers of the Subordinate Lender The Subordinate Lender agrees that: (i) the Senior Creditors have made no representations or warranties with respect to the due execution, legality, validity, completeness or enforceability of any agreement or instrument relating to the Loan Agreement or any other Loan Document; (ii) each Senior Creditor shall be entitled to manage and supervise its loans and other financial accommodations to the Borrower and the Debtor in accordance with Applicable Law and its usual practices, modified from time to time as it deems appropriate under the circumstances, or otherwise, without regard to the existence of any rights that the Subordinate Lender may now or hereafter have in or to any of the assets of the Debtor; and (iii) each Senior Creditor shall have no liability to the Subordinate Lenders for, and, to the extent permitted by Applicable Law, the Subordinate Lender hereby waives any claims which the Subordinate Lender may now or hereafter have against the Senior Creditors out of, any and all actions which the Senior Creditors take or omit to take (including, without limitation, actions with respect to the occurrence of any default under any agreement or instrument relating to the Senior Debt and actions with respect to the collection of any claims or all or any part of the Senior Debt from any account debtor, guarantor or any other Person) with respect to the Senior Debt

and any agreement or instrument related thereto or with respect to the collection of the Senior Debt or the valuation, use, protection or release of any assets securing payment of the Senior Debt.

14. No Release This Agreement shall remain in full force and effect without regard to, and the obligations of the Subordinate Lender hereunder shall not be released or otherwise affected or impaired by:

(a) any exercise or non-exercise by the Senior Creditors of any right, remedy, power or privilege in the Loan Agreement or any other Loan Document;

(b) any waiver, consent, extension, indulgence or other action, inaction or omission by the Senior Creditors under or in respect of this Agreement, the Loan Agreement or any other Loan Document;

(c) any default by any of the Debtor under, any limitation on the liability of the Debtor on the method or terms of payment under, or any irregularity or other defect in, the Loan Agreement or any other Loan Document;

(d) the lack of authority or revocation hereof by any other party;

(e) the failure of the Senior Creditors to file or enforce a claim of any kind;

(f) any defence based upon an election of remedies by the Senior Creditors which destroys or otherwise impairs the subrogation rights of the Subordinate Lender or the right of the Subordinate Lender to proceed against the Debtor for reimbursement, or both;

(g) any merger, consolidation or amalgamation of any of the Subordinate Lender or the Debtor into or with any other Person; or

(h) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting the Subordinate Lender or the Debtor.

15. No Rights to Debtor Nothing in this Agreement shall create any rights in favour of, or obligations to the Debtor and the covenants and agreements of the Senior Creditors and the Subordinate Lender shall not be enforceable by the Debtor.

16. Further Assurances The parties hereto shall forthwith, and from time to time, execute and deliver all deeds, documents and things which may be necessary or advisable, in the reasonable opinion of the Agent and its counsel, to give full effect to the postponement and subordination of the rights and remedies of the Subordinate Lender in respect to the Subordinate Debt to the rights and remedies of the Senior Creditors in respect to the Senior Debt, all in accordance with the intent of this Agreement.

17. Successors and Assigns

(a) This Agreement is binding upon the Senior Creditors and the Subordinate Lender and its successors and assigns and, subject to subsection 17(b) below, shall enure to the benefit of the Senior Creditors and the Subordinate Lender, and their respective successors and permitted assigns.

(b) The Subordinate Lender shall not be entitled to assign all or any part of its rights and obligations under this Agreement or the Subordinate Debt.

18. Entire Agreement; Severability This Agreement contains the entire agreement among the parties hereto with respect to the subordination and postponement of obligations of the Subordinate Lender. If any of the provisions of this Agreement shall be held invalid or unenforceable by any court having jurisdiction, this Agreement shall be construed as if not containing those provisions, and the rights and obligations of the parties hereto should be construed and enforced accordingly. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Loan Agreement, the rights and obligations of the parties will be governed by the provisions of the Loan Agreement.

19. Acknowledgement The Subordinate Lender hereby acknowledges receipt of a copy of this Agreement and accepts and further agrees with the Agent to give effect to all of the provisions of this Agreement.

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

21. Termination This Agreement shall terminate upon the earlier of:

(a) the repayment or payment in full of the Senior Debt; and

(b) the written agreement of the Agent and the Subordinate Lender.

Subject to Section 8(a), the Senior Debt shall be considered to be repaid or paid in full when no further amounts are owing to the Senior Creditors and all obligations of the parties under the Loan Agreement and the other Loan Documents have been terminated.

22. Counterparts This Agreement may be executed in any number of counterparts, all of which shall be deemed to be an original and such counterparts taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

23. Electronic Execution Delivery of an executed signature page to this Agreement by any party by electronic transmission will be effective as delivery of a manually executed copy of the Agreement by such party.

24. Enurement This Agreement shall be binding upon and enure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

[NAME OF DEBTOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

[NAME OF SUBORDINATE LENDER]

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE I

FORM OF COMPLIANCE CERTIFICATE

- see attached

COMPLIANCE CERTIFICATE

TO: Computershare Trust Company of Canada, as administrative agent (the "**Agent**")

AND TO: The Lenders under the Loan Agreement (as defined below)

RE: First amended and restated loan agreement dated as of September 28, 2020 (together with all amendments, modifications, supplements, restatements, if any, from time to time thereafter made thereto, the "**Loan Agreement**") among Just Energy Group Inc., as borrower (the "**Borrower**"), the Agent and each other person party thereto from time to time as lenders (the "**Lenders**")

DATE: [■]

The undersigned, the **[insert title of senior officer]** of the Borrower, hereby certifies, in that capacity and without personal liability, that:

1. I have read and am familiar with the provisions of the Loan Agreement and have made such examinations and investigations, including a review of the applicable books and records of the Borrower as are necessary to enable me to express an informed opinion as to the matters set out herein and to furnish this Certificate.

2. I have furnished this Certificate with the intent that it may be relied upon by the Agent and the Lenders as a basis for determining compliance by the Borrower with its covenants and obligations under the Loan Agreement and the other Loan Documents as of the date of this Certificate.

3. The representations and warranties contained in Section 7.01 of the Loan Agreement are true and correct on the date of this Certificate with reference to facts subsisting on such date, with the same effect as if made on such date except for those representations and warranties which speak to a specific date which shall be true as of such date **[except _____]**.

4. This Certificate applies to the Fiscal **[Quarter/Year]** ending _____.

5. The following constitute the only Guarantors: **[List names of Guarantors]**, in each case (unless otherwise stated) with respect to the Obligations of the other Guarantors.

6. For purposes of this Compliance Certificate, the consolidated financial statements of the Borrower **[most recent date]** delivered pursuant to Section 8.03(1) or 8.03(2) of the Loan Agreement, as the case may be:

   (a) are complete in all material respects and fairly present the results of operations and financial position of the Borrower on a Modified Consolidated Basis as at the date thereof; and

(b) have been prepared in accordance with GAAP consistently applied except that, in the case of quarterly financial statements, notes to the statements and audit adjustments required by GAAP are not included.

Since such date, there has been no condition (financial or otherwise), event or change in the business, liabilities, operations, results of operations, assets or prospects of either of the Borrower, or any of the Guarantors which constitutes or has a Material Adverse Effect.

7. As of **[insert date]**:

A. EBITDA

Net income:		Cdn.$	_____
(a)	increase by the sum of (without duplication):		
	(i) Total Interest Expense;	Cdn.$	_____
	(ii) Income Tax Expense;	Cdn.$	_____
	(iii) Depreciation Expense (which for greater certainty does not include any amortization of contract initiation costs);	Cdn.$	_____
	(iv) non-cash losses resulting from the fair value of derivative financial investments;	Cdn.$	_____
	(v) accrued (but not yet actually realized) foreign exchange translation losses;	Cdn.$	_____
	(vi) losses on the purchase or redemption of securities issued by any of the Borrower and the Restricted Subsidiaries;	Cdn.$	_____
	(vii) any other cash or non-cash extraordinary, unusual or non-recurring losses; excluding, for greater certainty, (A) provisions made for litigation and other similar proceedings and (B) losses associated with trading, settlement or balancing of Commodity Hedges; and	Cdn.$	_____
	(viii) Share Based Compensation to the extent settled with shares of JustEnergy (i.e., non-cash);	Cdn.$	_____

			_____
in each case to the extent such amounts were deducted in the calculation of net income for such period,			
(b)	decreased by the sum of (without duplication)		
	(i) non-cash gains resulting from the fair value of derivative financial investments;	Cdn.$	_____
	(ii) accrued (but not yet actually realized) foreign exchange translation gains;	Cdn.$	_____
	(iii) gains on the purchase or redemption of securities issued by any of the Borrower and the Restricted Subsidiaries;	Cdn.$	_____
	(iv) any reduction in deferred tax recovery; and	Cdn.$	_____
	(v) any other cash or non-cash extraordinary, unusual or non-recurring gains excluding, for greater certainty, gains associated with trading, settlement or balancing of Commodity Hedges;	Cdn.$	_____
in each case to the extent such amounts were added in the calculation of net income for such period.			
EBITDA (total)		Cdn.$	_____
Senior Debt		Cdn.$	_____

8. The ratio of Average Quarterly Net Senior Debt Utilization to EBITDA determined as at the last day of the immediately preceding Fiscal Quarter is _____:1.

9. The ratio of Senior Debt to EBITDA determined on a Modified Consolidated Basis as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is _____:1 as required pursuant to Section 8.02(1) of the Loan Agreement.

10. The EBITDA as at the last day of each Fiscal Quarter in respect of the immediately preceding Four Quarter Period is $_____as required pursuant to Section 8.02(2) of the Loan Agreement.

11. *Intentionally Deleted*

12. The projected amount of Available Supply of natural gas, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for natural gas for the next 12 months, is _____%, as required pursuant to Sections 8.03(5) and 8.04(6) of the Loan Agreement. **[NTD: Available Supply of natural gas to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

13. The projected amount of Available Supply of electricity, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for electricity for the next 12 months, is _____%, as required pursuant to Sections 8.03(5) and 8.04(6) of the Loan Agreement. **[NTD: Available Supply of electricity to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

14. The projected amount of Available Supply of natural gas, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for natural gas for the next 36 months, is _____%, as required pursuant to Sections 8.03(5) and 8.04(6) of the Loan Agreement. **[NTD: Available Supply of natural gas to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

15. The projected amount of Available Supply of electricity, determined as at the end of the last day of each Fiscal Quarter for the next Four Quarter Period, to Supply Commitments for electricity for the next 36 months, is _____%, as required pursuant to Sections 8.03(5) and 8.04(6) of the Loan Agreement. **[NTD: Available Supply of electricity to be a minimum of [Percentage Redacted] and a maximum of [Percentage Redacted] of Supply Commitments.]**

[NTD: The above projection is to be delivered within 30 days of the end of each Fiscal Quarter. The Compliance Certificate is to be delivered within 60 days of the end of each Fiscal Quarter.]

16. (i) Financial Assistance provided by any Obligor to any Unrestricted Subsidiary prior to July 7, 2020 is: US$_____, as required pursuant to Section 8.04(5) of the Loan Agreement.

(ii) Financial Assistance provided by any Obligor to any Unrestricted Subsidiary from and after July 7, 2020 in an amount not to exceed the aggregate amount of **[Dollar Amount Redacted]**, is: US$_____, as required pursuant to Section 8.04(5) of the Loan Agreement.

17. Aggregate value of Unbilled Accounts Receivable Encumbered which shall not exceed **[Dollar Amount Redacted]** at any time is: US$_____, as required pursuant to Sections 8.04(10) and 8.04(23) of the Loan Agreement.

18. Aggregate value of Cash Security Deposits Encumbered which shall not exceed **[Dollar Amount Redacted]** at any time is: US$_____, as required pursuant to Sections 8.04(10) and 8.04(23) of the Loan Agreement.

Attached hereto as Schedule A is a detailed calculation for the information disclosed in each of paragraphs 7, 8, 9, 10 and 16.

-Signature Page Follows-

Dated as of the first date written above.

JUST ENERGY GROUP INC.

By: _____
Authorized Signatory

SCHEDULE J

INTENTIONALLY DELETED

SCHEDULE K

INTENTIONALLY DELETED

SCHEDULE 4.04

INTENTIONALLY DELETED

SCHEDULE 4.06

FORM OF NOTE

-see attached -

NOTE

Lender: [●]

[DATE]

FOR VALUE RECEIVED, the undersigned, Just Energy Group Inc., a corporation existing under the laws of Canada (the "Borrower"), hereby promises to pay to the Lender set forth above (the "Lender") the principal amount set forth in Schedule A hereto (as such figure may be updated from time to time in accordance with this Note, the "**Principal Amount**") or, if less, the aggregate unpaid principal amount of Advances (as defined in the Loan Agreement referred to below) of the Lender to the Borrower (including for certainty, all PIK Interest and PIK Fees (as each term is defined in the Loan Agreement) added to the principal amount of the Advances from time to time), payable at such times and in such amounts as are specified in the Loan Agreement.

The Borrower promises to pay interest on the unpaid principal amount of the Advances from the date made until such principal amount is paid in full, payable at such times and at such interest rates as are specified in the Loan Agreement. Presentment, diligence, demand, protest and other notice of any kind are hereby waived by the Borrower.

This Note (this "Note") is entitled to the benefits of the first amended and restated loan agreement dated as of September 28, 2020 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), among the Borrower, Computershare Trust Company of Canada, in its capacity as Administrative Agent (the "Agent"), Sagard Credit Partners, LP, and each other Person from time to time party thereto as a Lender. Capitalized terms used herein without definition are used as defined in the Loan Agreement.

This Note is a Loan Document, is entitled to the benefits of the Loan Documents and is subject to certain provisions of the Loan Agreement, including without limitation Sections 14.04 (Governing Law), 14.10 (Waiver of Jury Trial) and 14.11 (Consent to Jurisdiction) thereof.

This Note is a registered obligation, transferable only upon notation in the Register, and no assignment hereof shall be effective until recorded therein.

The Lender shall record on Schedule A hereto (i) the date and amount of each subsequent increase in the Principal Amount hereof, (ii) the date and amount of each repayment or prepayment of the Principal Amount hereunder and the resulting decrease in such Principal Amount, and (iii) the name of the director or senior officer of the Borrower who authorizes such recordations. Such recordations, in the absence of manifest error, shall be prima facie evidence of such increase in the Principal Amount and such decrease in the Principal Amount as resulted by the repayments or prepayments thereof; provided that the failure of the Lender to make such recordations shall not affect the obligation of the Borrower to repay the Principal Amount, and accrued and unpaid interest thereon, in accordance with the terms hereof and the terms of the Loan Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed and delivered by its duly authorized officer as of the day and year and at the place set forth above.

JUST ENERGY GROUP INC.

By: _____
Name:
Title:

SCHEDULE A TO NOTE

Initial Principal Amount: $[■] as of September 28, 2020

Effective Date	Amount of PIK Interest and PIK Fees (Increase to Principal)	Amount of Repayment (Decrease to Principal)	New Principal Amount (Unpaid Balance)	Authorized Director or Officer of the Borrower
September 28, 2020	-	-	$[■]	
March 31, 2021				
September 30, 2021				
March 31, 2022				
September 30, 2022				
March 31, 2023				
September 29, 2023				
March 29, 2024				

SCHEDULE 7.01(6)

TAXES

[REDACTED]

SCHEDULE 7.01(16)

CORPORATE STRUCTURE

[REDACTED]

SCHEDULE 7.01(22)

MATERIAL CONTRACTS AND LICENCES

[REDACTED]

SCHEDULE 7.01(28)

ENVIRONMENTAL REPORTS

Nil.

SCHEDULE 7.01(36)

NON ARM'S LENGTH TRANSACTIONS

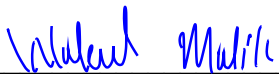
Nil.

SPECIFIED LENDER SCHEDULE

Confidential

TAB O

THIS IS EXHIBIT "O" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Execution Version

TRUST INDENTURE

between

JUST ENERGY GROUP INC.

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

Providing for the Issue of
Note

Dated as of September 28, 2020

TABLE OF CONTENTS

TRUST INDENTURE

THIS TRUST INDENTURE is made as of the 28th day of September, 2020.

BETWEEN: **JUST ENERGY GROUP INC.**, a corporation governed under the federal laws of Canada (hereinafter referred to as the "**Corporation**")

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company incorporated under the federal laws of Canada (hereinafter referred to as the "**Note Trustee**")

WHEREAS the Corporation deems it necessary for its purposes to create and issue the Note to be created and issued in the manner hereinafter appearing;

WHEREAS the Corporation, under the laws relating to it, is duly authorized to create and issue the Note as herein provided;

WHEREAS, when certified by the Note Trustee and issued as provided in this Indenture, all necessary steps have been duly enacted, passed and/or confirmed and other proceedings taken and conditions complied with, in each case by the Corporation, to make the creation and issue of the Note issued hereunder legal, valid and binding on the Corporation in accordance with the laws relating to the Corporation; and

WHEREAS the foregoing recitals are made as representations and statements of fact by the Corporation and not by the Note Trustee;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this agreement and the recitals above, unless there is something in the subject matter or context inconsistent therewith or unless otherwise expressly provided, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

(a) "**this Indenture**", "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Indenture and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto;

(b) "**Acceptance Notice**" has the meaning ascribed thereto in Section 2.1(e)(iii);

(c) "**Affiliate**" and "**Associate**", when used to indicate a relationship with a person or company, have the respective meanings as ascribed thereto in the *Securities Act* (Ontario);

(d) "**Applicable Securities Legislation**" means applicable securities laws (including published rules, regulations, policies, blanket orders, rulings and instruments) in each of the Provinces of Canada;

(e) "**Authorized Officer**" means authorized officer(s) of the Corporation;

(f) "**Beneficial Holder**" means any person who holds a beneficial interest in a Global Note, a Book Entry Only Note or a Book Based Only Note, as applicable, as shown on the books of the Depository or a Depository Participant;

(g) "**Book Based Only Note**" means a Note issued under this Indenture in non-certificated form which is held only by way of a book based (electronic) register maintained by the Note Trustee;

(h) "**Book Entry Only Note**" means a Note issued under this Indenture which is held only by or on behalf of the Depository;

(i) "**Business Day**" means any day which is not Saturday or Sunday or a statutory holiday in the Province of Ontario or any other day on which businesses of the Note Trustee and Canadian banks are generally closed;

(j) "**CDS**" means CDS Clearing and Depository Services Inc.;

(k) "**Change of Control**" means the acquisition by any person, or group of persons acting jointly or in concert, of voting control or direction of more than 66 2/3% of the outstanding voting securities of the Corporation and, for greater certainty, excludes an acquisition, merger, reorganization, amalgamation, arrangement, combination or other similar transaction involving the Corporation if immediately after the closing of such transaction no person, or group of persons acting jointly or in concert, holds voting control or direction over more than 66 2/3% of the outstanding voting securities of the Corporation or the successor entity resulting from such transaction;

(l) "**Change of Control Purchase Date**" has the meaning ascribed thereto to it in Section 2.1(e)(v);

(m) "**Corporation**" means Just Energy Group Inc. and includes any successor to or of the Corporation that shall have complied with the provisions of Article 9;

(n) "**Counsel**" means a barrister or solicitor or a firm of barristers or solicitors, who may be counsel for the Corporation, acceptable to the Note Trustee, acting reasonably;

(o) "**deemed year**" has the meaning ascribed thereto in Section 2.7(b);

(p) "**Depository**" means, with respect to the Note issuable or issued in the form of a Global Note, a Book Entry Only Note or a Book Based Only Note, in either case the person designated as depository by the Corporation pursuant to Section 3.2 until a successor depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "**Depository**" shall mean each person who is then a depository hereunder, and if at any time there is more than one such person, "**Depository**" as used with respect to the Note shall mean each depository with respect to the Global Note, Book Entry Only Note or Book Based Only Note, as the case may be, and, the Depository shall initially be CDS;

(q) "**Depository Participant**" means a broker, dealer, bank, other financial institution or other person for whom a Depository from time to time effects book-entries for a Global Note deposited with the Depository or for a Book Based Only Note;

(r) "**Directors**" means the directors of the Corporation on the date hereof or such directors as may, from time to time, be appointed or elected directors of the Corporation pursuant to the Corporation's articles and applicable laws, and "**Director**" means any one of them, and reference to action by the Directors means action by the Directors as a board;

(s) "**Event of Default**" has the meaning ascribed thereto in Section 7.1;

(t) "**Expiry Date**" has the meaning ascribed thereto in Section 2.1(e)(i);

(u) "**Expiry Time**" has the meaning ascribed thereto in Section 2.1(e)(i);

(v) "**Extraordinary Resolution**" has the meaning ascribed thereto in Section 11.12;

(w) "**Fully-Registered Note**" means the Note (other than Global Note or Book Based Only Note) registered as to principal, premium, if any, and interest;

(x) "**generally accepted accounting principles**" means generally accepted accounting principles in Canada, as amended from time to time, as applicable to the Corporation and for greater certainty includes International Financial Reporting Standards as and to the extent applicable to the Corporation;

(y) "**Global Note**" means a Note that is issued to and registered in the name of the Depository, or its nominee, pursuant to Section 2.2 for purposes of being held by or on behalf of the Depository as custodian for participants in the Depository's book-entry only registration system;

(z) "**Indenture Legislation**" has the meaning ascribed to it in Section 13.1(a);

(aa) "**Interest Payment Date**" means a date specified for the Note as the date on which an installment of interest on the Note shall be due and payable and which, for the Note shall be semi-annually on September 15 and March 15 in each year, commencing on March 15, 2021, computed on the basis of a 360-day year composed of twelve 30-day months;

(bb) "**Just Energy Group**" means the Corporation together with its Subsidiaries;

(cc) "**Material Subsidiary**" means a Subsidiary of the Corporation for which: (A) such Subsidiary's share of the Corporation's consolidated assets exceeds 20% of the consolidated assets of the Corporation calculated using the audited annual financial statements of the Corporation for the most recently completed financial year of the Corporation; or (B) the Corporation's consolidated investments in and advances to such Subsidiary, as at the relevant date for the purposes of Section 7.1, exceeds 20% of the consolidated assets of the Corporation as at the last day of the most recently completed financial year of the Corporation; or (C) such Subsidiary's proportionate share of the consolidated specified profit or loss of the Corporation exceeds 20% of the consolidated specified profit or loss of the Corporation calculated using the audited annual financial statements of the Corporation for the most recently completed financial year of the Corporation;

(dd) "**Maturity Date**" means September 27, 2026;

(ee) "**Note**" means the note designated as "7% Unsecured Subordinated Note due September 27, 2026" and described in Section 2.1 evidencing indebtedness of the Corporation issued and certified hereunder, and for the time being outstanding, whether in definitive, uncertificated or interim form or in the form of Global Note;

(ff) "**Note Liabilities**" means the indebtedness, liabilities and obligations of the Corporation under the Note, including on account of principal, interest or otherwise upon any redemption pursuant to Article 4, or at maturity pursuant to Article 4;

(gg) "**Note Trustee**" means Computershare Trust Company of Canada or its successor or successors for the time being as trustee hereunder;

(hh) "**Noteholders**" or "**holders**" means the persons for the time being entered in the register for the Note as registered holders of the Note or any transferees of such persons by endorsement or delivery;

(ii) "**Officer's Certificate**" means a certificate of the Corporation signed by any one of the Directors or any one Authorized Officer, on behalf of the Corporation, in such capacity, and not in his or her personal capacity;

(jj) "**PIK Interest**" means, with respect to payments in respect of the Note on account of interest, payments made in kind (and not in cash) and added and capitalized to the outstanding principal amount of the Note.

(kk) "**Person**" means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities and governments, governmental agencies and political subdivisions thereof;

(ll) "**Privacy Laws**" has the meaning ascribed thereto in Section 13.20;

(mm) "**Redemption Date**" has the meaning ascribed thereto in Section 4.3;

(nn) "**Redemption Notice**" has the meaning ascribed thereto in Section 4.3;

(oo) "**Redemption Price**" means, in respect of a Note, the amount, including accrued interest, payable on the Redemption Date fixed for the Note payable in cash;

(pp) "**Subordinated Term Loan**" means the first amended and restated loan agreement dated September 28, 2020 among, *inter alios*, Just Energy Group Inc. and Computershare Trust Company of Canada, as administrative agent, as amended, restated and supplemented from time to time;

(qq) "**SEC**" means the United States Securities and Exchange Commission;

(rr) "**Senior Credit Facility**" means the ninth amended and restated credit agreement dated September 28, 2020 among, *inter alios*, Just Energy Ontario L.P., Just Energy (U.S.) Corp. and National Bank of Canada, as administrative agent, as amended, restated and supplemented from time to time;

(ss) "**Senior Creditor**" means a holder or holders of Senior Indebtedness and includes any agent or agents, representative or representatives, or trustee or trustees of any such holder or holders;

(tt) "**Senior Indebtedness**" means the principal of, premium or make-whole amount, if any, and interest on and other amounts in respect of, all existing and future senior indebtedness of the Corporation (including any indebtedness under the Senior Credit Facility and the Subordinated Term Loan, to trade and certain other creditors of the Corporation and its Subsidiaries, and any future indebtedness which is stated as ranking senior to the Note) and indebtedness preferred by mandatory provisions of law (whether outstanding as at the date hereof or thereafter incurred), other than (i) indebtedness evidenced by the Note and (ii) all other existing and future notes or other instruments of the Corporation which, by the terms of the instrument creating or evidencing the indebtedness, is expressed to be *pari passu* with, or subordinate in right of payment to, the Note or other indebtedness ranking *pari passu* with the Note; and provided that Senior Indebtedness shall not include the indebtedness, liabilities or obligations of a Subsidiary of the Corporation to the extent the Corporation is a creditor of such Subsidiary ranking at least *pari passu* with such indebtedness, liabilities or obligations;

(uu) "**Senior Security**" means all mortgages, hypothecs, liens, pledges, charges (whether fixed or floating), security interests or other encumbrances of any kind, contingent or absolute, held by or on behalf of any Senior Creditor and in any manner securing any Senior Indebtedness;

(vv) "**Shares**" means common shares of the Corporation, as such common shares are constituted on the date of execution and delivery of this Indenture; provided that in the event of a change or a subdivision, redivision, reduction, combination or consolidation thereof, any reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance or liquidation, dissolution or winding-up, or such successive changes, subdivisions, redivisions, reductions, combinations or consolidations, reclassifications, capital reorganizations, consolidations, amalgamations, arrangements, mergers, sales or conveyances or liquidations, dissolutions or winding-ups, then, "**Shares**" shall mean the shares or other securities or property resulting from such change, subdivision, redivision, reduction, combination or consolidation, reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance or liquidation, dissolution or winding-up;

(ww) "**Subsidiary**" when used to indicate a relationship with a person or company, has the same meaning as set out in the *Canada Business Corporations Act*;

(xx) "**Successor**" has the meaning ascribed thereto in Section 9.1(a);

(yy) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder as amended from time to time;

(zz) "**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended;

(aaa) "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;

(bbb) "**Written Direction of the Corporation**" means an instrument in writing signed (including electronic signatures and facsimile form) by any Director of the Corporation or any Authorized Officer of the Corporation on behalf of the Corporation.

1.2 Meaning of "Outstanding"

The Note certified and delivered by the Note Trustee, or issued as an electronic position on the register of Noteholders to be maintained by the Note Trustee, hereunder shall be deemed to be outstanding until it is cancelled, repurchased, redeemed or delivered to the Note Trustee for cancellation, repurchase or redemption and monies for the payment thereof shall have been set aside under Article 8, provided that:

(a) If the Note has been partially redeemed or purchased, the Note shall be deemed to be outstanding only to the extent of the unredeemed or unpurchased part of the principal amount thereof;

(b) when a new Note has been issued in substitution for a Note which has been lost, stolen or destroyed, such Note shall be counted for the purpose of determining the aggregate principal amount of the Note outstanding; and

(c) for the purposes of any provision of this Indenture entitling holders of the outstanding Note to vote, sign consents, requisitions or other instruments or take any other action under this Indenture, or to constitute a quorum of any meeting of Noteholders, the part of the Note owned directly or indirectly by the Corporation or a Subsidiary of the Corporation shall be disregarded except that:

(i) for the purpose of determining whether the Note Trustee shall be protected in relying on any such vote, consent, requisition or other instrument or action, or on the holders of the Note present or represented at any meeting of Noteholders, only the part of the Note which the Note Trustee knows is so owned shall be so disregarded;

(ii) the part of the Note so owned which have been pledged in good faith other than to the Corporation or a Subsidiary of the Corporation shall not be so disregarded if the pledgee shall establish to the satisfaction of the Note Trustee the pledgee's right to vote the Note, sign consents, requisitions or other instruments or take such other actions in his discretion free from the control of the Corporation or a Subsidiary of the Corporation; and

(iii) The Note so owned shall not be disregarded if they are the only Note outstanding.

1.3 Headings

The headings, the table of contents and the division of this Indenture into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Indenture.

1.4 Time of Essence

Time shall be of the essence of this Indenture.

1.5 References

Unless otherwise specified in this Indenture references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Indenture.

1.6 Certain Rules of Interpretation

Unless otherwise specified in this Indenture:

(a) the singular includes the plural and *vice versa*; and

(b) references to any gender shall include references to all genders.

1.7 Day Not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day, provided that there will be no adjustment of amounts to be paid in respect of interest if a scheduled payment falls on a day that is not a Business Day.

1.8 Applicable Law

This Indenture and the Note shall 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 Indenture will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Corporation and the Note Trustee attorn to the jurisdiction of the courts of Province of Ontario.

1.9 Conflict

In the event of a conflict or inconsistency between a provision in the body of this Indenture and in the Note issued hereunder, the provision in the body of this Indenture shall prevail to the extent of the inconsistency.

1.10 Currency

Unless otherwise indicated, all dollar amounts expressed in this Indenture and in the Note are in lawful money of the Canada and all payments required to be made hereunder and thereunder shall be made in Canadian dollars.

1.11 Calculations

The Corporation shall be responsible for making all calculations called for hereunder. The Corporation shall make such calculations in good faith and, absent manifest error, the Corporation's calculations shall be final and binding on holders and the Note Trustee. The Corporation will provide a schedule of its calculations to the Note Trustee and the Note Trustee shall be entitled to rely conclusively on the accuracy of such calculations without independent verification.

1.12 Language

Each of the parties hereto hereby acknowledges that it has consented to and requested that this Indenture and all documents relating thereto, including, without limiting the generality of the foregoing, the form of

Global Note attached hereto as Schedule A, be drawn up in the English language only. Les parties aux présentes reconnaissent avoir accepté et demandé que le présent acte de fiducie et tous les documents s'y rapportant, y compris, sans restreindre la portée générale de ce qui précède, le formulaire de Note joint aux présentes à titre d'annexe A, soient rédigés en longue anglaise seulement.

1.13 Severability

Each of the provisions in this Indenture is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any of the other provisions hereof.

1.14 Entire Agreement

This Indenture and all supplemental indentures and schedules hereto and thereto, and the Note issued hereunder and thereunder, together constitute the entire agreement between the parties hereto with respect to the indebtedness created hereunder and thereunder and under the Note and supersedes as of the date hereof all prior memoranda, agreements, negotiations, discussions and term sheets, whether oral or written, with respect to the indebtedness created hereunder or thereunder and under the Note.

1.15 Successors and Assigns

All covenants and agreements in this Indenture by the Corporation shall bind its successors, whether expressed or not. All covenants and agreements of the Note Trustee in this Indenture shall bind its successors, whether expressed or not.

1.16 Benefits of Indenture

Nothing in this Indenture or in the Note, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, any paying agent, the holders of Note, the Senior Creditors, the Directors and (to the extent provided in Sections 7.11 and 15.2) the holders of Shares, any benefit or any right, remedy or claim under this Indenture.

1.17 Schedules

The following Schedules are incorporated into and form a part of the Indenture:

Schedule “A” Form of Global Note

Schedule “B” Form of Redemption Notice

In the event of any inconsistency in such Schedules and the body of this Indenture, the latter shall prevail to the extent of the inconsistency.

ARTICLE 2
THE NOTE

2.1 Form and Terms of Note

(a) The Note shall be dated September 28, 2020. The Note shall mature on the Maturity Date. The Note shall bear interest from and including September 28, 2020 to and excluding the first Interest Payment Date at the rate of 7% per annum payable in PIK Interest denominated in Canadian dollars, semi-annually in arrears on September 15 and March 15 in each year computed on the basis of a 360-day year composed of twelve 30-day months. The first such PIK Interest payment will fall due on March 15, 2021 and the last

such PIK Interest payment (representing interest payable from and including the last Interest Payment Date to, but excluding, the Maturity Date or the earlier date of redemption, repayment of the Note) will be added as PIK Interest and fall due on the Maturity Date or the earlier date of redemption or repayment, payable after as well as before maturity and after as well as before default, with interest on amounts after maturity or in default at the same rate, compounded semi-annually, computed on the basis of a 360-day year composed of twelve 30-day months. For certainty, the first interest payment of PIK Interest will include interest accrued and unpaid from and including September 28, 2020 to, but excluding, March 15, 2021 which will be equal to $32.4722 for each $1,000 principal amount of the Note. The Note Trustee shall be entitled to rely on the calculations of the Corporation, which shall be provided by the Corporation five Business Days prior to any Interest Payment Date.

(b) The Note is redeemable by the Corporation in accordance with the terms of Article 4 of the Indenture. The Note may be redeemed in whole or in part from time to time at the option of the Corporation at any time on notice as provided for in Section 4.3 and at a cash price equal to the principal amount thereof plus accrued and unpaid interest thereon, if any, up to but excluding the Redemption Date. The Redemption Notice for the Note shall be in the form of Schedule B to this Indenture.

(c) The Note is hereby subordinated to the Senior Indebtedness of the Corporation in accordance with the provisions of Article 5 of the Indenture. Except as prescribed by law, the Note ranks *pari passu* with all other present and future senior subordinated and unsecured indebtedness of the Corporation, other than Senior Indebtedness.

(d) The Note shall be issuable in the registered form of one Global Note in the aggregate principal amount of $15,000,000, initially in denominations of $2,000 and integral multiples of $1,000 in excess thereof. Any increase in the principal amount of the Note as a result of PIK Interest may be made in integral multiples of $1.00. The Note Trustee is hereby appointed as registrar and transfer agent for the Note. The Note and the certificate of the Note Trustee endorsed thereon shall be issued in substantially the form set out in Schedule A to this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any securities exchange or securities regulatory authority or to conform with general usage, all as may be determined by Directors or an Authorized Officer executing the Note in accordance with Section 2.3 hereof, as conclusively evidenced by his or her execution of a Note. Each Note shall additionally bear such distinguishing letters and numbers as the Note Trustee shall approve. Notwithstanding the foregoing, a Note may be in such other form or forms as may, from time to time, be approved by a resolution of the Directors or as specified in an Officer's Certificate. The Note may be engraved, lithographed, printed or typewritten or partly in one form and partly in another.

Subject to the provisions of the Note providing for the issuance thereof, the Note shall be issued initially as a Book Entry Only Note represented by one Global Note. Each Global Note authenticated in accordance with this Indenture shall be registered in the name of the Depository designated for such Global Note or a nominee thereof and deposited with such Depository or a nominee thereof or custodian therefor, and each such Global Note shall constitute a single note for all purposes of this Indenture. Beneficial interests in a Global Note will not be shown on the register or the records maintained by the Depository but will be represented through book entry accounts of Depository

Participants on behalf of the Noteholders of the Global Note in accordance with the rules and procedures of the Depository. None of the Corporation or the Note Trustee shall have any responsibility or liability for any aspects of the records relating to or payments made by any Depository on account of the beneficial interest in the Global Note or for maintaining, reviewing or supervising any records relating to such beneficial interests therein. Except as otherwise provided in this Indenture in respect of the Note, the Noteholders of the Global Note shall not be entitled to have the Note registered in their names, shall not receive or be entitled to receive definitive certificates representing their interest in the Note except as provided in Section 3.2 of the Indenture and shall not be considered owners or holders thereof under this Indenture. A Global Note may be exchanged for the Note in registered form that is a not Global Note, or transferred to and registered in the name of a person other than the Depository for such Global Note or a nominee thereof as provided in Section 3.2.

(e) Within 30 days following the occurrence of a Change of Control, the Corporation shall be obligated to offer to purchase the Note. The terms and conditions of such obligation are set out below:

(i) Within 30 days following the occurrence of a Change of Control, the Corporation shall deliver to the Note Trustee a notice in writing stating that there has been a Change of Control and specifying the date on which such Change of Control occurred and the circumstances or events giving rise to such Change of Control together with an offer in writing (the "**Note Offer**") to purchase the Note from the holders thereof at a price equal to 101% of the principal amount thereof together with accrued and unpaid interest thereon up to but excluding the Change of Control Purchase Date (the "**Offer Price**"). The Note Trustee will promptly thereafter deliver, by prepaid courier or mail, the Note Offer to the holders of the Note, at their addresses appearing in the registers of holders of the Note maintained by the Note Trustee.

(ii) The Note Offer shall specify the date (the "**Expiry Date**") and time (the "**Expiry Time**") on which the Note Offer shall expire which date and time shall not, unless otherwise required by Applicable Securities Legislation, be earlier than the close of business on the 35th day and not later than the close of business on the 60th day following the date on which the Note Offer is made.

(iii) The Note Offer shall specify that the Note Offer may be accepted by the holders of the Note by tendering the Note so held by them to the Note Trustee at its offices in Toronto, Ontario at or before the Expiry Time together with an acceptance notice (the "**Acceptance Notice**") in form and substance acceptable to the Note Trustee.

(iv) The Note Offer shall state that holders of the Note may accept the Note Offer in respect of all or a portion (in denominations of $2,000 and multiples of $1.00 thereof) of the Note.

(v) The Note Offer shall specify a date (the "**Change of Control Purchase Date**") no later than the third Business Day following the Expiry Date on which the Corporation shall take up and pay for the Note duly tendered in acceptance of the Note Offer.

(vi) The Corporation shall on or before 11:00 a.m. (Toronto time) on the Business Day immediately prior to the Change of Control Purchase Date pay to the Note Trustee

by wire transfer or such other means as may be acceptable to the Note Trustee, an amount of money sufficient to pay the aggregate Offer Price in respect of the Note duly tendered to the Note Offer (less any tax required by law to be deducted). The Note Trustee, on behalf of the Corporation, will pay the Offer Price to the holders of the Note in the respective amounts to which they are entitled in accordance with the Note Offer as aforesaid.

(vii) The Note in respect of which the Corporation has made payment to the Note Trustee in accordance with the terms of this Section 2.1(e) (or the portion thereof tendered in acceptance of the Note Offer) shall thereafter no longer be considered to be outstanding under this Indenture.

(viii) In the event that only a portion of the principal amount of an Note is tendered by a holder thereof in acceptance of the Note Offer, the Corporation shall execute and deliver to the Note Trustee and the Note Trustee shall certify and deliver to the holder, without charge to such holder, a certificate (if applicable) or such other evidence of ownership representing the principal amount of the Note not so tendered in acceptance of the Note Offer.

2.2 Issue of Global Note

(a) The Corporation may specify that the Note is to be issued in whole or in part as a Global Note registered in the name of a Depository, or its nominee, designated by the Corporation in the Written Direction of the Corporation delivered to the Note Trustee at the time of issue of the Note, and in such event the Corporation shall execute and the Note Trustee shall certify and deliver the Global Note that shall:

(i) represent an aggregate amount equal to the principal amount of the outstanding Note to be represented by the Global Note;

(ii) be released by the Note Trustee as instructed by the Corporation for further delivery to such Depository or pursuant to such Depository's instructions; and

(iii) bear a legend substantially to the following effect:

> "THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREIN REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE TRANSFERRED TO OR EXCHANGED FOR THE NOTE REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE TRUST INDENTURE DATED AS OF THE 28TH DAY OF SEPTEMBER, 2020 BETWEEN JUST ENERGY GROUP INC. AND COMPUTERSHARE TRUST COMPANY OF CANADA (THE "**INDENTURE**"). EVERY NOTE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE SHALL BE A GLOBAL NOTE SUBJECT TO THE FOREGOING, EXCEPT

IN SUCH LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("**CDS**") TO JUST ENERGY GROUP INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE."

(b) Each Depository designated for a Global Note must, at the time of its designation and at all times while it serves as such Depository, be a clearing agency registered or designated under the Applicable Securities Legislation of the jurisdiction where the Depository has its principal offices.

2.3 Execution of Note

Unless issued as a Book Based Only Note, the Note shall be signed (either manually or by facsimile or scanned signature) by any one Director or Authorized Officer, on behalf of the Corporation, holding office at the time of signing. A facsimile or scanned signature upon a Note shall for all purposes of this Indenture be deemed to be the signature of the person whose signature it purports to be. Notwithstanding that any person whose signature, either manual or in facsimile or scan, appears on a Note as Director or Authorized Officer on behalf of the Corporation, may no longer hold such office at the date of the Note or at the date of the certification and delivery thereof, the Note shall be valid and binding upon the Corporation and entitled to the benefits of this Indenture.

2.4 Certification

No Note shall be issued or, if issued, shall be obligatory on the Corporation or shall entitle the holder to the benefits of this Indenture, until it has been manually certified by or on behalf of the Note Trustee substantially in the form set out in this Indenture, in the relevant supplemental indenture, or in some other form approved by the Note Trustee, or in the case of the Note issued as Book Entry Only Note, until the Note has been authenticated by the Note Trustee by manual signature by or on behalf of the Note Trustee substantially in the form provided for herein. Such certification on the Note shall be conclusive evidence that the Note is duly issued, is a valid obligation of the Corporation and the holder is entitled to the benefits hereof.

The certificate of the Note Trustee signed on the Note, or an interim Note hereinafter mentioned, shall not be construed as a representation or warranty by the Note Trustee as to the validity of this Indenture or of

the Note or interim Note or as to the issuance of the Note or interim Note and the Note Trustee shall in no respect be liable or answerable for the use made of the Note or interim Note or any of them or the proceeds thereof. The certificate of the Note Trustee signed on the Note or an interim Note shall, however, be a representation and warranty by the Note Trustee that the Note or interim Note has been duly certified by or on behalf of the Note Trustee pursuant to the provisions of this Indenture.

2.5 Interim Note or Certificate

Pending the delivery of definitive Note to the Note Trustee, the Corporation may issue and the Note Trustee may certify in lieu thereof an interim Note in such form and signed in such manner as provided herein, entitling the holders thereof to definitive Note when the same are ready for delivery; or the Corporation may execute and the Note Trustee may certify a temporary Note for the whole principal amount of the Note then authorized to be issued hereunder in such amounts not exceeding in the aggregate principal amount of the temporary Note so delivered to it, as the Corporation, and the Note Trustee may approve entitling the holders thereof to definitive Note when the same are ready for delivery; and, when so issued and certified, such interim or temporary Note or interim certificate shall, for all purposes but without duplication, rank in respect of this Indenture equally with the Note duly issued hereunder and, pending the exchange thereof for definitive Note, the holders of the interim or temporary Note or interim certificate shall be deemed without duplication to be Noteholders and entitled to the benefit of this Indenture to the same extent and in the same manner as though the said exchange had actually been made. Forthwith after the Corporation shall have delivered the definitive Note to the Note Trustee, the Note Trustee shall cancel such temporary Note, if any, and shall call in for exchange the interim Note or certificate that shall have been issued and forthwith after such exchange shall cancel the same. No charge shall be made by the Corporation or the Note Trustee to the holders of such interim or temporary Note or interim certificate for the exchange thereof.

2.6 Mutilation, Loss, Theft or Destruction

In case the Note issued hereunder shall become mutilated or be lost, stolen or destroyed, the Corporation, in its discretion, may issue, and thereupon the Note Trustee shall certify and deliver, a new Note upon surrender and cancellation of the mutilated Note, or in the case of a lost, stolen or destroyed Note, in lieu of and in substitution for the same, and the substituted Note shall be in a form approved by the Note Trustee and shall be entitled to the benefits of this Indenture and rank equally in accordance with its terms with the previous Note issued hereunder. The new or substituted Note may have endorsed upon it the fact that it is in replacement of a previous Note. In case of loss, theft or destruction the applicant for a substituted Note shall furnish to the Corporation and to the Note Trustee such evidence of the loss, theft or destruction of the Note and such other documents as shall be satisfactory to them in their discretion and shall also furnish a surety bond and an indemnity satisfactory to them in their discretion. The applicant shall pay all reasonable expenses incidental to the issuance of any substituted Note.

2.7 Concerning Interest

(a) Except as may otherwise be provided in this Indenture or in any supplemental indenture or in a Written Direction of the Corporation in respect of the Note and subject to Section 2.1(a) with respect to the calculation of interest in respect of the initial interest payment to be paid in PIK Interest on the Note, the Note issued hereunder, whether originally or upon exchange or in substitution for previously issued Note which are interest bearing, shall bear interest, in all instances to be PIK Interest, (i) from and including the date hereof, or (ii) from and including the last Interest Payment Date in respect of which interest shall have been paid in PIK Interest on the outstanding Note, whichever shall be the later, in all cases, to but excluding the next Interest Payment Date. All interest shall accrue from day to day and shall be payable in arrears. Interest payable in a calendar year shall be PIK

Interest only, payable semi-annually in arrears. Interest on the Note issued hereunder shall accrue up to the Redemption Date for the Note, but not including the Maturity Date, unless, upon due presentation, payment of principal or delivery of amounts, securities or other property payable or deliverable hereunder and payment of any accrued and unpaid interest or other amounts payable hereunder is improperly withheld or refused.

(b) Unless otherwise specifically provided in the terms of the Note, interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. Subject to Section 2.1(a) in respect of the method for calculating the amount of interest to be paid on the Note on the first Interest Payment Date in respect thereof, with respect to the Note, whenever interest is computed on a basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

(c) For the purposes solely of disclosure under the *Interest Act* (Canada), whenever interest to be paid on the Note is to be calculated on the basis of a year of 360 days consisting of twelve 30-day months, the yearly rate of interest to which the rate used in such calculation is equivalent during any particular period is the rate so used multiplied by a fraction of which:

(i) the numerator is the product of:

(A) the actual number of days in the calendar year in which such period ends, and

(B) the sum of (I) the product of 30 and the number of complete months elapsed in the relevant period and (II) the number of days elapsed in any incomplete month in the relevant period, and

(ii) the denominator is the product of (i) 360 and (ii) the actual number of days in the relevant period.

2.8 Note to Rank *Pari Passu*

The Note will be direct unsecured senior subordinated obligations of the Corporation. The Note, subject to statutory preferred exceptions, will rank *pari passu* with all other present and future senior subordinated and unsecured indebtedness of the Corporation (other than Senior Indebtedness).

2.9 Payments of Amounts Due on Maturity

Except as may otherwise be provided herein or in any supplemental indenture in respect of the Note, payments of amounts due upon maturity of the Note will be made in the following manner. The Corporation will establish and maintain with the Note Trustee an account for the Note. Each such account shall be maintained by and be subject to the control of the Note Trustee for the purposes of this Indenture. On or before 11:00 a.m. (Toronto time) on the Business Day immediately prior to each maturity date for the Note outstanding from time to time under this Indenture, the Corporation will deposit in the applicable account in Canadian dollars an amount sufficient to pay the cash amount payable in respect of the Note (including the principal amount together with any accrued and unpaid interest thereon less any tax required by law to be deducted or withheld), provided the Corporation may elect to satisfy this requirement by providing the Note Trustee with one or more certified cheques by no later than five (5)

Business Days prior to the applicable maturity date or with funds by electronic transfer, for such amounts required under this Section 2.9 to the applicable maturity date. The Note Trustee, on behalf of the Corporation, will pay to each holder entitled to receive payment the principal amount of and premium (if any) and accrued and unpaid interest on the Note, upon surrender of the Note at any branch of the Note Trustee designated for such purpose from time to time by the Corporation and the Note Trustee. The delivery of such funds to the Note Trustee for deposit to the account will satisfy and discharge the liability of the Corporation for the Note to which the delivery of funds relates to the extent of the amount delivered (plus the amount of any tax deducted as aforesaid and remitted to the appropriate governmental authority) and the Note will thereafter to that extent not be considered as outstanding under this Indenture and such holder will have no other right in regard thereto other than to receive out of the money so deposited or made available the amount to which such holder is entitled.

2.10 Payment of Interest

The following provisions shall apply to the Note, except as otherwise provided in Section 2.1(a) or permitted by Article 5:

(a) PIK Interest shall be payable (i) with respect to the Note represented by a Global Note or Book Entry Only Note registered in the name of, or held by, the Depository or its nominee on the relevant record date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of such PIK Interest, or (ii) with respect to the Note in certificated form, by indicating payment thereof and an increase in the principal amount of the Note in the register for the Note and by issuing Note in certificated form in an aggregate principal amount equal to such PIK Interest (rounded down to the nearest whole dollar) and the Note Trustee will, at the written request of the Corporation, certify and deliver the Note in certificated form for original issuance to the Noteholders on the relevant record date, as shown by the records of the register of the Noteholders; provided that a Holder of a Note represented by a physical certificate shall be entitled to PIK Interest so long as the increase in the principal amount of the Note is recorded in the register for the Note, whether or not the Note represented by a physical certificate representing such PIK Interest have been issued to such Holder. Following an increase in the principal amount of the Global Note as a result of a PIK Interest payment, the Global Note will bear interest on such increased principal amount from and after the date of such PIK Interest payment as otherwise set forth in the Global Note. With respect to all payments of PIK Interest, the Corporation will deliver a Written Direction of the Corporation to the Note Trustee, no later than seven (7) Business Days prior to the applicable Interest Payment Date, to adjust the Note by the applicable amount of PIK Interest.

2.11 Withholding Tax

The Corporation will be entitled to deduct and withhold any applicable taxes or similar charges imposed or levied by or on behalf of the Canadian government or of any Province or territory thereof or any authority or agency therein or thereof having power to tax, including pursuant to the Tax Act, from any payment to be made on or in connection with the Note and, provided that the Corporation forthwith remits such withheld amount to such government, authority or agency and files all required forms in respect thereof and, at the same time, provides copies of such remittance and filing to the Note Trustee, for forwarding to the relevant Noteholder, the amount of any such deduction or withholding will be considered an amount paid in satisfaction of the Corporation’s obligations under the Note and there is no obligation on the Corporation to gross-up amounts paid to a holder in respect of such deductions or withholdings. The Corporation shall provide the Note Trustee, for forwarding to the relevant Noteholder,

with copies of receipts or other communications relating to the remittance of such withheld amount or the filing of such forms received from such government, authority or agency promptly after receipt thereof.

The Note Trustee shall have no obligation to verify any payments under the Tax Act or any provision of provincial, state, local or foreign tax law. The Note Trustee shall at all times be indemnified and held harmless by the Corporation from and against any personal liabilities of the Note Trustee incurred in connection with the failure of the Corporation or its agents, to report, remit or withhold taxes as required by the Tax Act or otherwise failing to comply with the Tax Act. This indemnification shall survive the resignation or removal of the Note Trustee and the termination of this Indenture solely to the extent that such liabilities have been incurred in connection with taxation years occurring during the term of this Indenture.

ARTICLE 3
REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP

3.1 Fully-Registered Note

(a) With respect to the Note issuable as a Fully-Registered Note, the Corporation shall cause to be kept by and at the principal offices of the Note Trustee in Toronto, Ontario and by the Note Trustee or such other registrar as the Corporation, with the approval of the Note Trustee, may appoint at such other place or places, if any, as may be specified in the Note or as the Corporation may designate with the approval of the Note Trustee, a register in which shall be entered the names and addresses of the holders of such Fully-Registered Note and particulars of the Note held by them respectively and of all transfers of Fully-Registered Note. Such registration shall be noted on the Note by the Note Trustee or other registrar unless a new Note shall be issued upon such transfer.

(b) No transfer of a Fully-Registered Note shall be valid unless made on such register referred to in Section 3.1(a) by the registered holder or such holder's executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing in form and execution satisfactory to the Note Trustee or other registrar upon surrender of the Note together with a duly-executed form of transfer acceptable to the Note Trustee and upon compliance with such other reasonable requirements as the Note Trustee or other registrar may prescribe, nor unless the name of the transferee shall have been noted on the Note by the Note Trustee or other registrar, whereupon a new Note will be issued in the same aggregate principal amount as the Note so transferred, registered in the names of the transferees.

3.2 Global Note, Book Entry Only Note or Book Based Only Note

(a) With respect to the Note issuable in whole or in part as a Global Note, as a Book Entry Only Note or as a Book Based Only Note, the Corporation shall cause to be kept by and at the principal offices of the Note Trustee in Toronto, Ontario and by the Note Trustee or such other registrar as the Corporation, with the approval of the Note Trustee, may appoint at such other place or places, if any, as the Corporation may designate with the approval of the Note Trustee, a register in which shall be entered the name and address of the holder of each such Global Note, Book Entry Only Note or Book Based Only Note (being the Depository, or its nominee, for such Global Note, Book Entry Only Note or Book Based Only Note) as holder thereof and particulars of the Global Note, Book Entry Only Note or Book Based Only Note held by it, and of all transfers thereof. If the Note is at any time not a Global Note, a Book Entry Only Note or a Book Based Only Note, the

provisions of Section 3.1 shall govern with respect to registrations and transfers of the Note.

(b) Notwithstanding any other provision of this Indenture, a Global Note, Book Entry Only Note or Book Based Only Note may not be transferred by the registered holder thereof and accordingly, no definitive certificate shall be issued to Beneficial Holders except in the following circumstances:

(i) A Global Note, Book Entry Only Note or a Book Based Only Note may be transferred by a Depository to a nominee of such Depository or by a nominee of a Depository to such Depository or to another nominee of such Depository or by a Depository or its nominee to a successor Depository or its nominee;

(ii) A Global Note, a Book Entry Only Note or a Book Based Only Note may be transferred at any time after (i) the Depository for such Global Note, Book Entry Only Note or Book Based Only Note, as the case may be, or the Corporation has notified the Note Trustee that the Depository is unwilling or unable to continue as Depository for such Global Note, Book Entry Only Note or Book Based Only Note, or (ii) the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a Depository under Section 2.2(b), provided in each case that at the time of such transfer the Note Trustee and the Corporation are unable to locate a qualified successor Depository for such Global Note, Book Entry Only Note or Book Based Only Note;

(iii) A Global Note, a Book Entry Only Note or a Book Based Only Note may be transferred at any time after the Corporation has determined, in its sole discretion, with the consent of the Note Trustee to terminate the book-entry only registration system or book based entry, as the case may be, in respect of such Global Note, Book Entry Only Note or Book Based Only Note and has communicated such determination to the Note Trustee in writing;

(iv) A Global Note, a Book Entry Only Note or a Book Based Only Note may be transferred at any time after the Note Trustee has determined that an Event of Default has occurred and is continuing with respect to the Note issued as a Global Note, a Book Entry Only Note or a Book Based Only Note, as the case may be, provided that Beneficial Holders of the Note representing, in the aggregate, more than 25% of the aggregate principal amount of the Note advise the Depository in writing, through the Depository Participants, that the continuation of the book-entry only registration system or book based entry, as applicable, for the Note is no longer in their best interest and also provided that at the time of such transfer the Note Trustee has not waived the Event of Default pursuant to Section 7.3;

(v) A Global Note, a Book Entry Only Note or a Book Based Only Note may be transferred if required by applicable law; or

(vi) A Global Note, a Book Entry Only Note or a Book Based Only Note may be transferred if the book-entry only registration system or book based entry, as applicable, ceases to exist.

(c) With respect to the Global Note, Book Entry Only Note or Book Based Only Note, unless and until definitive certificates have been issued to Beneficial Holders of the Note pursuant to subsection 3.2(b):

(i) the Corporation and the Note Trustee may deal with the Depository for all purposes (including paying interest on the Note) as the sole holder of the Note and the authorized representative of the Beneficial Holders;

(ii) the rights of the Beneficial Holders of the Note shall be exercised only through the Depository and shall be limited to those established by law and agreements between such Beneficial Holders and the Depository or the Depository Participants;

(iii) the Depository will make book-entry or book based, as applicable, transfers among the Depository Participants; and

(iv) whenever this Indenture requires or permits actions to be taken based upon instructions or directions of Noteholders evidencing a specified percentage of the outstanding Note, the Depository shall be deemed to be counted in that percentage only to the extent that it has received instructions to such effect from the Beneficial Holders of the Note or the Depository Participants, and has delivered such instructions to the Note Trustee.

(d) Whenever a notice or other communication is required to be provided to Noteholders, unless and until a definitive certificate has been issued to Beneficial Holders of the Note pursuant to this Section 3.2, the Note Trustee shall provide all such notices and communications to the Depository for forwarding by the Depository to such Beneficial Holders. Upon the termination of the book-entry only registration system or book based entry, as applicable, on the occurrence of one of the conditions specified in Section 3.2(b) with respect to the Note issued hereunder, the Note Trustee shall notify all applicable Depository Participants and Beneficial Holders, through the Depository, of the availability of definitive Note certificates. Upon surrender by the Depository of the certificate representing the Global Note and receipt of new registration instructions from the Depository, the Note Trustee shall deliver the definitive Note certificate for the Note to the holders thereof in accordance with the new registration instructions and thereafter, the registration and transfer of the Note will be governed by Section 3.1 and the remaining Sections of this Article 3, as applicable.

(e) Notwithstanding any other provisions of this Indenture or the Note, transfers and exchanges of Note and beneficial interests in Global Note shall be made in accordance the applicable rules and guidelines of the Securities Transfer Association of Canada.

(f) Notwithstanding any provisions made in this Indenture for the issuance, certification and authentication of Note in physical form as Fully Registered Note or Global Note, the Note issued under the terms of this Indenture may also be issued to the Depository in book based only form, non-certificated and appearing on the register of the Note Trustee as a book based entry. In the absence of any physical securities being created for certification by the Corporation and authentication by the Note Trustee both at the initial issuance of the Note and at the time of any subsequent additional issuance of the Note pursuant to the terms of a supplemental indenture, confirmation of the due issuance and validity of the Note shall be based upon the comparison of the Note in quantity and description appearing under the relevant broker's instant deposit request identification number to the

quantity and description of the Note as detailed in the delivery order of the Corporation addressed to the Note Trustee and to the broker upon whose posting of the Book Based Only Note to the book entry records of the Depository on a non-certificated basis on which both the Corporation and the Note Trustee shall depend. It is the responsibility of the Corporation to make the necessary arrangements with its broker or brokers to obtain, in a timely manner, the necessary instant deposit request identification number to facilitate the issuance of non-certificated Book Based Only Note.

In the establishment and maintenance of a non-certificated Book Based Only Note issue, the Note Trustee shall maintain such a record on its register for the Note in book based form only. Transfer of the Note appearing on the register of the Depository shall otherwise occur as provided for in this Indenture. The parties hereto further recognize that, notwithstanding the issuance of Book Based Only Note, conversions of the Note shall occur as contemplated by the terms of this Indenture but the Note Trustee is permitted to employ whatever reasonable means it may from time to time require in order to guarantee the unhindered (but subject to the terms and conditions hereof) conversion of the Note appearing on the register for the Note in book based only form by making whatever arrangements are deemed necessary by it with the Depository.

At the time of the execution of this Indenture, the parties hereto understand that no declarations or other paper certificates or documentation will be required in order to effect conversions of the Note held by Persons in the United States. If at any time subsequent to the initial issuance of the Note it is determined by the Depository, the Note Trustee, the Corporation or legal counsel that physical declarations or other paper documentation are required for conversions or otherwise, the parties hereto and the Noteholders acknowledge that the Note Trustee may be obliged to require the Note held by such Persons converting their Note to be certificated rather than held in book based form.

3.3 Transferee Entitled to Registration

The transferee of a Note shall be entitled, after the appropriate form of transfer is lodged with the Note Trustee or other registrar and upon compliance with all other conditions in that behalf required by this Indenture or by law, to be entered on the register as the owner of the Note free from all equities or rights of compensation or counterclaim between the Corporation and the transferor or any previous holder of the Note, save in respect of equities of which the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.

3.4 No Notice of Trusts

Neither the Corporation nor the Note Trustee nor any registrar shall be bound to take notice of or see to the execution of any trust whether express, implied or constructive, in respect of any Note, and may transfer the same on the direction of the person registered as the holder thereof, whether named as trustee or otherwise, as though that person were the beneficial owner thereof.

3.5 Registers Open for Inspection

The registers referred to in Sections 3.1 and 3.2 shall, during regular business hours of the Note Trustee, be open for inspection by the Corporation, the Note Trustee or any Noteholder. Every registrar, including the Note Trustee, shall from time to time when requested so to do by the Corporation, the Note Trustee or any Noteholder and upon such person delivering any statutory declaration in the form required by the Indenture Legislation, in writing, furnish within 10 days of the delivery of such statutory declaration to

the Corporation, the Note Trustee or the Noteholder, as the case may be, a list (which shall be current as of the day such statutory declaration is delivered to the Note Trustee) of names and addresses of holders of the registered Note entered on the register kept by them and showing the principal amount and serial numbers of the Note held by each such holder as well as the aggregate principal amount of the Note outstanding, provided the Note Trustee shall be entitled to charge a reasonable fee to provide such a list.

3.6 [Intentionally Deleted]

3.7 Closing of Registers

(a) Neither the Corporation nor the Note Trustee nor any registrar shall be required to:

(i) make transfers or exchanges of a Fully-Registered Note on any Interest Payment Date or during the five preceding Business Days;

(ii) make transfers or exchanges of the Note on the day of any selection by the Note Trustee of the Note to be redeemed or during the five preceding Business Days; or

(iii) make transfers or exchanges of the Note which will have been selected or called for redemption unless upon due presentation thereof for redemption the Note shall not be redeemed.

(b) Subject to any restriction herein provided, the Corporation with the approval of the Note Trustee may at any time close any register for the Note, other than those kept at the principal offices of the Note Trustee in Toronto, Ontario, and transfer the registration of the Note registered thereon to another register (which may be an existing register) and thereafter the Note shall be deemed to be registered on such other register. Notice of such transfer shall be given to the holders of the Note.

3.8 Charges for Registration, Transfer and Exchange

For each Note exchanged, registered, transferred or discharged from registration, the Note Trustee or other registrar, except as otherwise herein provided, may make a reasonable charge for its services and in addition may charge a reasonable sum for each new Note issued (such amounts to be agreed upon from time to time by the Note Trustee and the Corporation), and payment of such charges and reimbursement of the Note Trustee or other registrar for any stamp taxes or governmental or other charges required to be paid shall be made by the party requesting such exchange, registration, transfer or discharge from registration as a condition precedent thereto. Notwithstanding the foregoing provisions, no charge shall be made to a Noteholder hereunder:

(a) for any exchange, registration, transfer or discharge from registration of any Note applied for within a period of two months from the date of the first endorsement of the Note;

(b) for any exchange of any interim or temporary Note or interim certificate that has been issued under Section 2.5 for a definitive Note;

(c) for any exchange of a Global Note as contemplated in Section 3.2;

(d) for any exchange of the Note resulting from a partial redemption under Section 4.2; or

(e) for any exchange of the Note resulting from a partial purchase under Section 2.1(e).

3.9 Ownership of the Note

(a) Unless otherwise required by law, the person in whose name any registered Note is registered shall for all the purposes of this Indenture be and be deemed to be the owner thereof and payment of or on account of the principal of and premium, if any, on the Note and interest thereon shall be made to such registered holder.

(b) Neither the Corporation nor the Note Trustee shall have any liability for:

(i) any aspect of the records relating to the beneficial ownership of the Note held by a Depository or of the payments relating thereto; or

(ii) maintaining, supervising or reviewing any such records relating to the Note.

(c) The registered holder for the time being of any registered Note shall be entitled to the principal, premium, if any, and/or interest evidenced by such instruments, respectively, free from all equities or rights of compensation or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly and the payment to any such registered holder for any such principal, premium or interest shall be a good discharge to the Corporation and/or the Note Trustee for the same and neither the Corporation nor the Note Trustee shall be bound to inquire into the title of any such registered holder.

(d) Where the Note is registered in more than one name, the principal, premium, if any, and interest from time to time payable in respect thereof may be paid to the order of all or any of such holders, failing written instructions from them to the contrary, and the payment to any one of such holders therefore shall be a valid discharge, to the Note Trustee, any registrar and to the Corporation.

(e) In the case of the death of one or more joint holders of the Note the principal, premium, if any, and interest from time to time payable thereon may be paid to the order of the registered holders and the payment to any such registered holder shall be a valid discharge to the Note Trustee and any registrar and to the Corporation.

3.10 [Intentionally deleted]

ARTICLE 4
REDEMPTION AND PURCHASE OF THE NOTE AND CERTAIN PAYMENTS ON MATURITY

4.1 Applicability of Article

Subject to Section 2.1(b), the Corporation shall have the right at its option to redeem, either in whole at any time or in part from time to time before maturity, by payment of money, the Note issued hereunder (subject, however, to any applicable restriction on the redemption of the Note) at such rate or rates of premium, if any, and on such date or dates and in accordance with such other provisions as shall have been determined at the time of issue of the Note and as shall have been expressed in this Indenture, in the Note, in an Officer's Certificate.

Subject to Article 5 hereof, the Corporation shall also have the right at its option to repay, either in whole or in part, on redemption or maturity, by payment of money in accordance with Sections 2.9 and 4.9, the principal amount of the Note issued hereunder (subject however, to any applicable restriction on the repayment of the principal amount of the Note) at such rate or rates of premium, if any, and on such date

or dates and in accordance with such other provisions as shall have been determined at the time of issue of the Note and shall have been expressed in this Indenture, in the Note, in an Officer's Certificate.

4.2 Partial Redemption

If only a partial amount of the outstanding principal owing under the Note is to be redeemed, the portion of the principal amount of the Note shall be selected by the Note Trustee on a *pro rata* basis to the nearest multiple of $1.00 in accordance with the principal amount of the Note registered in the name of each holder or in such other manner as the Note Trustee deems equitable. Unless otherwise specifically provided in the terms of the Note, no Note shall be redeemed in part unless the principal amount redeemed is $1,000 or a multiple thereof. For this purpose, the Note Trustee may make, and from time to time vary, regulations with respect to the manner in which the Note may be drawn for redemption in part or for redemption in cash and regulations so made shall be valid and binding upon all holders of the Note notwithstanding the fact that as a result thereof the Note may become subject to redemption in part only or for cash only. In the event that the Note becomes subject to redemption in part only, upon surrender of the Note for payment of the Redemption Price, together with interest accrued to but excluding the Redemption Date, the Corporation shall execute and the Note Trustee shall certify and deliver without charge to the holder thereof or upon the holder's order the new Note for the unredeemed part of the principal amount of the Note so surrendered or, with respect to a Global Note, the Note Trustee shall make notations on the Global Note of the principal amount thereof so redeemed. Unless the context otherwise requires, the term "Note" as used in this Article 4 shall be deemed to mean or include any part of the principal amount of the Note which in accordance with the foregoing provisions has become subject to redemption.

4.3 Notice of Redemption

Notice of redemption (the "**Redemption Notice**") of the Note shall be given to the holders of the Note so to be redeemed not more than 60 days nor less than 30 days prior to the date fixed for redemption (the "**Redemption Date**") in the manner provided in Section 12.2. Every such notice shall specify the aggregate principal amount of the Note called for redemption, the Redemption Date, the Redemption Price together with accrued and unpaid interest to but excluding the Redemption Date, and, if applicable, the portion to be redeemed for cash and the places of payment and shall state that interest upon the principal amount of the Note called for redemption shall cease to accrue and be payable on and after the Redemption Date. In addition, unless the entire outstanding Note is to be redeemed, the Redemption Notice shall specify:

(a) [intentionally deleted];

(b) [intentionally deleted];

(c) in the case of a Global Note, that the redemption will take place in such manner as may be agreed upon by the Depository, the Note Trustee and the Corporation; and

(d) in all cases, the principal amount of such part of the Note to be redeemed.

4.4 Note Due on Redemption Date

Notice having been given as aforesaid, the Note so called for redemption shall thereupon be and become due and payable at the Redemption Price, together with accrued and unpaid interest to but excluding the Redemption Date, on the Redemption Date specified in such notice, in the same manner and with the same effect as if it were the date of maturity specified in the Note, anything therein or herein to the contrary notwithstanding, and from and after such Redemption Date, if the monies necessary to redeem

the Note shall have been deposited as provided in Section 4.5 and affidavits or other proof satisfactory to the Note Trustee as to the publication and/or mailing of such notices shall have been lodged with it, interest upon the Note shall cease. If any question shall arise as to whether any notice has been given as above provided and such deposit made, such question shall be decided by the Note Trustee whose decision shall be final and binding upon all parties in interest.

4.5 Deposit of Redemption Monies

Redemption of the Note shall be provided for by the Corporation depositing with the Note Trustee or any paying agent to the order of the Note Trustee, on or before 11:00 a.m. (Toronto Time) on the Business Day immediately prior to the Redemption Date specified in such notice, such sums of money, as may be sufficient to pay the Redemption Price of the Note so called for redemption, plus accrued and unpaid interest thereon up to but excluding the Redemption Date, provided the Corporation may elect to satisfy this requirement by providing the Note Trustee with one or more certified cheques by no later than five (5) Business Days prior to the Redemption Date or wire transfers for such amounts required under this Section 4.5 to the Redemption Date or by providing the Note Trustee with such funds through electronic transfer of funds on the Business Day immediately prior to the Redemption Date. The Corporation shall also deposit with the Note Trustee a sum of money sufficient to pay any reasonable charges or expenses which may be incurred by the Note Trustee in connection with such redemption. Every such deposit shall be irrevocable. From the sums so deposited, or certificates so deposited, or both, the Note Trustee shall pay or cause to be paid, or issue or cause to be issued, to the holders of the Note, upon surrender of the Note, the principal, premium (if any) and interest (if any) to which they are respectively entitled on redemption, less applicable withholding taxes, if any.

4.6 Failure to Surrender Note Called for Redemption

In case any holder of the Note so called for redemption shall fail on or before the Redemption Date to so surrender such holder's Note, or shall not within such time accept payment of the Redemption Price payable, or give such receipt therefor, if any, as the Note Trustee may require, such redemption monies may be set aside in trust, without interest, or such certificates may be held in trust, either in the deposit department of the Note Trustee or in a chartered bank, and such setting aside shall for all purposes be deemed a payment to the Noteholder of the sum so set aside and, to that extent, the Note shall thereafter not be considered as outstanding hereunder and the Noteholder shall have no other right except to receive payment out of the monies so paid and deposited upon surrender and delivery up of such holder's Note of the Redemption Price, as the case may be, of the Note plus any accrued and unpaid interest thereon to but excluding the Redemption Date. In the event that any money required to be deposited hereunder with the Note Trustee or any depository or paying agent on account of principal, premium, if any, or interest, if any, on Note issued hereunder shall remain so deposited for a period of six years from the Redemption Date, then such monies, together with any accumulated interest thereon or any distribution paid thereon, shall at the end of such period be paid over or delivered over by the Note Trustee or such depository or paying agent to the Corporation on its demand, and thereupon the Note Trustee shall not be responsible to Noteholders for any amounts owing to them and subject to applicable law, thereafter the holder of a Note in respect of which such money was so repaid to the Corporation shall have no rights in respect thereof except to obtain payment of the money due from the Corporation, subject to any prescription period provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Note Trustee will pay any remaining funds prior to the expiry of six years after the Redemption Date to the Corporation upon receipt from the Corporation or one of its Subsidiaries of an uncontested letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds. If the remaining funds are paid to the Corporation prior to the expiry of six years after the Redemption Date, the Corporation shall, prior to the payment by the Note Trustee, pay the Note Trustee the amounts required to be paid by the Note Trustee to a holder of a Note pursuant to the redemption after the date of such payment of the remaining funds to the Corporation but prior to six years after the redemption.

4.7 Cancellation of Note Redeemed

Subject to the provisions of Sections 4.2 and 4.8 as to the Note redeemed or purchased in part, the Note when redeemed and paid under this Article 4 shall forthwith be delivered to the Note Trustee and cancelled and no Note shall be issued in substitution therefor.

4.8 Purchase of the Note by the Corporation

Unless otherwise specifically provided with respect to the Note and subject to the provisions of Section 10.2, the Corporation and any of its Affiliates may at any time and from time to time, purchase the Note in the market (which shall include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange) or by tender or by private contract, at any price, subject to regulatory requirements; provided, however, that if an Event of Default has occurred and is continuing, the Corporation and its Affiliates will not have the right to so purchase the Note. The Note so purchased shall be delivered to the Note Trustee and cancelled and no Note shall be issued in substitution therefor.

If the Corporation or any of its Affiliates intend to purchase the Note in part, upon an invitation for tenders, more than a portion of the principal amount of the Note that the Corporation or any of its Affiliates intend to purchase is tendered at the same lowest price that the Corporation or an Affiliate is prepared to accept, the portion of the principal amount of the Note to be purchased by the Corporation or by such Affiliate shall be selected by the Note Trustee on a *pro rata* basis. For this purpose, the Note Trustee may make, and from time to time amend, regulations with respect to the manner in which the portion of the Note may be so selected, and regulations so made shall be valid and binding upon all Noteholders, notwithstanding the fact that as a result thereof the Note becomes subject to purchase in part only. With respect to the Global Note that is only partially purchased, the Note Trustee shall make notations on the Global Note of the principal amount thereof so purchased.

4.9 Deposit of Maturity Monies

Payment on maturity of the Note shall be provided for by the Corporation depositing with the Note Trustee or any paying agent to the order of the Note Trustee, on or before 11:00 a.m. (Toronto time) on the Business Day immediately prior to the applicable maturity date such sums of money as may be sufficient to pay the principal amount of the Note, together with a sum of money sufficient to pay all accrued and unpaid interest thereon up to but excluding the maturity date, provided the Corporation may elect to satisfy this requirement by providing the Note Trustee with one or more certified cheques by no later than five (5) Business Days prior to the applicable maturity date or with funds by electronic transfer, for such amounts required under this Section 4.9. The Corporation shall also deposit with the Note Trustee a sum of money sufficient to pay any reasonable charges or expenses which may be incurred by the Note Trustee in connection therewith. Every such deposit shall be irrevocable. From the sums so deposited, the Note Trustee shall pay or cause to be paid to the holders of the Note, upon surrender of the Note, the principal, premium (if any) and interest (if any) to which they are respectively entitled on maturity.

ARTICLE 5
SUBORDINATION OF THE NOTE

5.1 Applicability of Article

The Note Liabilities which by their terms are subordinate, including on account of principal, premium, if any, interest or otherwise, shall be subordinated and postponed and subject in right of payment, to the

extent and in the manner hereinafter set out in the following sections of this Article 5, to the prior full and final payment of all existing and future Senior Indebtedness of the Corporation and each holder of the Note by his acceptance thereof, whether directly or on its behalf, agrees to and shall be bound by the provisions of this Article 5.

5.2 Order of Payment

Upon any distribution of the assets of the Corporation on any dissolution, winding up, total liquidation or reorganization of the Corporation (whether in bankruptcy, insolvency or receivership proceedings, or upon an "assignment for the benefit of creditors" or any other marshalling of the assets, properties and liabilities of the Corporation, or otherwise):

(a) all Senior Indebtedness shall first be paid indefeasibly in full, or provision made for such payment, before any payment is made on account of the Note Liabilities, whether on account of principal, interest or otherwise;

(b) any payment or distribution of assets of the Corporation, whether in cash, property or securities, to which the holders of the Note or the Note Trustee on behalf of such holders would be entitled except for the provisions of this Article 5 shall be paid or delivered by the trustee in bankruptcy, receiver, assignee for the benefit of creditors, or other liquidating agent making such payment or distribution, directly to the holders of such Senior Indebtedness or their representative or representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any of such Senior Indebtedness may have been issued, to the extent necessary to pay all Senior Indebtedness in full after giving effect to any concurrent payment or distribution, or provision therefor, to the holders of such Senior Indebtedness; and

(c) the Senior Creditors or a receiver or a receiver-manager of the Corporation or of all or part of its assets or any other enforcement agent may sell, mortgage, or otherwise dispose of the Corporation's assets in whole or in part, free and clear of all Note Liabilities and without the approval of the Noteholders or the Note Trustee or any requirement to account to the Note Trustee or the Noteholders.

The rights and priority of the Senior Indebtedness and the subordination pursuant hereto shall not be affected by:

(i) whether or not the Senior Indebtedness is secured;

(ii) the time, sequence or order of creating, granting, executing, delivering of, or registering, perfecting or failing to register or perfect any security notice, caveat, financing statement or other notice in respect of the Senior Security;

(iii) the time or order of the attachment, perfection or crystallization of any security constituted by the Senior Security;

(iv) the taking of any collection, enforcement or realization proceedings pursuant to the Senior Security;

(v) the date of obtaining of any judgment or order of any bankruptcy court or any court administering bankruptcy, insolvency or similar proceedings as to the entitlement of the Senior Creditors, or any of them or the Noteholders or any of them to any money or property of the Corporation;

(vi) the failure to exercise any power or remedy reserved to the Senior Creditors under the Senior Security or to insist upon a strict compliance with any terms thereof;

(vii) whether any Senior Security is now perfected, hereafter ceases to be perfected, is avoidable by any trustee in bankruptcy or like official or is otherwise set aside, invalidated or lapses;

(viii) the date of giving or failing to give notice to or making demand upon the Corporation;

(ix) any amendment, modification, increase, extension, renewal, replacement of any Senior Indebtedness or Senior Security; or

(x) any other matter whatsoever.

5.3 Subrogation to Rights of Senior Creditors

(a) Subject to the prior payment in full of all Senior Indebtedness, the Noteholders shall be subrogated to the rights of the Senior Creditors to receive payments or distributions of assets of the Corporation to the extent of the application thereto of such payments or other assets which would have been received by the Noteholders but for the provisions hereof until the principal of and interest on the Note shall be paid in full, and no such payments or distributions to the Noteholders of cash, property or securities, which otherwise would be payable or distributable to the Senior Creditors, shall, as between the Corporation, its creditors other than the Senior Creditors, and the Noteholders, be deemed to be a payment by the Corporation to the Senior Creditors or on account of the Senior Indebtedness, it being understood that the provisions of this Article 5 are intended solely for the purpose of defining the relative rights of the Noteholders, on the one hand, and the Senior Creditors, on the other hand.

(b) The Note Trustee, for itself and on behalf of each of the Noteholders, hereby waives any and all rights to require a Senior Creditor to pursue or exhaust any rights or remedies with respect to the Corporation or any property and assets subject to the Senior Security or in any other manner to require the marshalling of property, assets or security in connection with the exercise by the Senior Creditors of any rights, remedies or recourses available to them.

5.4 Obligation to Pay Not Impaired

Nothing contained in this Article 5 or elsewhere in this Indenture or in the Note is intended to or shall impair, as between the Corporation, its creditors other than the holders of Senior Indebtedness, and the holders of the Note, the obligation of the Corporation, which is absolute and unconditional, to pay to the holders of the Note the principal, premium, if any, and interest on the Note, as and when the same shall become due and payable in accordance with their terms, or affect the relative rights of the holders of the Note and creditors of the Corporation other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the Note Trustee or the holder of any Note from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article 5 of the holders of Senior Indebtedness.

5.5 No Payment if Senior Indebtedness in Default

(a) Upon the maturity of any Senior Indebtedness by lapse of time, acceleration or otherwise, or any enforcement of any Senior Indebtedness, then, except as provided in Section 5.8,

all principal of, premium (if any) and interest on all such matured Senior Indebtedness shall first be paid in full, or shall first have been duly provided for, before any payment is made on account of principal of, premium (if any) or interest on the Note.

(b) No payment (by purchase of Note or otherwise) shall be made by the Corporation with respect to the principal of, premium, if any, or interest on the Note:

(i) upon the occurrence of a default, an event of default or an acceleration under any Senior Indebtedness or any swap obligation of any Senior Creditor or its Affiliates;

(ii) upon any default with respect to any Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof; or

(iii) if such payment would result in a default with respect to any Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof;

unless and until such default shall have been cured or waived or shall have ceased to exist, and neither the Note Trustee nor the holders of Note shall be entitled to demand, accelerate, institute proceedings for the collection of, or receive any payment or benefit (including without limitation by set-off, combination of accounts or otherwise in any manner whatsoever) on account of the Note after the happening of such a default (except as provided in Section 5.8), and unless and until such default shall have been cured or waived or shall have ceased to exist, such payments shall be held in trust for the benefit of, and, if and when such Senior Indebtedness shall have become due and payable, shall be paid over to, the holders of the Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing an amount of the Senior Indebtedness remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; provided, however, that the foregoing shall in no way prohibit, restrict or prevent the Note Trustee from taking such actions as may be necessary to preserve claims of the Note Trustee and/or the holders of the Note under this Indenture in any bankruptcy, reorganization or insolvency proceeding (including, without limitation, the filing of proofs of claim in any such bankruptcy, reorganization or insolvency proceedings by or against the Corporation or its Subsidiaries and exercising its rights to vote as an unsecured creditor under any such bankruptcy, reorganization or insolvency proceedings commenced by or against the Corporation or its Subsidiaries).

(c) The fact that any payment hereunder is prohibited by this Section 5.5 shall not prevent the failure to make such payment from being an Event of Default hereunder.

5.6 Payment on Note Permitted

Nothing contained in this Article 5 or elsewhere in this Indenture, or in the Note, shall affect the obligation of the Corporation to make, or prevent the Corporation from making, at any time except as prohibited by Section 5.2 or 5.5, any payment of principal of or interest on the Note. The fact that any such payment is prohibited by Section 5.2 or 5.5 shall not prevent the failure to make such payment from being an Event of Default hereunder. Nothing contained in this Article 5 or elsewhere in this Indenture, or in the Note, shall prevent, except as prohibited by Section 5.2 or 5.5, the application by the Note Trustee of any moneys deposited with the Note Trustee hereunder for the purpose, to the payment of or on account of the Note Liabilities.

5.7 Confirmation of Subordination

Each holder of Note by his acceptance thereof authorizes and directs the Note Trustee on his behalf to take such action as may be necessary or appropriate to effect the subordination as provided in this Article 5 and appoints the Note Trustee his attorney-in-fact for any and all such purposes. This appointment shall be irrevocable. Upon request of the Corporation, and upon being furnished an Officer's Certificate stating that one or more named persons are Senior Creditors, and specifying the nature of the Senior Indebtedness of such Senior Creditors, the Note Trustee shall enter into a written agreement or agreements with the Corporation and the person or persons named in such Officer's Certificate providing that such person or persons are entitled to all the rights and benefits of this Article 5 as a Senior Creditor specified in such Officer's Certificate and for such other matters as the Senior Creditors and the Corporation may agree upon. Such agreement shall be conclusive evidence that the indebtedness specified therein is Senior Indebtedness. However, nothing herein shall impair the rights of any Senior Creditor who has not entered into such an agreement.

5.8 Knowledge of Note Trustee

Notwithstanding the provisions of this Article 5, the Note Trustee will not be charged with knowledge of the existence of any fact that would prohibit the making of any payment of monies to or by the Note Trustee, or the taking of any other action by the Note Trustee, unless and until the Note Trustee has received written notice thereof from the Corporation, any Noteholder, any Senior Creditor or a trustee on behalf of any one or more of the Senior Creditors, and such notice to the Note Trustee shall be deemed to be notice to holders of the Note. The Note Trustee will notify holders of Note of such notice as soon as reasonably practicable after receipt thereof.

5.9 Note Trustee May Hold Senior Indebtedness

The Note Trustee is entitled to all the rights set out in this Article 5 with respect to any Senior Indebtedness at the time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture deprives the Note Trustee of any of its rights as such holder.

5.10 Rights of Holders of Senior Indebtedness Not Impaired

No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein will at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Corporation or by any non-compliance by the Corporation with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

5.11 Altering the Senior Indebtedness

The holders of the Senior Indebtedness have the right to extend, renew, revise, restate, modify or amend the terms of the Senior Indebtedness (including increasing the principal amount of the Senior Indebtedness) or the Senior Security therefor and to release, sell or exchange such security and otherwise to deal freely with the Corporation, all without notice to or consent of the Noteholders or the Note Trustee and without affecting the liabilities and obligations of the parties to this Indenture or the Noteholders or the Note Trustee.

5.12 Additional Indebtedness

This Indenture does not restrict the Corporation or any other entity of the Just Energy Group from incurring additional indebtedness for borrowed money or otherwise or hypothecating, mortgaging,

pledging or charging its real (immoveable) or personal (moveable) property or properties to secure any indebtedness or other financing.

5.13 Invalidated Payments

In the event that any of the Senior Indebtedness shall be paid in full and subsequently, for whatever reason, such formerly paid or satisfied Senior Indebtedness becomes unpaid or unsatisfied, the terms and conditions of this Article 5 shall be reinstated and the provisions of this Article 5 shall again be operative until all Senior Indebtedness is repaid in full, provided that such reinstatement shall not give the Senior Creditors any rights or recourses against the Note Trustee or the Noteholders for amounts paid to the Noteholders or on account of the Note subsequent to such payment or satisfaction in full and prior to such reinstatement.

5.14 Contesting Security

The Note Trustee, for itself and on behalf of the Noteholders, agrees that it shall not contest or bring into question the validity, perfection or enforceability of any of the Senior Security, or the relative priority of the Senior Security.

5.15 Obligations Created by Article 5

The Corporation and the Note Trustee, in its capacity as trustee hereunder and not in its corporate personal capacity, agree, and each holder by its acceptance of a Note likewise agrees, that:

(a) the provisions of this Article 5 are an inducement and consideration to each holder of Senior Indebtedness to give or continue credit to the Corporation, the Corporation's Subsidiaries or others or to acquire Senior Indebtedness;

(b) each holder of Senior Indebtedness may accept the benefit of this Article 5 on the terms and conditions set out in this Article 5 by giving or continuing credit to the Corporation, the Corporation's Subsidiaries or others or by acquiring or having outstanding as of the date hereof Senior Indebtedness, in each case without notice to the Note Trustee and without establishing actual reliance on this Article 5; and

(c) each obligation created by this Article 5 is created for the benefit of the holders of Senior Indebtedness.

5.16 No Set-Off

Each of the Corporation and the Note Trustee (relying on the opinion of Counsel) agrees, and each holder of a Note, by his acceptance thereof, likewise agrees, that it shall have no rights of set-off or counterclaim with respect to the principal of, premium, if any, and interest on the Note at any time when any payment of, or in respect of, such amounts to the Note Trustee or the holder of a Note is prohibited by this Article 5 or is otherwise required to be paid to the Senior Creditors.

5.17 Amendments to Article 5

Each of the Corporation and the Note Trustee (relying on the opinion of Counsel) agrees, and each holder of a Note, by his acceptance thereof, likewise agrees, not to make any changes to this Indenture or the Note, including this Article 5 or the definition of Senior Indebtedness, which prejudice the rights of the holders of Senior Indebtedness under this Article 5 without the consent of the holders of Senior Indebtedness or their representative or the trustee under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued.

ARTICLE 6
COVENANTS OF THE CORPORATION

The Corporation hereby covenants and agrees with the Note Trustee for the benefit of the Note Trustee and the Noteholders, that so long as the Note remains outstanding:

6.1 To Pay Principal, Premium (if any) and Interest

The Corporation will duly and punctually pay or cause to be paid to every Noteholder the principal of, premium (if any) and interest accrued on the Note of which it is the holder on the dates, at the places and in the manner mentioned herein and in the Note.

6.2 To Pay Note Trustee's Remuneration

The Corporation will pay the Note Trustee reasonable remuneration for its services as Note Trustee hereunder and will repay to the Note Trustee on demand all reasonable amounts which shall have been paid by the Note Trustee in connection with the execution of the trusts hereby created and such monies including the Note Trustee's remuneration, shall be payable out of any funds coming into the possession of the Note Trustee in priority to payment of the principal of the Note or interest thereon. Any amount due under this Section and unpaid thirty days after written request for such payment shall bear interest from the expiration of such thirty days at a rate per annum equal to the then rate charged by the Note Trustee under similar indentures from time to time, payable on demand. Such remuneration shall continue to be payable until the trusts hereof be finally wound up and whether or not the trusts of this Indenture shall be in the course of administration by or under the direction of a court of competent jurisdiction.

6.3 To Give Notice of Default

The Corporation shall promptly notify the Note Trustee in writing upon obtaining knowledge of any Event of Default hereunder.

6.4 Preservation of Existence, etc.

Subject to the express provisions hereof, the Corporation will carry on and conduct its activities, and cause its Subsidiaries to carry on and conduct their businesses, in a proper, efficient and business-like manner and in accordance with good business practices; and, subject to the express provisions hereof and it will do or cause to be done all things necessary to preserve and keep in full force and effect the existence and right of the Corporation.

6.5 Keeping of Books

The Corporation will keep or cause to be kept proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Corporation in accordance with generally accepted accounting principles.

6.6 Annual Certificate of Compliance

The Corporation shall deliver to the Note Trustee, within 120 days after the end of each calendar year (and at any time upon reasonable demand by the Note Trustee), an Officer's Certificate as to the knowledge of such Director or an Authorized Officer who executes the Officer's Certificate, of the Corporation's compliance with all conditions and covenants of this Indenture certifying that after reasonable investigation and inquiry, the Corporation has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which could, with the giving of notice, lapse of time or otherwise, constitute an Event of Default hereunder, or if such is not the case, setting

forth with reasonable particulars the circumstances of any failure to comply and any steps taken or proposed to be taken to remedy such Event of Default.

6.7 Performance of Covenants by Note Trustee

If the Corporation shall fail to perform any of its covenants contained in this Indenture, the Note Trustee may notify the Noteholders of such failure on the part of the Corporation or may itself perform any of the covenants capable of being performed by it, but (subject to Sections 7.2 and 13.4) shall be under no obligation to do so or to notify the Noteholders. All reasonable sums so expended or advanced by the Note Trustee shall be repayable as provided in Section 6.2. No such performance, expenditure or advance by the Note Trustee shall be deemed to relieve the Corporation of any default hereunder.

6.8 Maintain Listing

The Corporation shall use commercially reasonably efforts to maintain the Corporation's status as a "reporting issuer" not in material default under Applicable Securities Legislation, in all cases for as long as the Note remains outstanding.

ARTICLE 7
DEFAULT

7.1 Events of Default

Each of the following events constitutes, and is herein sometimes referred to as, an "**Event of Default**":

(a) failure to pay principal together with accrued interest on the Note when due whether at maturity, upon redemption, by declaration or otherwise;

(b) default in the observance or performance of any material covenant or material condition of this Indenture by the Corporation and the failure to cure (or obtain a waiver for) such default for a period of 30 days after notice in writing has been given to the Corporation by the Note Trustee or by the holders of not less than 25% in principal amount of the Note then outstanding specifying such default and requiring the Corporation to remedy such default or obtain a waiver for same;

(c) failure to make a Note Offer as and when required pursuant to this Indenture;

(d) the Corporation defaults in the observance or performance of any agreement, covenant or condition in relation to the Subordinated Term Loan and such default causes such indebtedness to become due prior to its stated maturity date.

(e) if a decree or order of a court having jurisdiction is entered adjudging the Corporation a bankrupt or insolvent under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or similar laws, or if a sequestration or process of execution is issued against, or against any material part of, the property of the Corporation or any Material Subsidiary, or appointing a receiver of, or any substantial part of, the property of the Corporation or any Material Subsidiary or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 60 days or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition;

(f) if the Corporation or any Material Subsidiary institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or similar laws, or consents to the filing of any such petition or to the appointment of a receiver of, or any substantial part of, the property of the Corporation or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due;

(g) if a resolution is passed for the winding-up or liquidation of the Corporation except in the course of carrying out or pursuant to a transaction in respect of which the conditions of Section 9.1 are duly observed and performed.

In each and every such Event of Default the Note Trustee may, in its discretion, but subject to the provisions of this Section, and shall, upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the Note then outstanding, subject to the provisions of Section 7.3, by notice in writing to the Corporation declare the principal of, premium, if any, and interest on the Note then outstanding and all other monies outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the Note Trustee, and the Corporation shall forthwith pay to the Note Trustee for the benefit of the Noteholders such principal (and premium, if any), accrued and unpaid interest and interest on amounts in default on the Note (and, where such a declaration is based upon a voluntary winding-up or liquidation of the Corporation, the premium, if any, on the Note then outstanding which would have been payable upon the redemption thereof by the Corporation on the date of such declaration) and all other monies outstanding hereunder, together with subsequent interest at the rate borne by the Note on such principal (and premium, if any), interest and such other monies from the date of such declaration until payment is received by the Note Trustee, such subsequent interest to be payable at the times and places and in the monies mentioned in and according to the tenor of the Note. Such payment when made shall be deemed to have been made in discharge of the Corporation's obligations hereunder and any monies so received by the Note Trustee shall be applied in the manner provided in Section 7.6.

7.2 Notice of Events of Default

If an Event of Default shall occur and be continuing the Note Trustee shall, within 30 days after it receives written notice or otherwise becomes aware of the occurrence of such Event of Default, give notice of such Event of Default to the Noteholders in the manner provided in Section 12.2, provided that notwithstanding the foregoing, unless the Note Trustee shall have been requested to do so by the holders of at least 25% of the principal amount of the Note then outstanding, the Note Trustee shall not be required to give such notice if the Note Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the Noteholders and shall have so advised the Corporation in writing.

When notice of the occurrence of an Event of Default has been given and the Event of Default is thereafter cured, notice that the Event of Default is no longer continuing shall be given by the Note Trustee to the Noteholders within 15 days after the Note Trustee becomes aware the Event of Default has been cured.

7.3 Waiver of Default

Upon the happening of any Event of Default hereunder:

(a) the holders of the Note shall have the power (in addition to the powers exercisable by Extraordinary Resolution as hereinafter provided) by requisition in writing by the holders

of a majority of the principal amount of Note then outstanding, to instruct the Note Trustee to waive any Event of Default and to cancel any declaration made by the Note Trustee pursuant to Section 7.1 and the Note Trustee shall thereupon waive the Event of Default and cancel such declaration, or either, upon such terms and conditions as shall be prescribed in such requisition; and

(b) the Note Trustee, so long as it has not become bound to declare the principal and interest on the Note then outstanding to be due and payable, or to obtain or enforce payment of the same, shall have power to waive any Event of Default if, in the Note Trustee's opinion, the same shall have been cured or adequate satisfaction made therefor, and in such event to cancel any such declaration theretofore made by the Note Trustee in the exercise of its discretion, upon such terms and conditions as the Note Trustee may deem advisable.

No such act or omission either of the Note Trustee or of the Noteholders shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom.

7.4 Enforcement by the Note Trustee

Subject to the provisions of Section 7.3 and to the provisions of any Extraordinary Resolution that may be passed by the Noteholders and to the provisions of this Section, if the Corporation shall fail to pay to the Note Trustee, forthwith after the same shall have been declared to be due and payable under Section 7.1, the principal of and premium (if any) and interest on the Note then outstanding, together with any other amounts due hereunder, the Note Trustee may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the Note then outstanding and upon being funded and indemnified to its reasonable satisfaction against all costs, expenses and liabilities to be incurred, proceed in its name as trustee hereunder to obtain or enforce payment of such principal of and premium (if any) and interest on the Note then outstanding together with any other amounts due hereunder by such proceedings authorized by this Indenture or by law as the Note Trustee in such request shall have been directed to take, or if such request contains no such direction, or if the Note Trustee shall act without such request, then by such proceedings authorized by this Indenture or by law as the Note Trustee shall deem expedient.

The Note Trustee shall be entitled and empowered, either in its own name or as trustee, or as attorney for the holders of the Note, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Note Trustee and of the holders of the Note allowed in any insolvency, bankruptcy, liquidation or other judicial proceedings relative to the Corporation or its creditors or relative to or affecting its property. The Note Trustee is hereby irrevocably appointed (and the successive respective holders of the Note by taking and holding the same shall be conclusively deemed to have so appointed the Note Trustee) the true and lawful attorney of the respective holders of the Note with authority to make and file in the respective names of the holders of the Note or on behalf of the holders of the Note as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Note themselves, any proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any such other papers and documents and to do and perform any and all such acts and things for and on behalf of such holders of the Note, as may be necessary or advisable in the opinion of the Note Trustee, in order to have the respective claims of the Note Trustee and of the holders of the Note against the Corporation or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that subject to Section 7.3, nothing contained in this Indenture shall be deemed to give to the Note Trustee, unless so authorized by Extraordinary Resolution, any right

to accept or consent to any plan of reorganization or otherwise by action of any character in such proceeding to waive or change in any way any right of any Noteholder.

The Note Trustee shall also have the power at any time and from time to time to institute and to maintain such suits and proceedings as it may be advised shall be necessary or advisable to preserve and protect its interests and the interests of the Noteholders.

All rights of action hereunder may be enforced by the Note Trustee without the possession of the Note or the production thereof at trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Note Trustee shall be brought in the name of the Note Trustee as trustee of an express trust, and any recovery of judgment shall be for the rateable benefit of the holders of the Note subject to the provisions of this Indenture. In any proceeding brought by the Note Trustee (and also any proceeding in which a declaratory judgment of a court may be sought as to the interpretation or construction of any provision of this Indenture, to which the Note Trustee shall be a party) the Note Trustee shall be held to represent all the holders of the Note, and it shall not be necessary to make any holders of the Note parties to any such proceeding.

7.5 No Suits by Noteholders

No holder of any Note shall have any right to institute any action, suit or proceeding for the purpose of enforcing payment of the principal of, or premium (if any), or interest on the Note or for the execution of any trust or power hereunder or for the appointment of a liquidator or receiver or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada) or to have the Corporation wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder, unless: (a) such holder shall previously have given to the Note Trustee written notice of the happening of an Event of Default hereunder; (b) the Noteholders by Extraordinary Resolution or by written instrument signed by the holders of at least 25% in principal amount of the Note then outstanding shall have made a request to the Note Trustee and the Note Trustee shall have been afforded reasonable opportunity either itself to proceed to exercise the powers hereinbefore granted or to institute an action, suit or proceeding in its name for such purpose; (c) the Noteholders or any of them shall have furnished to the Note Trustee, when so requested by the Note Trustee, sufficient funds and security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and (d) the Note Trustee shall have failed to act within a reasonable time after such notification, request and offer of indemnity and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Note Trustee, to be conditions precedent to any such proceeding or for any other remedy hereunder by or on behalf of the holder of the Note.

7.6 Application of Monies by Note Trustee

(a) Except as herein otherwise expressly provided, any monies received by the Note Trustee from the Corporation pursuant to the foregoing provisions of this Article 7, or as a result of legal or other proceedings or from any trustee in bankruptcy or liquidator of the Corporation, shall be applied, together with any other monies in the hands of the Note Trustee available for such purpose, as follows:

(i) first, in payment or in reimbursement to the Note Trustee of its compensation, and reasonable costs, charges, expenses, borrowings, advances or other monies furnished or provided by or at the instance of the Note Trustee in or about the execution of its trusts under, or otherwise in relation to, this Indenture, with interest thereon as herein provided;

(ii) second, but subject as hereinafter in this Section 7.6 provided, in payment, rateably and proportionately to (and in the case of applicable withholding taxes, if any, on behalf of) the holders of Note, of the principal of and premium (if any) and accrued and unpaid interest and interest on amounts in default on the Note which shall then be outstanding in the priority of principal first and then premium (if any) and then accrued and unpaid interest and interest on amounts in default unless otherwise directed by Extraordinary Resolution and in that case in such order or priority as between principal, premium (if any) and interest as may be directed by such resolution; and

(iii) third, in payment of the surplus, if any, of such monies to the Corporation or its assigns;

(iv) provided, however, that no payment shall be made pursuant to clause (ii) above in respect of the principal, premium (if any) or interest on any Note held, directly or indirectly, by or for the benefit of the Corporation or any Subsidiary (other than any Note pledged for value and in good faith to a person other than the Corporation or any Subsidiary but only to the extent of such person's interest therein) except subject to the prior payment in full of the principal, premium (if any) and interest (if any) on the Note which are not so held.

(b) The Note Trustee shall not be bound to apply or make any partial or interim payment of any monies coming into its hands if the amount so received by it, after reserving therefrom such amount as the Note Trustee may think necessary to provide for the payments mentioned in Section 7.6(a), is insufficient to make a distribution of at least 2% of the aggregate principal amount of the outstanding Note, but it may retain the money so received by it and invest or deposit the same as provided in Section 13.10 until the money or the investments representing the same, with the income derived therefrom, together with any other monies for the time being under its control shall be sufficient for the said purpose or until it shall consider it advisable to apply the same in the manner hereinbefore set out. The foregoing shall, however, not apply to a final payment or distribution hereunder.

7.7 Notice of Payment by Note Trustee

Not less than 15 days' notice shall be given in the manner provided in Section 12.2 by the Note Trustee to the Noteholders of any payment to be made under this Article 7. Such notice shall state the time when and place where such payment is to be made and also the liability under this Indenture to which it is to be applied. After the day so fixed, unless payment shall have been duly demanded and have been refused, the Noteholders will be entitled to interest only on the balance (if any) of the principal monies, premium (if any) and interest due (if any) to them, respectively, on the Note, after deduction of the respective amounts payable in respect thereof on the day so fixed.

7.8 Note Trustee May Demand Production of Note

The Note Trustee shall have the right to demand production of the Note in respect of which any payment of principal, interest or premium (if any) required by this Article 7 is made and may cause to be endorsed on the same a memorandum of the amount so paid and the date of payment, but the Note Trustee may, in its discretion, dispense with such production and endorsement, upon such indemnity being given to it and to the Corporation as the Note Trustee shall deem sufficient.

7.9 Remedies Cumulative

No remedy herein conferred upon or reserved to the Note Trustee, or upon or to the holders of Note is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist by law or by statute.

7.10 Judgment Against the Corporation

The Corporation covenants and agrees with the Note Trustee that, in case of any judicial or other proceedings to enforce the rights of the Noteholders, judgment may be rendered against it in favour of the Noteholders or in favour of the Note Trustee, as trustee for the Noteholders, for any amount which may remain due in respect of the Note and premium (if any) and the interest thereon and any other monies owing hereunder.

7.11 Immunity of Directors, Officers and Others

The Noteholders and the Note Trustee hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future officer or director of any entity of the Just Energy Group, any Director or any holder of Shares or of any successor thereto, for the payment of the principal of or premium or interest on the Note or on any covenant, agreement, representation or warranty by the Corporation contained herein or in the Note.

ARTICLE 8
SATISFACTION AND DISCHARGE

8.1 Cancellation

The Note shall forthwith after payment thereof be delivered to the Note Trustee and cancelled by it. The Note cancelled or required to be cancelled under this or any other provision of this Indenture shall, if not already cancelled, be cancelled by the Note Trustee and, if required by the Corporation, the Note Trustee shall furnish to it a copy of the cancelled Note.

8.2 Non-Presentation of the Note

In case the holder of any Note shall fail to present the same for payment on the date on which the principal, premium (if any) or the interest thereon or represented thereby becomes payable either at maturity or otherwise or shall not accept payment on account thereof and give such receipt therefor, if any, as the Note Trustee may require:

(a) the Corporation shall be entitled to pay or deliver to the Note Trustee and direct the Note Trustee to set aside;

(b) in respect of monies in the hands of the Note Trustee which may or should be applied to the payment of the Note, the Corporation shall be entitled to direct the Note Trustee to set aside; or

(c) if the redemption was pursuant to notice given by the Note Trustee, the Note Trustee may itself set aside,

the monies in trust to be paid to the holder of the Note upon due presentation or surrender thereof in accordance with the provisions of this Indenture; and thereupon the monies payable on or represented by each Note in respect whereof such monies have been set aside shall be deemed to have been paid and the

holder thereof shall thereafter have no right in respect thereof except that of receiving delivery and payment of the monies (less applicable withholding taxes, if any) so set aside by the Note Trustee upon due presentation and surrender thereof, subject always to the provisions of Section 8.3.

8.3 Repayment of Unclaimed Monies

Subject to applicable law, any monies set aside under Section 8.2 and not claimed by and paid to holders of Note as provided in Section 8.2 within six years after the date of such setting aside shall be repaid and delivered to the Corporation by the Note Trustee and thereupon the Note Trustee shall be released from all further liability with respect to such monies and thereafter the holders of the Note in respect of which such monies were so repaid to the Corporation shall have no rights in respect thereof except to obtain payment and delivery of the monies and without interest, from the Corporation subject to any prescription provided by the laws of the Province of Ontario. Notwithstanding the foregoing, the Note Trustee will pay any remaining funds prior to the expiry of six years after the setting aside described in Section 8.2 to the Corporation upon receipt from the Corporation, or one of its Subsidiaries, of an uncontested letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds. If the remaining funds are paid to the Corporation prior to the expiry of six years after such setting aside, the Corporation shall reimburse the Note Trustee for any amounts so set aside which are required to be paid by the Note Trustee to a holder of a Note after the date of such payment of the remaining funds to the Corporation but prior to six years after such setting aside.

8.4 Discharge

The Note Trustee shall at the written request of the Corporation release and discharge this Indenture and execute and deliver such instruments as it shall be advised by Counsel are requisite for that purpose and to release the Corporation from its covenants herein contained (other than the provisions relating to the indemnification of the Note Trustee), upon proof being given to the reasonable satisfaction of the Note Trustee that the principal and premium (if any) of and interest (including interest on amounts in default, if any), on the Note and all other monies payable hereunder have been paid or satisfied or that the Note having matured or having been duly called for redemption, payment of the principal of and interest (including interest on amounts in default, if any) on the Note and of all other monies payable hereunder has been duly and effectually provided for in accordance with the provisions hereof.

8.5 Satisfaction

(a) The Corporation shall be deemed to have fully paid, satisfied and discharged the outstanding Note and the Note Trustee, at the expense of the Corporation, shall execute and deliver proper instruments acknowledging the full payment, satisfaction and discharge of the Note, when, with respect to the outstanding Note, either:

(i) the Corporation has deposited or caused to be deposited with the Note Trustee as trust funds in trust for the purpose of making payment on the Note, an amount in money sufficient to pay, satisfy and discharge the entire amount of principal, premium, if any, and interest, if any, to maturity or any repayment date or Redemption Dates or any Change of Control Purchase Date, as the case may be, of the Note; or

(ii) the Corporation has deposited or caused to be deposited with the Note Trustee as property in trust for the purpose of making payment on the Note such amount in Canadian dollars of direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States Government, the Government of Canada;

as will be sufficient to pay and discharge the entire amount of principal, premium, if any, and accrued and unpaid interest to maturity or any repayment date, as the case may be, of all the Note;

and in either event:

(iii) the Corporation has paid, caused to be paid or made provisions to the satisfaction of the Note Trustee for the payment of all other sums payable or which may be payable with respect to all of the Note (together with all reasonable expenses of the Note Trustee in connection with the payment of the Note);

(iv) the Corporation has delivered to the Note Trustee either (A) an opinion of counsel in Canada reasonably acceptable to the Note Trustee to the effect that, based upon Canadian law then in effect (and also taking into account any proposed amendments to Canadian law which, if enacted in the form proposed, would have retroactive effect), the beneficial owners of the Note will not recognize income, gain or loss for Canadian federal, provincial or territorial or other tax purposes, as a result of the defeasance, as the case may be, and will be subject to Canadian taxes on the same amounts and in the same manner and at the same time as would have been the case if such defeasance had not occurred or (B) a ruling directed to the Note Trustee received from tax authorities of Canada to the same effect as the opinion of counsel described in clause (A) above; and

(v) the Corporation has delivered to the Note Trustee an Officer's Certificate stating that all conditions precedent herein provided relating to the payment, satisfaction and discharge of the Note have been complied with.

Any deposits with the Note Trustee referred to in this Section 8.5 shall be irrevocable, subject to Section 8.6, and shall be made under the terms of an escrow and/or trust agreement in form and substance satisfactory to the Note Trustee and the Corporation and which provides for the due and punctual payment of the principal of, and interest and premium, if any, on the Note being satisfied.

(b) Upon the satisfaction of the conditions set out in this Section 8.5 with respect to the outstanding Note, the terms and conditions of the Note, including the terms and conditions with respect thereto set out in this Indenture (other than those contained in Article 2, Article 4 and Article 6 and Section 7.4 and the provisions of Article 1 pertaining to the foregoing provisions) shall no longer be binding upon or applicable to the Corporation.

(c) Any funds or obligations deposited with the Note Trustee pursuant to this Section 8.5 shall be denominated in the currency or denomination of the Note in respect of which such deposit is made.

(d) If the Note Trustee is unable to apply any money or securities in accordance with this Section 8.5 by reason of any legal proceeding or any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application,

the Corporation's obligations under this Indenture and the affected Note shall be revived and reinstated as though no money had been deposited pursuant to this Section 8.5 until such time as the Note Trustee is permitted to apply all such money in accordance with this Section 8.5, provided that if the Corporation has made any payment in respect of principal, premium or interest on Note or, as applicable, other amounts because of the reinstatement of its obligations, the Corporation shall be subrogated to the rights of the holders of the Note to receive such payment from the money held by the Note Trustee.

8.6 Continuance of Rights, Duties and Obligations

(a) Where trust funds have been deposited pursuant to Section 8.5, the holders of Note and the Corporation shall continue to have and be subject to their respective rights, duties and obligations under Article 2 and Article 4 and the provisions of Article 1 pertaining to the foregoing provisions, as may be applicable.

(b) In the event that, after the deposit of trust funds pursuant to Section 8.5, the Corporation is required to purchase any outstanding Note pursuant to Subsection 2.1(e) in relation to Note or to purchase or make an offer to purchase Note pursuant to any other similar provisions relating to the Note, the Corporation shall be entitled to use any trust money deposited with the Note Trustee pursuant to Section 8.5 for the purpose of paying to any holders of Defeased Note who have accepted any such offer of the Corporation the Offer Price payable to such holders in respect of such offer to purchase the Note. Upon receipt of a Written Direction from the Corporation, the Note Trustee shall be entitled to pay to such holder from such trust money deposited with the Note Trustee pursuant to Section 8.5 in respect of the Defeased Note which is applicable to the Defeased Note held by such holders who have accepted any such offer from the Corporation (which amount shall be based on the applicable principal amount of the Defeased Note held by holders that accept any such offer in relation to the aggregate outstanding principal amount of all the Defeased Note).

ARTICLE 9
SUCCESSORS

9.1 Restrictions on Amalgamation, Merger and Sale of Certain Assets, etc.

Subject to the provisions of Article 10, the Corporation shall not, without the consent of holders of the outstanding Note, consolidate or amalgamate with or merge into any person or sell, convey, transfer or lease all or substantially all of the properties and assets of the Corporation to another person (other than one of the Corporation's direct or indirect wholly-owned Subsidiaries), unless:

(a) prior to or contemporaneously with the consummation of such transaction the Corporation and the resulting, surviving, continuing or transferee person (the "Successor") shall have executed such instruments and done such things as are necessary to ensure that upon the consummation of such transaction:

(i) the Successor has assumed all the obligations of the Corporation under this Indenture and the Note;

(ii) the Successor is a corporation, organized and existing under the laws of Canada or the United States or any province, territory or state, as the case may be, thereof;

(iii) the Note will be valid and binding obligations of the Successor entitling the holders thereof, as against the Successor, to all the rights of Noteholders under this Indenture;

(iv) after giving effect to and immediately after the transaction, no Event of Default, and no event that, after notice or lapse of time, or both, would become an Event of Default, will occur; and

(v) other conditions described in the Indenture that relate to such transaction are met, including the execution and delivery of any Officer's Certificate under Section 13.7;

(b) such transaction, in the opinion of Counsel, shall be on such terms as to substantially preserve and not impair any of the rights and powers of the Noteholders hereunder; and

(c) no condition or event shall exist as to the Corporation (at the time of such transaction) or the Successor (immediately after such transaction) and after giving full effect thereto or immediately after the Successor shall become liable to pay the principal monies, premium, if any, interest and other monies due or which may become due hereunder, which constitutes or would constitute an Event of Default hereunder.

For purposes of the foregoing, the sale, conveyance, transfer or lease (in a single transaction or series of transactions) of the properties or assets one or more of the Subsidiaries of the Corporation (other than to the Corporation or another direct or indirect wholly-owned Subsidiary) which, if such properties or assets were directly owned by the Corporation, would constitute all or substantially all of the properties and assets of the Corporation on a consolidated basis, shall be deemed to be a sale, conveyance, transfer or lease of all or substantially all of the properties and assets of the Corporation.

9.2 Vesting of Powers in Successor

Whenever the conditions of Section 9.1 shall have been duly observed and performed, any Successor formed by or resulting from such transaction shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under this Indenture with the same effect as though the Successor had been named as the Corporation herein and thereafter, except in the case of a lease or other similar disposition of property to the Successor, the Corporation shall be relieved of all obligations and covenants under this Indenture and the Note forthwith upon the Corporation delivering to the Note Trustee an opinion of Counsel to the effect that the transaction shall not result in any material adverse tax consequences to the Corporation or the Successor. The Note Trustee will, at the expense of the Successor, execute any documents which it may be advised by Counsel are necessary or advisable for effecting or evidencing such release and discharge.

ARTICLE 10
COMPULSORY ACQUISITION

10.1 Definitions

In this Article:

(a) "**Dissenting Noteholders**" means a Noteholder who does not accept an Offer referred to in Section 10.2 and includes any assignee of the Note of a Noteholder to whom such an Offer is made, whether or not such assignee is recognized under this Indenture;

(b) "**Offer**" means an offer to acquire outstanding Note which is a take-over bid for Note within the meaning of the *Securities Act* (Ontario) where, as of the date of the offer to acquire, the Note that is subject to the offer to acquire, together with the Offeror's Note, constitutes in the aggregate 20% or more of the outstanding principal amount of the Note;

(c) "**offer to acquire**" includes an acceptance of an offer to sell;

(d) "**Offeror**" means a person, or two or more persons acting jointly or in concert, who make an Offer to acquire Note;

(e) "**Offeror's Note**" means Note beneficially owned, or over which control or direction is exercised, on the date of an Offer by the Offeror, any Affiliate or Associate of the Offeror or any person or company acting jointly or in concert with the Offeror; and

(f) "**Offeror's Notice**" means the notice described in Section 10.3.

10.2 Offer for Note

If an Offer for the Note is made and:

(a) within the time provided in the Offer for its acceptance or within 120 days after the date the Offer is made, whichever period is the shorter, the Offer is accepted by Noteholders representing at least 90% of the outstanding principal amount of the Note, other than the Offeror's Note;

(b) the Offeror is bound to take up and pay for, or has taken up and paid for the Note of the Noteholders who accepted the Offer; and

(c) the Offeror complies with Sections 10.3 and 10.5,

the Offeror is entitled to acquire, and the Dissenting Noteholders are required to sell to the Offeror, the Note held by the Dissenting Noteholders for the same consideration per Note payable or paid, as the case may be, under the Offer.

10.3 Offeror's Notice to Dissenting Noteholders

Where an Offeror is entitled to acquire the Note held by Dissenting Noteholders pursuant to Section 10.2 and the Offeror wishes to exercise such right, the Offeror shall send by registered mail within 30 days after the date of termination of the Offer a notice (the "**Offeror's Notice**") to each Dissenting Noteholder stating that:

(a) Noteholders holding at least 90% of the principal amount of the outstanding Note, other than Offeror's Note, have accepted the Offer;

(b) the Offeror is bound to take up and pay for, or has taken up and paid for, the Note of the Noteholders who accepted the Offer;

(c) Dissenting Noteholders must transfer their respective Note to the Offeror on the terms on which the Offeror acquired the Note of the Noteholders who accepted the Offer within 21 days after the date of the sending of the Offeror's Notice; and

(d) Dissenting Noteholders must send their respective Note certificate(s) to the Note Trustee within 21 days after the date of the sending of the Offeror's Notice.

10.4 Delivery of Note Certificates

A Dissenting Noteholder to whom an Offeror's Notice is sent pursuant to Section 10.3 shall, within 21 days after the sending of the Offeror's Notice, send his or her Note certificate(s) (or such other documents as the Note Trustee may require in lieu thereof) to the Note Trustee duly endorsed for transfer.

10.5 Payment of Consideration to Note Trustee

Within 21 days after the Offeror sends an Offeror's Notice pursuant to Section 10.3, the Offeror shall pay or transfer to the Note Trustee, or to such other person as the Note Trustee may direct, the cash or other consideration that is payable to Dissenting Noteholders pursuant to Section 10.2. The acquisition by the Offeror of the Note held by all Dissenting Noteholders shall be effective as of the time of such payment or transfer.

10.6 Consideration to be held in Trust

The Note Trustee, or the person directed by the Note Trustee, shall hold in trust for the Dissenting Noteholders the cash or other consideration they or it receives under Section 10.5. The Note Trustee, or such persons, shall deposit cash in a separate account in a Canadian chartered bank, or other body corporate, any of whose deposits are insured by the Canada Deposit Insurance Corporation, and shall place other consideration in the custody of a Canadian chartered bank or such other body corporate.

10.7 Completion of Transfer of Note to Offeror

Within 30 days after the date of the sending of an Offeror's Notice pursuant to Section 10.3, the Note Trustee, if the Offeror has complied with Section 10.5, shall:

(a) do all acts and things and execute and cause to be executed all instruments as may be necessary or desirable to cause the transfer of the Note of the Dissenting Noteholders to the Offeror;

(b) send to each Dissenting Noteholder who has complied with Section 10.4 the consideration to which such Dissenting Noteholder is entitled under this Article 10 net of applicable withholding taxes, if any; and

(c) send to each Dissenting Noteholder who has not complied with Section 10.4 a notice stating that:

(i) his or her Note has been transferred to the Offeror;

(ii) the Note Trustee or some other person designated in such notice are holding in trust the consideration for the Note; and

(iii) the Note Trustee, or such other person, will send the consideration to such Dissenting Noteholder as soon as possible after receiving such Dissenting Noteholder's Note certificate(s) or such other documents as the Note Trustee or such other person may require in lieu thereof,

and the Note Trustee is hereby appointed the agent and lawful attorney, and is granted attorney with respect to the Note, of the Dissenting Noteholders for the purposes of giving effect to the foregoing provisions including, without limitation, the power and authority to execute such transfers as may be necessary or desirable in respect of the book-entry only registration system of the Depository.

10.8 Communication of Offer to the Corporation

An Offeror may not make an Offer for the Note unless, concurrent with the communication of the Offer to any Noteholder, a copy of the Offer is provided to the Corporation, which will then provide a copy to the Note Trustee.

ARTICLE 11
MEETINGS OF NOTEHOLDERS

11.1 Right to Convene Meeting

The Note Trustee or the Corporation may at any time and from time to time, and the Note Trustee shall, on receipt of a written request of the Corporation or a written request signed by the holders of not less than 25% of the principal amount of the Note then outstanding and upon receiving funding and being indemnified to its reasonable satisfaction by the Corporation or by the Noteholders signing such request against the costs which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Noteholders. In the event of the Note Trustee failing, within 30 days after receipt of any such request and such funding of indemnity, to give notice convening a meeting, the Corporation or the Noteholders, as the case may be, may convene such meeting. Every such meeting shall be held in the city of Toronto or at such other place as may be approved or determined by the Corporation.

11.2 Notice of Meetings

At least 21 days' notice of any meeting shall be given to the Noteholders in the manner provided in Section 12.2 and a copy of such notice shall be sent by post to the Note Trustee, unless the meeting has been called by it. Such notice shall state the time and date when and the place where the meeting is to be held and shall state briefly the general nature of the business to be transacted thereat and it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article. The accidental omission to give notice of a meeting to any holder of Note shall not invalidate any resolution passed at any such meeting. A holder may waive notice of a meeting either before or after the meeting.

11.3 Chairman

Some person, who need not be a Noteholder, nominated in writing by the Corporation (in case it convenes the meeting) or by the Note Trustee (in any other case) shall be chairman of the meeting and if no person is so nominated, or if the person so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, a majority of the Noteholders present in person or by proxy shall choose some person present to be chairman.

11.4 Quorum

Subject to the provisions of Section 11.12, at any meeting of the Noteholders (for clarity, including the Noteholders Meeting) a quorum shall consist of one or more Noteholders present in person or by proxy and representing at least 25% in principal amount of the outstanding Note. If a quorum of the Noteholders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Noteholders or pursuant to a request of the Noteholders, shall be dissolved, but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day thereafter) at the same time and place and no notice shall be required to be given to any party in respect of such adjourned meeting. At the adjourned meeting, the Noteholders present in person or by proxy shall, subject to the provisions of Section 11.12, constitute a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not represent 25% of the principal amount of the outstanding Note. Any business may be brought before or dealt with at an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless the required quorum be present at the commencement of business.

11.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Noteholders is present may, with the consent of the holders of a majority in principal amount of the Note represented thereat, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

11.6 Show of Hands

Every question submitted to a meeting shall, subject to Section 11.7, be decided in the first place by a majority of the votes given on a show of hands except that votes on Extraordinary Resolutions shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Note, if any, held by him.

11.7 Poll

On every Extraordinary Resolution, and on any other question or resolution submitted to a meeting when demanded by the chairman or by one or more Noteholders or proxies for Noteholders, a poll shall be taken in such manner and either at once or after an adjournment as the chairman shall direct. Questions or resolutions other than Extraordinary Resolutions shall, if a poll be taken, be decided or approved (as the case may be) by the votes of the holders of a majority in principal amount of the Note represented at the meeting and voted on the poll.

11.8 Voting

On a show of hands every person who is present and entitled to vote, whether as a Noteholder or as proxy for one or more Noteholders or both, shall have one vote. On a poll each Noteholder present in person or represented by a proxy duly appointed by an instrument in writing shall be entitled to one vote in respect of each $1 principal amount of the Note of which he shall then be the holder. A proxy need not be a Noteholder. In the case of joint holders of a Note, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others but in case more than one of them be present in person or by proxy, they shall vote together in respect of the Note of which they are joint holders.

In the case of a Global Note, a Book Entry Only Note or a Book Based Only Note, the Depository may appoint or cause to be appointed a Person or Persons as proxies and shall designate the number of votes entitled to each such Person, and each such Person shall be entitled to be present at any meeting of Noteholders and shall be the Persons entitled to vote at such meeting in accordance with the number of votes set out in the Depository's designation.

11.9 Proxies

A Noteholder may be present and vote at any meeting of Noteholders by an authorized representative. The Corporation (in case it convenes the meeting) or the Note Trustee (in any other case) for the purpose of enabling the Noteholders to be present and vote at any meeting without producing their Note, and of enabling them to be present and vote at any such meeting by proxy and of lodging instruments appointing such proxies at some place other than the place where the meeting is to be held, may from time to time make and vary such regulations as it shall think fit providing for and governing any or all of the following matters:

(a) voting by proxy by Noteholders, the form of the instrument appointing a proxy, which shall be in writing, and the manner in which the same shall be executed and the production of the authority of any person signing on behalf of a Noteholder;

(b) the deposit of instruments appointing proxies at such place as the Note Trustee, the Corporation or the Noteholder convening the meeting, as the case may be, may, in the notice convening the meeting, direct and the time, if any, before the holding of the meeting or any adjournment thereof by which the same must be deposited; and

(c) the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, faxed, or sent by other electronic means before the meeting to the Corporation or to the Note Trustee at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as the holders of the Note, or as entitled to vote or be present at the meeting in respect thereof, shall be Noteholders and persons whom Noteholders have by instrument in writing duly appointed as their proxies.

11.10 Persons Entitled to Attend Meetings

The Corporation, each other entity of the Just Energy Group and the Note Trustee, by their respective officers, directors, the Auditors of the Corporation and the legal advisers of the Corporation and the Note Trustee may attend any meeting of the Noteholders, but shall have no vote as such.

11.11 Powers Exercisable by Extraordinary Resolution

In addition to the powers conferred upon them by any other provisions of this Indenture or by law, a meeting of the Noteholders shall have the following powers exercisable from time to time by Extraordinary Resolution:

(a) power to sanction any modification, abrogation, alteration, compromise or arrangement of the rights of the Noteholders or the Note Trustee against the Corporation, or against its

property, whether such rights arise under this Indenture or the Note or otherwise provided that such sanctioned actions are not prejudicial to the Note Trustee;

(b) power to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or any Note which shall be agreed to by the Corporation and to authorize the Note Trustee to concur in and execute any indenture supplemental hereto embodying any modification, change, addition or omission;

(c) power to sanction any scheme for the reconstruction, reorganization or recapitalization of the Corporation or for the consolidation, amalgamation, arrangement, combination or merger of the Corporation with any other person or for the sale, leasing, transfer or other disposition of all or substantially all of the undertaking, property and assets of the Corporation or any part thereof, provided that no such sanction shall be necessary in respect of any such transaction if the provisions of Section 9.1 shall have been complied with;

(d) power to direct or authorize the Note Trustee to exercise any power, right, remedy or authority given to it by this Indenture in any manner specified in any such Extraordinary Resolution or to refrain from exercising any such power, right, remedy or authority;

(e) power to waive, and direct the Note Trustee to waive, any default hereunder and/or cancel any declaration made by the Note Trustee pursuant to Section 7.1 either unconditionally or upon any condition specified in such Extraordinary Resolution;

(f) power to restrain any Noteholder from taking or instituting any suit, action or proceeding for the purpose of enforcing payment of the principal, premium or interest on the Note, or for the execution of any trust or power hereunder;

(g) power to direct any Noteholder who, as such, has brought any action, suit or proceeding to stay or discontinue or otherwise deal with the same upon payment, if the taking of such suit, action or proceeding shall have been permitted by Section 7.5, of the costs, charges and expenses reasonably and properly incurred by the Noteholder in connection therewith;

(h) power to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any Shares or other securities of the Corporation;

(i) power to appoint a committee with power and authority (subject to such limitations, if any, as may be prescribed in the resolution) to exercise, and to direct the Note Trustee to exercise, on behalf of the Noteholders, such of the powers of the Noteholders as are exercisable by Extraordinary Resolution or other resolution as shall be included in the resolution appointing the committee. The resolution making such appointment may provide for payment of the expenses and disbursements of and compensation to such committee. Such committee shall consist of such number of persons as shall be prescribed in the resolution appointing it and the members need not be themselves Noteholders. Every such committee may elect its chairman and may make regulations respecting its quorum, the calling of its meetings, the filling of vacancies occurring in its number and its procedure generally. Such regulations may provide that the committee may act at a meeting at which a quorum is present or may act by minutes signed by the number of members thereof necessary to constitute a quorum. All acts of any such committee within the authority delegated to it shall be binding upon all Noteholders. Neither the committee

nor any member thereof shall be liable for any loss arising from or in connection with any action taken or omitted to be taken by them in good faith;

(j) power to remove the Note Trustee from office and to appoint a new Note Trustee or Note Trustees provided that no such removal shall be effective unless and until a new Note Trustee or Note Trustees shall have become bound by this Indenture; and

(k) power to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Noteholders or by any committee appointed pursuant to Section 11.11(i).

Notwithstanding the foregoing provisions of this Section 11.11, none of such provisions shall in any manner allow or permit any amendment, modification, abrogation or addition to the provisions of Article 5 which could reasonably be expected to detrimentally affect the rights, remedies or recourse of the priority of the Senior Creditors.

11.12 Meaning of "Extraordinary Resolution"

(a) The expression "**Extraordinary Resolution**" when used in this Indenture means, subject as hereinafter in this Article provided, a resolution proposed to be passed as an Extraordinary Resolution at a meeting of Noteholders (including an adjourned meeting) duly convened for the purpose and held in accordance with the provisions of this Article at which the holders of not less than 25% of the principal amount of the Note then outstanding are present in person or by proxy and passed by the favourable votes of the holders of not less than 66 2/3% of the principal amount of the Note, present or represented by proxy at the meeting and voted upon on a poll on such resolution.

(b) If, at any such meeting, the holders of not less than 25% of the principal amount of the Note then outstanding are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by or on the requisition of Noteholders, shall be dissolved but in any other case it shall stand adjourned to such date, being not less than 14 days nor more than 60 days later, and to such place and time as may be appointed by the chairman. Not less than ten days' notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 12.2. Such notice shall state that at the adjourned meeting the Noteholders present in person or by proxy shall form a quorum. At the adjourned meeting the Noteholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed thereat by the affirmative vote of holders of not less than 66 2/3% of the principal amount of the Note present or represented by proxy at the meeting and voted upon on a poll shall be an Extraordinary Resolution within the meaning of this Indenture, notwithstanding that the holders of not less than 25% in principal amount of the Note then outstanding are not present in person or by proxy at such adjourned meeting.

(c) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

11.13 Unanimous Approval by Noteholders

Notwithstanding anything else contained in this Indenture, the power to authorize the Note Trustee (a) to grant amendments or extensions of time for payment of any principal, premium or interest on the Note, whether or not the principal, premium, or interest, the payment of which is extended, is at the time due or

overdue, or (b) to extend the maturity of the Note or to amend the principal amount thereof, the rate of interest or any redemption premium thereon, shall require unanimous approval of the Noteholders.

11.14 Powers Cumulative

Any one or more of the powers in this Indenture stated to be exercisable by the Noteholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers from time to time shall not be deemed to exhaust the rights of the Noteholders to exercise the same or any other such power or powers thereafter from time to time.

11.15 Minutes

Minutes of all resolutions and proceedings at every meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Note Trustee at the expense of the Corporation, and any such minutes as aforesaid, if signed by the chairman of the meeting at which such resolutions were passed or proceedings had, or by the chairman of the next succeeding meeting of the Noteholders, shall be *prima facie* evidence of the matters therein stated and, until the contrary is proved, every such meeting, in respect of the proceedings of which minutes shall have been made, shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken thereat to have been duly passed and taken.

11.16 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Noteholders at a meeting held as hereinbefore in this Article provided may also be taken and exercised by the holders of the requisite principal amount of the outstanding Note by an instrument in writing signed in one or more counterparts and the expression "**Extraordinary Resolution**" when used in this Indenture and references to other resolutions of the Noteholders in this Indenture shall include an instrument so signed.

11.17 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article at a meeting of Noteholders shall be binding upon all the Noteholders, whether present at or absent from such meeting, and every instrument in writing signed by Noteholders in accordance with Section 11.16 shall be binding upon all the Noteholders, whether signatories thereto or not, and each and every Noteholder and the Note Trustee (subject to the provisions for its indemnity herein contained) shall be bound to give effect accordingly to every such resolution, Extraordinary Resolution and instrument in writing.

11.18 Evidence of Rights of Noteholders

(a) Any request, direction, notice, consent or other instrument which this Indenture may require or permit to be signed or executed by the Noteholders may be in any number of concurrent instruments of similar tenor signed or executed by the Noteholders.

(b) The Note Trustee may, in its discretion, require proof of execution in cases where it deems proof desirable and may accept such proof as it shall consider proper.

11.19 Record Dates

If the Corporation shall solicit from the holders of Note any request, demand, authorization, direction, notice, consent, waiver or other action, the Corporation may, at its option, by or pursuant to a Written Direction of the Corporation, fix in advance a record date for the determination of such holders entitled to

provide such request, demand, authorization, direction, notice, consent, waiver or other action, but the Corporation shall not have the obligation to do so. Any such record date shall be the record date specified in or pursuant to such Written Direction of the Corporation.

If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other action may be given before or after such record date, but only the holders of record at the close of business on such record date shall be deemed to be holders for the purposes of determining whether holders of the requisite proportion of Note then outstanding have authorized or agreed or consented to such request, demand, authorization, notice, consent, waiver or other act, and for this purpose the Note then outstanding shall be computed as of such record date.

ARTICLE 12
NOTICES

12.1 Notice to the Corporation

Any notice to the Corporation under the provisions of this Indenture shall be valid and effective if delivered in writing to the Corporation at 100 King Street West, Suite 2630, Toronto, Ontario, Canada, M5X 1E1, Attention: General Counsel, Facsimile No.: Fax: (905) 564-6069 , Email: jdavids@justenergy.com and copies (which shall not constitute notice) delivered to Fasken Martineau DuMoulin LLP, 333 Bay Street, Suite 2400, Toronto, Ontario, M5H 2T6, Attention: Aaron Stefan, Facsimile No.: (416) 364-7813, Email: astefan@fasken.com or if given by registered letter, postage prepaid, to such offices and so addressed and if mailed, shall be deemed to have been effectively given three days following the mailing thereof. The Corporation may from time to time notify the Note Trustee in writing of a change of address which thereafter, until changed by like notice, shall be the address of the Corporation for all purposes of this Indenture.

If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Corporation would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to this Section 12.1, such notice shall be valid and effective only if delivered at the appropriate address in accordance with this Section 12.1.

12.2 Notice to Noteholders

All notices to be given hereunder with respect to the Note shall be deemed to be validly given to the holders thereof if sent by first class mail, postage prepaid, by letter or circular addressed to such holders at their post office addresses appearing in any of the registers hereinbefore mentioned and shall be deemed to have been effectively given three days following the day of mailing. Accidental error or omission in giving notice or accidental failure to mail notice to any Noteholder or the inability of the Corporation to give or mail any notice due to any event beyond the reasonable control of the Corporation shall not invalidate any action or proceeding founded thereon.

If any notice given in accordance with the foregoing paragraph would be unlikely to reach the Noteholders to whom it is addressed in the ordinary course of post by reason of an interruption in mail service, whether at the place of dispatch or receipt or both, the Corporation shall give such notice by publication at least once in the city of Toronto, Ontario (or in such of those cities as, in the opinion of the Note Trustee, is sufficient in the particular circumstances), each such publication to be made in a daily newspaper of general circulation in the designated city.

Any notice given to Noteholders by publication shall be deemed to have been given on the day on which publication shall have been effected at least once in each of the newspapers in which publication was required.

All notices with respect to any Note may be given to whichever one of the holders thereof (if more than one) is named first in the registers hereinbefore mentioned, and any notice so given shall be sufficient notice to all persons having an interest in the Note. For greater certainty if CDS is the registered Noteholder, notice to the Noteholders may be effected through email delivery to CDS.

12.3 Notice to Note Trustee

Any notice to the Note Trustee under the provisions of this Indenture shall be valid and effective if delivered to the Note Trustee at its offices in the city of Toronto at 100 University Avenue, 11th Floor, Toronto, Ontario M5J 2Y1, Attention: Manager, Corporate Trust or if sent by facsimile to facsimile number: (416) 981-9777, or if sent by email to: corporatetrust.toronto@computershare.com) Attention: Manager, Corporate Trust, or if given by registered letter, postage prepaid, to such offices and so addressed and, if mailed, shall be deemed to have been effectively given three days following the mailing thereof.

12.4 Mail Service Interruption

If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Note Trustee would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to Section 12.3 such notice shall be valid and effective only if delivered at the appropriate address in accordance with Section 12.3.

ARTICLE 13
CONCERNING THE NOTE TRUSTEE

13.1 Trust Indenture Legislation

(a) In this Indenture, the term "**Indenture Legislation**" means the provisions, if any, of the *Canada Business Corporations Act* and any other statute of Canada or a province thereof, and of the regulations under any such statute, relating to trust indentures and to the rights, duties and obligations of trustees under trust indentures and of corporations issuing debt obligations under trust indentures, to the extent that such provisions are at the time in force and applicable to this Indenture or the Corporation or the Note Trustee.

(b) If and to the extent that any provision of this Indenture limits, qualifies or conflicts with a mandatory requirement of Indenture Legislation, such mandatory requirement shall prevail.

(c) At all times in relation to this Indenture and any action to be taken hereunder, the Corporation and the Note Trustee each shall observe and comply with Indenture Legislation and the Corporation, the Note Trustee and each Noteholder shall be entitled to the benefits of Indenture Legislation.

13.2 No Conflict of Interest

The Note Trustee represents to the Corporation that, to the best of its knowledge after due inquiry, at the date of execution and delivery by it of this Indenture, there exists no material conflict of interest in the role of the Note Trustee as a fiduciary hereunder but if, notwithstanding the provisions of this Section 13.2, such a material conflict of interest exists, or hereafter arises, the validity and enforceability of this Indenture, and the Note issued hereunder, shall not be affected in any manner whatsoever by reason only that such material conflict of interest exists or arises but the Note Trustee shall, within 30 days after ascertaining that it has a material conflict of interest, either eliminate such material conflict of interest or resign in the manner and with the effect specified in Section 13.3.

13.3 Replacement of Note Trustee

The Note Trustee may resign its trust and be discharged from all further duties and liabilities hereunder by giving to the Corporation 60 days' notice in writing or such shorter notice as the Corporation may accept as sufficient. If at any time a material conflict of interest exists in the Note Trustee's role as a fiduciary hereunder, the Note Trustee shall, within 30 days after ascertaining that such a material conflict of interest exists, either eliminate such material conflict of interest or resign in the manner and with the effect specified in this Section 13.3. The validity and enforceability of this Indenture and of the Note issued hereunder shall not be affected in any manner whatsoever by reason only that such a material conflict of interest exists or existed. In the event of the Note Trustee resigning or being removed or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Corporation shall forthwith appoint a new Note Trustee unless a new Note Trustee has already been appointed by the Noteholders. Failing such appointment by the Corporation, the retiring Note Trustee or any Noteholder may apply to a Judge of the Ontario Superior Court of Justice, on such notice as such Judge may direct at the Corporation's expense, for the appointment of a new Note Trustee but any new Note Trustee so appointed by the Corporation or by the Court shall be subject to removal as aforesaid by the Noteholders and the appointment of such new Note Trustee shall be effective only upon such new Note Trustee becoming bound by this Indenture. Any new Note Trustee appointed under any provision of this Section 13.3 shall be a corporation authorized to carry on the business of a trust company in all of the provinces and territories of Canada, which for certainty includes in accordance with the Indenture Legislation. On any new appointment the new Note Trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Note Trustee.

Any company into which the Note Trustee may be merged or, with or to which it may be consolidated, amalgamated or sold, or any company resulting from any merger, consolidation, sale or amalgamation to which the Note Trustee shall be a party, or any company succeeding to the corporate trust business of the Note Trustee shall be the successor Note Trustee under this Indenture without the execution of any instrument or any further act. Nevertheless, upon the written request of the successor Note Trustee or of the Corporation, the Note Trustee ceasing to act shall execute and deliver an instrument assigning and transferring to such successor Note Trustee, upon the terms herein expressed, all the rights, powers and trusts of the Note Trustee so ceasing to act, and shall duly assign, transfer and deliver all property and money held by the Note Trustee to the successor Note Trustee so appointed in its place. Should any deed, conveyance or instrument in writing from the Corporation be required by any new Note Trustee for more fully and certainly vesting in and confirming to it such estates, properties, rights, powers and trusts, then any and all such deeds, conveyances and instruments in writing shall on request of said new Note Trustee, be made, executed, acknowledged and delivered by the Corporation and/or the Note Trustee that is ceasing to act.

13.4 Duties of Note Trustee

In the exercise of the rights, duties and obligations prescribed or conferred by the terms of this Indenture, the Note Trustee shall act honestly and in good faith and in a commercially reasonable manner and exercise that power with the degree of care, diligence and skill of a reasonably prudent trustee and with a view to the best interests of the Noteholders.

13.5 Reliance Upon Declarations, Opinions, etc.

In the exercise of its rights, duties and obligations hereunder the Note Trustee may, if acting in good faith, act and rely, as to the truth of the statements and accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports or certificates furnished pursuant to any covenant, condition or requirement of this Indenture or required by the Note Trustee to be furnished to it in the exercise of its rights and duties hereunder, if the Note Trustee examines such statutory declarations, opinions, reports or

certificates and determines that they comply with Section 13.6, if applicable, and with any other applicable requirements of this Indenture and the Indenture Legislation. The Note Trustee may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. Without restricting the foregoing, the Note Trustee may act and rely on an opinion of Counsel satisfactory to the Note Trustee notwithstanding that it is delivered by a solicitor or firm which acts as solicitors for the Corporation.

13.6 Evidence and Authority to Note Trustee, Opinions, etc.

The Corporation shall furnish to the Note Trustee evidence of compliance with the conditions precedent provided for in this Indenture relating to any action or step required or permitted to be taken by the Corporation or the Note Trustee under this Indenture or as a result of any obligation imposed under this Indenture or the Indenture Legislation, including without limitation, the certification and delivery of the Note hereunder, the satisfaction and discharge of this Indenture and the taking of any other action to be taken by the Note Trustee at the request of or on the application of the Corporation, forthwith if and when (a) such evidence is required by any other Section of this Indenture to be furnished to the Note Trustee in accordance with the terms of this Section 13.6, or (b) the Note Trustee, in the exercise of its rights and duties under this Indenture, gives the Corporation written notice requiring it to furnish such evidence in relation to any particular action or obligation specified in such notice.

Such evidence shall consist of:

(a) a certificate or, where required by the Indenture Legislation, a statutory declaration made by any one officer or director of the Corporation, stating that any such condition precedent has been complied with in accordance with the terms of this Indenture;

(b) in the case of any such condition precedent compliance with which is subject to review or examination by legal counsel, an opinion of Counsel, whom the Note Trustee for such purposes hereby approves, that such condition precedent has been complied with in accordance with the terms of this Indenture; and

(c) in the case of any such condition precedent compliance with which is subject to review or examination by auditors or accountants, an opinion or report of the auditors of the Corporation, or such other accountant licensed under the *Public Accounting Act, 2004* or comparable legislation of the jurisdiction in which the accountant practises, whom the Note Trustee for such purposes hereby approves, that such condition precedent has been complied with in accordance with the terms of this Indenture.

Whenever such evidence relates to a matter other than the certificates and delivery of the Note and the satisfaction and discharge of this Indenture, and except as otherwise specifically provided herein, such evidence may consist of a report or opinion of any solicitor, auditor, accountant, engineer or appraiser or any other person whose qualifications give authority to a statement made by him, provided that if such report or opinion is furnished by a director or officer or employee of the Corporation, it shall be in the form of a statutory declaration. Such evidence shall be, so far as appropriate, in accordance with the immediately preceding paragraph of this Section 13.6.

Each statutory declaration, certificate, opinion or report with respect to compliance with a condition precedent provided for in the Indenture shall include (a) a statement by the person giving the evidence that he has read and understood and is familiar with those provisions of this Indenture relating to the condition precedent in question, (b) a brief statement describing the nature and scope of the examination or investigation upon which the certificates, statements or opinions contained in such evidence are based, (c) a statement that, in the belief of the person giving such evidence, he has made such examination or

investigation as is necessary to enable him to make the statements or give the opinions contained or expressed therein, and (d) a statement whether in the opinion of such person the conditions precedent in question have been complied with or satisfied; and shall otherwise satisfy any applicable requirement under Indenture Legislation.

The Corporation shall furnish to the Note Trustee at any time if the Note Trustee reasonably so requires, an Officer's Certificate that the Corporation has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which would, with the giving of notice or the lapse of time, or both, or otherwise, constitute an Event of Default, or if such is not the case, specifying the covenant, condition or other requirement which has not been complied with and giving particulars of such non-compliance. The Corporation shall, whenever the Note Trustee so requires, furnish the Note Trustee with evidence by way of statutory declaration, opinion, report or certificate as specified by the Note Trustee as to any action or step required or permitted to be taken by the Corporation or as a result of any obligation imposed by this Indenture or the Indenture Legislation, such evidence satisfying the requirements of Indenture Legislation, as applicable.

13.7 Officer's Certificates Evidence

Except as otherwise specifically provided or prescribed by this Indenture, whenever in the administration of the provisions of this Indenture the Note Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, the Note Trustee, if acting in good faith, may act and rely upon an Officer's Certificate.

13.8 Experts, Advisers and Agents

The Note Trustee may:

(a) employ or retain and act and rely on the opinion or advice of or information obtained from any solicitor, auditor, valuator, engineer, surveyor, appraiser or other expert or advisor, whether obtained by the Note Trustee or by the Corporation, or otherwise, and shall not be liable for acting, or refusing to act, in good faith on any such opinion or advice and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid; and

(b) employ such agents and other assistants as it may reasonably require for the proper discharge of its duties hereunder, and may pay reasonable remuneration for all services performed for it (and shall be entitled to receive reasonable remuneration for all services performed by it) in the discharge of the trusts hereof and compensation for all reasonable disbursements, costs and expenses made or incurred by it in the discharge of its duties hereunder and in the management of the trusts hereof and any solicitors employed or consulted by the Note Trustee may, but need not be, solicitors for the Corporation.

13.9 Note Trustee May Deal in Note

Subject to Sections 13.2 and 13.4, the Note Trustee may, in its personal or other capacity, buy, sell, lend upon and deal in the Note and generally contract and enter into financial transactions with the Corporation or otherwise, without being liable to account for any profits made thereby.

13.10 Investment of Monies Held by Note Trustee

Unless otherwise provided in this Indenture, any monies held by the Note Trustee, which, under the trusts of this Indenture, may or ought to be invested or which may be on deposit with the Note Trustee or which may be in the hands of the Note Trustee, may be invested and reinvested in the name or under the control

of the Note Trustee in securities in which, under the laws of the Province of Ontario, trustees are authorized to invest trust monies, provided that such securities are expressed to mature within two years or such shorter period selected to facilitate any payments expected to be made under this Indenture, after their purchase by the Note Trustee, and unless and until the Note Trustee shall have declared the principal of and interest on the Note to be due and payable, the Note Trustee shall so invest such monies upon Written Direction of the Corporation given in a reasonably timely manner. Any Written Direction must be received prior to 11:00 am (Toronto time) on a Business Day. If received after 11:00 a.m. (Toronto time), the Written Direction will be deemed received on the next following Business Day. Pending the investment of any monies as hereinbefore provided, such monies may be deposited in a segregated interest-bearing account in the name of the Note Trustee in any chartered bank of Canada or, with the consent of the Corporation, in the deposit department of the Note Trustee or any other loan or trust company authorized to accept deposits under the laws of Canada or any province or territory thereof at the rate of interest, if any, then current on similar deposits. The Corporation shall receive such chartered bank's or the Note Trustee's (as the case may be) prevailing rate for all monies held by it, as may change from time to time.

Unless and until the Note Trustee shall have declared the principal of and interest on the Note to be due and payable, the Note Trustee shall pay over to the Corporation all interest received by the Note Trustee in respect of any investments or deposits made pursuant to the provisions of this Section.

13.11 Note Trustee Not Ordinarily Bound

Except as provided in Section 7.2 and as otherwise specifically provided herein, the Note Trustee shall not, subject to Section 13.4, be bound to give notice to any person of the execution hereof, nor to do, observe or perform or see to the observance or performance by the Corporation of any of the obligations herein imposed upon the Corporation or of the covenants on the part of the Corporation herein contained, nor in any way to supervise or interfere with the conduct of the Corporation's business, unless the Note Trustee shall have been required to do so in writing by the holders of not less than 25% of the aggregate principal amount of the Note then outstanding or by any Extraordinary Resolution of the Noteholders passed in accordance with the provisions contained in Article 11, and then only after it shall have been funded and indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

13.12 Note Trustee Not Required to Give Security

The Note Trustee shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise in respect of the premises.

13.13 Note Trustee Not Bound to Act on the Corporation's Request

Except as in this Indenture otherwise specifically provided, the Note Trustee shall not be bound to act in accordance with any direction or request of the Corporation until a duly authenticated copy of the instrument or resolution containing such direction or request shall have been delivered to the Note Trustee, and the Note Trustee shall be empowered to act upon any such copy purporting to be authenticated and believed by the Note Trustee to be genuine.

13.14 Note Trustee Protected in Acting

The Note Trustee may act and rely, and shall be protected in acting and relying absolutely, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, letter, facsimile transmission, directions or other paper document believed in good faith by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties. The Note Trustee

shall be protected in acting and relying upon any written notice, request, waiver, consent, certificate, receipt, statutory declaration, affidavit or other paper or document furnished to it, not only as to its due execution and the validity and the effectiveness of its provisions but also as to the truth and acceptability of any information therein contained which it in good faith believes to be genuine and what it purports to be.

13.15 Conditions Precedent to Note Trustee's Obligations to Act Hereunder

The obligation of the Note Trustee to commence or continue any act, action or proceeding for the purpose of enforcing the rights of the Note Trustee and of the Noteholders hereunder shall be conditional upon the Noteholders furnishing when required by notice in writing by the Note Trustee, sufficient funds to commence or continue such act, action or proceeding and indemnity reasonably satisfactory to the Note Trustee to protect and hold harmless the Note Trustee against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof.

None of the provisions contained in this Indenture shall require the Note Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

The Note Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding require the Noteholders at whose instance it is acting to deposit with the Note Trustee the Note held by them for which Note the Note Trustee shall issue receipts.

13.16 Authority to Carry on Business

The Note Trustee represents to the Corporation that at the date of execution and delivery by it of this Indenture it is authorized to carry on the business of a trust company in all the provinces and territories of Canada, including, for certainty, under the Indenture Legislation, but if, notwithstanding the provisions of this Section 13.16, it ceases to be so authorized to carry on business, the validity and enforceability of this Indenture and the securities issued hereunder shall not be affected in any manner whatsoever by reason only of such event but the Note Trustee shall, within 90 days after ceasing to be authorized to carry on the business of trust company in any of the provinces and territories of Canada, including, for certainty, under the Indenture Legislation, either become so authorized or resign in the manner and with the effect specified in Section 13.3.

13.17 Compensation and Indemnity

(a) The Corporation shall pay to the Note Trustee from time to time reasonable compensation for its services hereunder as agreed separately by the Corporation and the Note Trustee, and shall pay or reimburse the Note Trustee upon its request for all reasonable and documented expenses, disbursements and advances incurred or made by the Note Trustee in the administration or execution of its duties under this Indenture (including the reasonable and documented compensation and disbursements of its counsel and all other advisers and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Note Trustee under this Indenture shall be finally and fully performed.

(b) The Corporation hereby indemnifies and saves harmless the Note Trustee and its Affiliates, their successors, assigns and each of their directors, officers, employees and agents from and against any and all loss, damages, charges, costs, expenses, claims, demands, actions, assessments, interest, penalties, suits, proceedings or liability (including expert consultant and legal fees and disbursements on a solicitor and client

basis) whatsoever which may be brought against the Note Trustee or which it may suffer or incur as a result of or arising out of the performance of its duties and obligations hereunder save only in the event of the gross negligence or the wilful misconduct or bad faith of the Note Trustee which must be determined by a court of competent jurisdiction from which there can be no further appeal. This indemnity shall survive the termination or discharge of this Indenture and the resignation or removal of the Note Trustee. The Note Trustee shall notify the Corporation as soon as reasonably practicable of any claim for which it may seek indemnity. The Corporation shall defend the claim and the Note Trustee shall cooperate in the defence. The Note Trustee may, in the event of a conflict of interest, have one firm of separate counsel and the Corporation shall pay the reasonable and documented fees and expenses of such counsel. The Corporation and the Note Trustee, as applicable, need not pay for any settlement made without its consent, which consent must not be unreasonably withheld.

(c) Provisions contained in this Section 13.17 shall survive the resignation or removal of the Note Trustee and the discharge of this Note.

13.18 Anti-Money Laundering

The Note Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Note Trustee, in its sole judgment and acting reasonably, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Note Trustee, in its sole judgment and acting reasonably, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on ten days' written notice to the Corporation or any shorter period of time as agreed to by the Corporation, provided that:

(a) the Note Trustee's written notice shall describe the circumstances of such noncompliance; and

(b) if such circumstances are rectified to the Note Trustee's satisfaction within such 10 day period, then such resignation shall not be effective.

13.19 Acceptance of Trust

The Note Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set out and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various persons who shall from time to time be Noteholders, subject to all the terms and conditions herein set out.

13.20 Privacy Laws

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "**Privacy Laws**") applies to certain obligations and activities under this Indenture. Notwithstanding any other provision of this Indenture, neither party shall take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation shall, prior to transferring or causing to be transferred personal information to the Note Trustee, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Note Trustee shall use commercially-reasonable efforts to ensure that its services hereunder comply with

Privacy Laws. Specifically, the Note Trustee agrees: (a) to have a designated chief privacy officer; (b) to maintain policies and procedures to protect personal information and to receive and respond to any privacy complaint or inquiry; (c) to use personal information solely for the purposes of providing its services under or ancillary to this Indenture and to comply with applicable laws and not to use it for any other purpose except with the consent of or direction from the Corporation or the individual involved or as permitted by Privacy Laws; (d) not to sell or otherwise improperly disclose personal information to any third party; and (e) to employ administrative, physical and technological safeguards to reasonably secure and protect personal information against loss, theft, or unauthorized access, use or modification.

13.21 Force Majeure

Except for the payment obligations of the Corporation contained herein, neither party shall be liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of *force majeure*, such as act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, general mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 13.21.

13.22 SEC Reporting Issuer Status

The Corporation confirms that as at the date of execution of this Indenture it has a class of securities registered pursuant to Section 12 of the U.S. Exchange Act. The Corporation covenants that in the event that such registration shall be terminated by the Corporation in accordance with the U.S. Exchange Act, the Corporation shall promptly deliver to the Note Trustee an Officer's Certificate (in a form provided by the Note Trustee) notifying the Note Trustee of such termination and such other information as the Note Trustee may require at the time. The Corporation acknowledges that the Note Trustee is relying upon the foregoing representation and covenant in order to meet certain SEC obligations with respect to those clients who are filing with the SEC.

13.23 Third Party Interest

The Corporation hereby represents to the Note Trustee that any account to be opened by, or interest to held by, the Note Trustee in connection with this Indenture, for or to the credit of such representing party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such representing party hereby agrees to complete, execute and deliver forthwith to the Note Trustee a declaration, in the Note Trustee's prescribed form or in such other form as may be satisfactory to it, as to the particulars of such third party.

ARTICLE 14
SUPPLEMENTAL INDENTURES

14.1 Supplemental Indentures

The Note Trustee and, when authorized by a resolution of the Directors, the Corporation, may, and shall when required by this Indenture, execute, acknowledge and deliver by their proper officers deeds or indentures supplemental hereto which thereafter shall form part hereof, for any one or more of the following purposes:

(a) adding to the covenants of the Corporation herein contained for the protection or benefit of the Noteholders, or of the Note, or providing for events of default, in addition to those herein specified;

(b) making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, including the making of any modifications in the form of the Note which do not affect the substance thereof and which in the opinion of the Note Trustee relying on an opinion of Counsel will not be prejudicial to the interests of the Noteholders in general (and not having regards to the circumstances of any particular holder);

(c) evidencing the succession, or successive successions, of others to the Corporation and the covenants of and obligations assumed by any such successor in accordance with the provisions of this Indenture;

(d) giving effect to any Extraordinary Resolution passed as provided in Article 11;

(e) making any additions to, deletions from or alterations of the provisions of this Indenture (including any of the terms and conditions of the Note) which, in the opinion of the Note Trustee (relying on an opinion of counsel), are not prejudicial to the interests of the Noteholders in general (and not having regards to the circumstances of any particular holder) and which are necessary or advisable in order to incorporate, reflect or comply with the Indenture Legislation; and

(f) for any other purpose not inconsistent with the terms of this Indenture, provided that, in the opinion of the Note Trustee (relying on an opinion of counsel), the rights of the Noteholders in general (and not having regards to the circumstances of any particular holder) are in no way prejudiced thereby.

Unless the supplemental indenture requires the consent or concurrence of Noteholders by Extraordinary Resolution, the consent or concurrence of Noteholders shall not be required in connection with the execution, acknowledgement or delivery of a supplemental indenture. The Corporation and the Note Trustee may amend any of the provisions of this Indenture related to matters of United States law or the issuance of Note into the United States in order to ensure that such issuances can be made in accordance with applicable law in the United States without the consent or approval of the Noteholders. The Note Trustee will have the right to request a legal opinion regarding matters of United States law on the issuance of Note into the United States prior to or concurrently with making such amendments. Further, the Corporation and the Note Trustee may without the consent or concurrence of the Noteholders by supplemental indenture or otherwise, make any changes or corrections in this Indenture which it shall have been advised by Counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained herein or in any indenture supplemental hereto, or to remove any conflicts or other inconsistencies which may exist between any terms of this Indenture and any provisions of any law or regulation applicable to or affecting the Corporation, or any Written Direction of the Corporation provided for the issue of Note, provided that in the opinion of the Note Trustee (relying upon an opinion of Counsel) the rights of the Noteholders and the Senior Creditors in general (and not having regards to the circumstances of any particular holder thereof) are in no way prejudiced thereby.

ARTICLE 15
EXECUTION AND FORMAL DATE

15.1 Execution

This Indenture may be executed and delivered by facsimile transmission or electronic mail delivery and in counterparts, each of which when so executed and delivered shall be deemed to be an original and such

counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

15.2 Contracts of the Corporation

(a) The Directors, in incurring any debts, liabilities or obligations, or in taking or omitting any other actions for or in connection with the affairs of the Corporation are, and will be conclusively deemed to be, acting for and on behalf of the Corporation, and not in their own personal capacities. None of the Directors will be subject to any personal liability for any debts, liabilities, obligations, claims, demands, judgments, costs, charges or expenses (including legal expenses) against or with respect to the Corporation or in respect of the affairs of the Corporation. No property or assets of the Directors, owned in their personal capacity or otherwise, will be subject to any levy, execution or other enforcement procedure with regard to any obligations under this Indenture or the Note. No recourse may be had or taken, directly or indirectly, against the Directors in their personal capacity. The Corporation will be solely liable therefor and resort will be had solely to the property and assets of the Corporation for payment or performance thereof.

(b) No holder of Shares as such will be subject to any personal liability whatsoever, whether extra-contractually, contractually or otherwise, to any party to this Indenture or pursuant to the Note in connection with the obligations or the affairs of the Corporation or the acts or omissions of the Directors, whether under this Indenture, the Note or otherwise, and the other parties to this Indenture and the holders of the Note will look solely to the property and assets of the Corporation for satisfaction of claims of any nature arising out of or in connection therewith and the property and assets of the Corporation only will be subject to levy or execution.

15.3 Formal Date

For the purpose of convenience this Indenture may be referred to as bearing the formal date of September 28, 2020 irrespective of the actual date of execution hereof.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the date first written above.

JUST ENERGY GROUP INC.

By: *"James Brown"*

Name: James Brown
Title: Chief Financial Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: *"Yana Nedyalkova"*

Name: Yana Nedyalkova
Title: Corporate Trust Officer

By: *"Neil Scott"*

Name: Neil Scott
Title: Corporate Trust Officer

SCHEDULE "A"
FORM OF GLOBAL NOTE

TO THE TRUST INDENTURE BETWEEN
JUST ENERGY GROUP INC.
AND
COMPUTERSHARE TRUST COMPANY OF CANADA

SCHEDULE "A"

GLOBAL NOTE CERTIFICATE

This Note is a Global Note within the meaning of the Indenture herein referred to and is registered in the name of a Depository or a nominee thereof. This Note may not be transferred to or exchanged for a Note registered in the name of any person other than the Depository or a nominee thereof and no such transfer may be registered except in the limited circumstances described in the Indenture (as defined below). Every Note authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, this Note shall be a Global Note subject to the foregoing, except in such limited circumstances described in the Indenture.

Unless this Note is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("**CDS**") to Just Energy Group Inc. or its agent for registration of transfer, exchange or payment, and any certificate issued in respect thereof is registered in the name of CDS & CO., or in such other name as is requested by an authorized representative of CDS (and any payment is made to CDS & CO. or to such other entity as is requested by an authorized representative of CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered holder hereof, CDS & CO., has a property interest in the securities represented by this certificate herein and it is a violation of its rights for another person to hold, transfer or deal with this certificate.

Certificate No. 1 **$15,000,000.00**
CUSIP 48213WAH4
ISIN CA48213WAH49

JUST ENERGY GROUP INC.

(A CORPORATION GOVERNED BY THE *CANADA BUSINESS CORPORATIONS ACT*)

7% UNSECURED SUBORDINATED NOTE

JUST ENERGY GROUP INC. (the "**Corporation**") for value received hereby acknowledges itself indebted and, subject to the provisions of the trust indenture (the "**Indenture**") dated as of September 28, 2020 between the Corporation and Computershare Trust Company of Canada (the "**Note Trustee**"), promises to pay to the registered holder hereof on the Maturity Date or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture, the principal sum of fifteen million dollars in lawful money of the Canada ($15,000,000.00), as such amount may be adjusted from time to time in accordance with the Indenture and reflected in the adjustment table set forth in Exhibit "1" hereto, on presentation and surrender of this Note at the principal offices of the Note Trustee in Toronto, Ontario in accordance with the terms of the Indenture.

The Note shall bear interest from and including September 28, 2020 to and excluding the first Interest Payment Date at the rate of 7% per annum payable in PIK Interest only, denominated in Canadian dollars, semi-annually in arrears on September 15 and March 15 in each year computed on the basis of a 360-day year composed of twelve 30-day months. The first such PIK Interest payment will fall due on March 15, 2021 and the last such PIK Interest payment (representing interest payable from and including the last Interest Payment Date to, but excluding, the Maturity Date or the earlier date of redemption or repayment of the Note) will be added as PIK Interest and fall due on the Maturity Date or the earlier date of redemption or repayment, payable after as well as before maturity and after as well as before default, with interest on amounts after maturity or in default at the same rate, compounded semi-annually, computed on the basis of a 360-day year composed of twelve 30-day months. The first interest payment PIK Interest

payment will include interest accrued and unpaid from and including September 28, 2020 to, but excluding, March 15, 2021.

Interest hereon shall, subject to the terms of the Indenture, be payable, by increasing the principal amount of this Note by an amount equal to the amount of such PIK Interest. Following an increase in the principal amount of this Note as a result of a PIK Interest payment, this Note will bear interest on such increased principal amount from and after the date of such PIK Interest payment as otherwise set forth in this Note.

This Note is the 7% Unsecured Subordinated Note due September 27, 2026 (referred to herein as the "**Note**") of the Corporation issued or issuable under the provisions of the Indenture. The Note authorized for issue immediately are limited to an aggregate principal amount of fifteen million dollars in lawful money of Canada ($15,000,000.00), with such principal amount increased to reflect the payment of PIK Interest. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Note is issued and held and the rights and remedies of the holders of the Note and of the Corporation and of the Note Trustee, all to the same effect as if the provisions of the Indenture were herein set out to all of which provisions the holder of this Note by acceptance hereof assents.

The Note is issuable in the registered form of one Global Note in the aggregate principal amount of $15,000,000, initially in denominations of $2,000 and integral multiples of $1,000 in excess thereof. Any increase in the principal amount of the Note as a result of PIK Interest may be made in integral multiples of $1.00. The Note Trustee is hereby appointed as registrar and transfer agent for the Note. Upon compliance with the provisions of the Indenture, the Note may be exchanged for an equal aggregate principal amount of the Note in any other authorized denomination or denominations.

This Note may be redeemed at the option of the Corporation on the terms and conditions set out in the Indenture at the Redemption Price therein. The Note may be redeemed at any time at the option of the Corporation at the redemption price equal to the principal amount of the Note plus accrued and unpaid interest thereon up to but excluding the date set for redemption.

Within 30 days following a Change of Control of the Corporation, the Corporation is required to deliver to the Note Trustee a notice in writing stating that there has been a Change of Control and specifying the date on which such Change of Control occurred and the circumstances or events giving rise to such Change of Control together with an offer in writing to purchase for cash the Note then outstanding from the holders thereof at a price equal to 101 % of the principal amount thereof together with accrued and unpaid interest thereon up to but excluding the Change of Control Purchase Date, as such term is defined in the Note. If 90% or more of the principal amount of the Note outstanding on the date the Corporation provides the Note Offer to the Note Trustee have been tendered for purchase pursuant to the Note Offer, the Corporation has the right to redeem all the remaining outstanding Note at the same price.

The indebtedness evidenced by this Note, and by all other Note now or hereafter certified and delivered under the Indenture, is a direct unsecured obligation of the Corporation, and is subordinated in right of payment, to the extent and in the manner provided in the Indenture, to the prior payment of all Senior Indebtedness, whether outstanding at the date of the Indenture or thereafter created, incurred, assumed or guaranteed.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of the Note outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and instruments

signed by the holders of a specified majority of the Note outstanding, which resolutions or instruments may have the effect of amending the terms of this Note or the Indenture.

This Note may be transferred, only upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal offices of the Note Trustee in Toronto, Ontario and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Note Trustee may designate. No transfer of this Note shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their attorney duly appointed by an instrument in form and substance satisfactory to the Note Trustee or other registrar, and upon compliance with such reasonable requirements as the Note Trustee and/or other registrar may prescribe and upon surrender of this Note for cancellation. Thereupon a new Note in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Note shall not become obligatory for any purpose until it shall have been certified by the Note Trustee under the Indenture.

If any of the provisions of this Note are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern. Capitalized words or expressions used in this Note shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture. Unless otherwise indicated, all dollar amounts expressed in this Note is in lawful money of Canada and all payments required to be made hereunder and thereunder shall be made in Canadian dollars.

The Indenture and this Note shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF Just Energy Group Inc. has caused this Note to be signed by its authorized representatives as of the 28th day of September, 2020.

JUST ENERGY GROUP INC.

By: _____

Name:
Title:

NOTE TRUSTEE'S CERTIFICATE

This Note is the 7% Unsecured Subordinated Note due September 27, 2026 referred to in the Indenture within mentioned.

DATED as of the 28th day of September, 2020

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____

(Authorized Officer)

REGISTRATION PANEL

(No writing hereon except by Note Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Note Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ●, whose address and social insurance number, if applicable, are set out below, this Note (or $_____ principal amount hereof *) of Just Energy Group Inc. standing in the name(s) of the undersigned in the register maintained by the Note Trustee with respect to the Note and does hereby irrevocably authorize and direct the Note Trustee to transfer the Note in such register, with full power of substitution in the premises.

Dated: _____

Address of Transferee: _____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: _____

* If less than the full principal amount of the within Note is to be transferred, indicate in the space provided the principal amount (which must be $1,000.00 or an integral multiple thereof, unless you hold an Note in a non-integral multiple of $1,000.00, in which case the Note is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this Note in every particular without alteration or any change whatsoever. The signature(s) on this form must be guaranteed by one of the following methods:

   Canada and the USA: A Medallion Signature Guarantee obtained from a member of an acceptable Medallion Signature Guarantee Program (STAMP, SEMP, MSP). Many commercial banks, savings banks, credit unions, and all broker dealers participate in a Medallion Signature Guarantee Program. The Guarantor must affix a stamp bearing the actual words "**Medallion Guaranteed**".

   Canada: A Signature Guarantee obtained from a major Canadian Schedule I chartered bank. The Guarantor must affix a stamp bearing the actual words "**Signature Guaranteed**". Signature Guarantees are not accepted from Treasury Branches, Credit Unions or Caisses Populaires unless they are members of a Medallion Signature Guarantee Program.

   Outside North America: For holders located outside North America, present the certificate(s) and/or document(s) that require a guarantee to a local financial institution that has a corresponding Canadian or American affiliate which is a member of an acceptable Medallion Signature Guarantee Program. The corresponding affiliate will arrange for the signature to be over-guaranteed.

2. The registered holder of this Note is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Note.

Signature of Guarantor:

_____ _____
Authorized Officer Signature of transferring registered holder

_____
Name of Institution

EXHIBIT "1"
TO CDS GLOBAL NOTE

JUST ENERGY GROUP INC.

7% UNSECURED SUBORDINATED NOTE

Initial Aggregate Principal Amount: $15,000,000.00

CUSIP 48213WAH4

ISIN CA48213WAH49

Signature of the Note Trustee: ____________________________

ADJUSTMENTS

Date	Amount of Increase	Amount of Decrease	New Principal Amount	Authorization

SCHEDULE "B"
FORM OF REDEMPTION NOTICE

TO THE TRUST INDENTURE BETWEEN
JUST ENERGY GROUP INC.
AND
COMPUTERSHARE TRUST COMPANY OF CANADA

SCHEDULE "B"
FORM OF REDEMPTION NOTICE

JUST ENERGY GROUP INC.
7% UNSECURED SUBORDINATED NOTE
REDEMPTION NOTICE

To: Holders of 7% Unsecured Subordinated Note (the "**Note**") of Just Energy Group Inc. (the "**Corporation**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 4.3 of the trust indenture (the "**Indenture**") dated as of September 28, 2020 between the Corporation and Computershare Trust Company of Canada (the "**Note Trustee**"), that the aggregate principal amount of $● of the $● of the Note outstanding will be redeemed as of ● (the "**Redemption Date**"), upon payment of a redemption amount of $1,000.00 for each $1,000.00 principal amount of the Note, being equal to the aggregate of (i) $● (the "**Redemption Price**"), and (ii) all accrued and unpaid interest hereon to but excluding the Redemption Date (collectively, the "**Total Redemption Price**").

The Total Redemption Price will be payable upon presentation and surrender of the Note called for redemption at the following corporate trust office:

Computershare Trust Company of Canada
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1

Attention: Manager, Corporate Trust

The interest upon the principal amount of the Note called for redemption shall cease to be payable from and after the Redemption Date, unless payment of the Total Redemption Price shall not be made on presentation for surrender of the Note at the above-mentioned corporate trust office on or after the Redemption Date or prior to the setting aside of the Total Redemption Price pursuant to the Indenture.

DATED: _____

JUST ENERGY GROUP INC.

By: _____
Name:
Title:

TAB P

THIS IS EXHIBIT "P" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

Execution Version

SIXTH AMENDED AND RESTATED INTERCREDITOR AGREEMENT

BETWEEN

CANADIAN IMPERIAL BANK OF COMMERCE,
as Collateral Agent

- and -

CANADIAN IMPERIAL BANK OF COMMERCE,
as Agent for itself as agent and the Lenders

- and -

SHELL ENERGY NORTH AMERICA (CANADA) INC. SHELL ENERGY NORTH AMERICA (US), L.P., SHELL TRADING RISK MANAGEMENT, LLC, BP CANADA ENERGY GROUP ULC, BP CANADA ENERGY MARKETING CORP., BP ENERGY COMPANY, EXELON GENERATION COMPANY, LLC, BRUCE POWER L.P., SOCIÉTÉ GÉNÉRALE, EDF TRADING NORTH AMERICA, LLC, NATIONAL BANK OF CANADA, NEXTERA ENERGY POWER MARKETING, LLC, MACQUARIE BANK LIMITED, MACQUARIE ENERGY CANADA LTD., MACQUARIE ENERGY LLC AND EACH OTHER PERSON IDENTIFIED, AS AN OTHER COMMODITY SUPPLIER FROM TIME TO TIME A PARTY HERETO

- and -

JUST ENERGY ONTARIO L.P. and JUST ENERGY (U.S.) CORP.

- and -

EACH OF THE GUARANTORS FROM TIME TO TIME PARTY HERETO

Made as of September 1, 2015

TABLE OF CONTENTS

THIS SIXTH AMENDED AND RESTATED INTERCREDITOR AGREEMENT is made as of September 1, 2015.

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE, as Collateral Agent for the benefit of the Senior Creditors,

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as agent for the benefit of itself as agent and the Lenders (hereinafter referred to as the "**Agent**"),

- and -

SHELL ENERGY NORTH AMERICA (CANADA) INC.

- and -

SHELL ENERGY NORTH AMERICA (US), L.P.

- and -

SHELL TRADING RISK MANAGEMENT, LLC

- and -

BP CANADA ENERGY GROUP ULC

- and -

BP CANADA ENERGY MARKETING CORP.

- and -

BP ENERGY COMPANY

- and -

EXELON GENERATION COMPANY, LLC (as successor by merger to CONSTELLATION ENERGY COMMODITIES GROUP, INC.)

- and -

BRUCE POWER L.P.

- and -

SOCIÉTÉ GÉNÉRALE

- and -

EDF TRADING NORTH AMERICA, LLC

- and -

NATIONAL BANK OF CANADA

- and -

NEXTERA ENERGY POWER MARKETING, LLC

- and -

MACQUARIE BANK LIMITED

- and -

MACQUARIE ENERGY CANADA LTD.

- and -

MACQUARIE ENERGY LLC

- and -

EACH OTHER COMMODITY SUPPLIER, who from time to time becomes party hereto,

- and -

JUST ENERGY ONTARIO L.P., a limited partnership existing under the laws of Ontario, by its general partner Just Energy Corp. (hereinafter referred to as the "**Canadian Borrower**"),

- and -

JUST ENERGY (U.S.) CORP., a corporation incorporated under the laws of Delaware (hereinafter referred to as the "**US Borrower**"),

- and -

EACH OF THE GUARANTORS PARTY HERETO, as Guarantors

WHEREAS JEC and the US Borrower entered into a credit agreement dated as of November 1, 2004 with the Agent and each of the lenders thereunder, as amended by a first amendment to credit agreement dated as of December 1, 2004 and by a second amendment to credit agreement dated as of March 29, 2005 (collectively, the "**Original Credit Agreement**");

AND WHEREAS the Borrowers, the lenders party thereto and the Agent entered into an amended and restated credit agreement dated as of October 31, 2005, which amended and restated the Original Credit Agreement (the "**First Amended and Restated Credit Agreement**") pursuant to which JEC assigned, and the Canadian Borrower assumed, all of JEC's obligations as borrower under, pursuant to, or in connection with the Original Credit Agreement;

AND WHEREAS the Borrowers, the lenders party thereto and the Agent entered into a second amended and restated credit agreement dated as of October 30, 2006, which amended and restated the First Amended and Restated Credit Agreement (the "**Second Amended and Restated Credit Agreement**");

AND WHEREAS the Borrowers, the lenders party thereto and the Agent entered into a third amended and restated credit agreement dated as of July 1, 2009 which amended and restated the Second Amended and Restated Credit Agreement, as amended by a first amendment to the credit agreement dated as of March 25, 2010 (collectively, the "**Third Amended and Restated Credit Agreement**");

AND WHEREAS the Borrowers, the lenders party thereto and the Agent entered into a fourth amended and restated credit agreement dated as of January 1, 2011 which amended and restated the Third Amended and Restated Credit Agreement, as further amended by a first amendment made as of October 3, 2011, a second amendment dated as of June 28, 2012, a third amendment dated as of August 8, 2012, a fourth amendment dated as of December 11, 2012, a fifth amendment dated as of June 27, 2013 and a sixth amendment dated as of September 30, 2013 (collectively, the "**Fourth Amended and Restated Credit Agreement**");

AND WHEREAS the Borrowers, the lenders party thereto and the Agent entered into a fifth amended and restated credit agreement dated as of October 2, 2013 which amended and restated the Fourth Amended and Restated Credit Agreement, as further amended by a first amendment made as of January 29, 2014, a second amendment dated as of March 31, 2014, a third amendment dated as of June 27, 2014 and a fourth amendment dated as of September 30, 2014 (collectively, the "**Fifth Amended and Restated Credit Agreement**");

AND WHEREAS the Borrowers, the Credit Agreement Lenders (as defined below) and the Agent entered into a sixth amended and restated credit agreement dated as of the date hereof, which amended and restated the Fifth Amended and Restated Credit Agreement (as such agreement may be amended, replaced, restated or supplemented from time to time, the "**Credit Agreement**");

AND WHEREAS the Lender Hedge Providers will from time to time enter into Hedging Agreements with the Obligors;

AND WHEREAS the Lender Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS pursuant to the Shell Energy Agreements the Obligors are indebted to the Shell Energy Entities;

AND WHEREAS the Shell Energy Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to BP Canada Energy Group ULC (as successor to BP Canada Energy Company), BP Canada Energy Marketing Corp. and BP Energy Company constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to Exelon Generation Company, LLC constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to Bruce Power L.P. constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to Société Générale constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to EDF Trading North America, LLC constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to National Bank of Canada constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to Nextera Energy Power Marketing, LLC constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS certain obligations of the Obligors to Macquarie Bank Limited, Macquarie Energy Canada Ltd. and Macquarie Energy LLC constituting Other Commodity Supply Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS the ISO Services Obligations will be secured by the Security on the basis herein provided;

AND WHEREAS by supplement hereto additional Other Commodity Suppliers may from time to time become party hereto and have the obligations of the Borrowers and the Guarantors to them, which constitute Other Commodity Supply Obligations, be secured by the Security on the basis herein provided;

AND WHEREAS pursuant to guarantees provided by the Guarantors pursuant to the Credit Agreement and the Shell Energy Agreements, certain of the Guarantors have guaranteed the obligations of certain of the Obligors to the Agent, the Lenders and the Shell Energy Entities, as applicable;

AND WHEREAS certain of the parties hereto are parties to a fifth amended and restated intercreditor agreement dated as of October 2, 2013 (the "**Fifth Amended and Restated Intercreditor Agreement**");

AND WHEREAS the parties now wish to amend and restate the Fifth Amended and Restated Intercreditor Agreement on the terms hereof, as of the date first above written;

NOW THEREFORE THIS AGREEMENT WITNESSES for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

Unless something in the subject matter or context is inconsistent therewith:

"**AESO**" means the Alberta Electric System Operator or its successor.

"**Affiliate**" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"**Agent**" means CIBC in its capacity as administrative agent for the Lenders under the Credit Agreement and any subsequent administrative agent appointed pursuant to the terms of the Credit Agreement, but for certainty, not for Credit Agreement Lenders in their capacity as Other Commodity Suppliers.

"**Agreement**" means this Sixth Amended and Restated Intercreditor Agreement as supplemented, amended, restated or replaced by written agreement among the parties.

"**Applicable Agreement Set-off**" means:

(i) any right granted under the Shell Energy Agreements or arising under applicable law permitting any Shell Energy Entity or any of its Affiliates to set-off any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time, of any Obligor or its Affiliates to any Shell Energy Entity or its Affiliates under the Shell Energy Agreements against any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or

contingent, matured or not, in any currency, at any time, of any Shell Energy Entity or its Affiliates to any Obligor or its Affiliates under the Shell Energy Agreements (for certainty, Shell Energy Entities will not be able to set-off (A) Shell Energy Agreement obligations against obligations under any other agreement with an Unrestricted Subsidiary incorporated by reference in a Shell Energy Agreement or (B) Shell Energy Agreement obligations against obligations owing to a Shell Energy Entity under the Credit Agreement);

(ii) any right granted under the Other Commodity Supply Agreements or arising under applicable law permitting any Other Commodity Supplier or any of its Affiliates to set-off any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time, of any Obligor or its Affiliates to any Other Commodity Supplier or its Affiliates under the Other Commodity Supply Agreements against any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time, of any Other Commodity Supplier or its Affiliates to any Obligor or its Affiliates under the Other Commodity Supply Agreements (for certainty, Other Commodity Suppliers will not be able to set-off (A) Other Commodity Supply Agreement obligations against obligations under any other agreement with an Unrestricted Subsidiary incorporated by reference in any Other Commodity Supply Agreement or (B) Other Commodity Supply Agreement obligations against obligations owing to an Other Commodity Supplier under the Credit Agreement); and

(iii) any right granted under the Credit Agreement or under any Hedging Agreement or arising under applicable law permitting the Agent or any Lender, or any of its Affiliates to set-off any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time, of any Obligor or its Affiliates to the Agent or any Lender or its Affiliates under the Credit Agreement or under any Hedging Agreement against any indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time, of the Agent or such Lender or any of their Affiliates to any Obligor or its Affiliates under the Credit Agreement or any Hedging Agreement (for certainty if provided for in the terms of applicable agreements, Lenders will be able to set-off Credit Agreement against Hedging Agreement obligations and vice versa, but will not be able to set-off Credit Agreement or Hedging Agreement obligations against obligations under any other agreements with an Unrestricted Subsidiary incorporated by reference in the Credit Agreement or any Hedging Agreement),

provided that set-off against or applications of amounts in the Blocked Accounts shall not constitute Applicable Agreement Set-Off.

"**Applicable Commodity Supply Agreement**" means the Shell Energy Agreements or any Other Commodity Supply Agreement.

"**Available Supply**" means, at any time, the amount of natural gas, electricity or JustGreen Products (whether physical or financial) contracted for by the Obligors under existing Shell Energy Agreements and Other Commodity Supply Agreements, less any sales excess of such commodity already contracted for under such existing agreements at such time.

"**Bankers' Acceptances**" means bankers' acceptances accepted by the Lenders under the Credit Agreement.

"**Billed Accounts Receivable**" means all present and future amounts in respect of gas, electricity or JustGreen Products that have been delivered to a Customer pursuant to a Customer Contract, and that has been billed to such Customer and assigned or sold to an LDC pursuant to a Collection Service Agreement.

"**Blocked Account**" has the meaning ascribed thereto in Section 2.01.

"**Borrowers**" means, collectively, the Canadian Borrower and the US Borrower, and individually, a "**Borrower**".

"**BP Agreements**" means the NAESB Base Contract for Sale and Purchase of Natural Gas dated October 31, 2005 between Just Energy Illinois Corp. and BP Canada Energy Marketing Corp., the NAESB Base Contract for Sale and Purchase of Natural Gas dated October 31, 2005 between the Canadian Borrower and BP Canada Energy Company, as assigned to BP Canada Energy Group ULC pursuant to an Assignment and Novation Agreement made as of March 30, 2012, the ISDA Master Agreement dated as of January 1, 2007 between BP Corporation North America Inc. and Just Energy Illinois Corp., as assigned to BP Energy Company pursuant to an Assignment and Amendment Agreement made as of October 15, 2012, any ISO Services Agreement entered into whether before or after the date hereof between a BP Entity and any Obligor (including the BP ISO Services Agreement), and such other agreements entered into whether before or after the date hereof between a BP Entity and any Obligor for the physical or financial purchase, sale, supply or hedging of natural gas, electricity or JustGreen Products and agreements for the netting or set-off of amounts under such agreements and any guarantee provided by an Obligor in favour of a BP Entity with respect to any of the foregoing (as such agreements may be amended, restated, modified or supplemented from time to time).

"**BP Entity**" means any one of BP Canada Energy Group ULC, BP Energy Marketing Corp. and BP Energy Company.

"**BP ISO Services Agreement**" means the ISO Services Agreement dated as of May 7, 2010 between BP Energy Company and Hudson Energy Services LLC (as may be amended, restated, modified or supplemented from time to time), and any other similar agreement for the reimbursement of payments made by a BP Entity on behalf of an Obligor to an ISO.

"**BP ISO Services Obligations**" means obligations of an Obligor to a BP Entity under a BP ISO Services Agreement.

"**Business**" has the meaning ascribed thereto in the Credit Agreement.

"**Business Day**" means any day, excluding Saturday and Sunday, on which banking institutions are open for business in Toronto, Ontario.

"**Canadian Borrower**" means Just Energy Ontario L.P., an Ontario limited partnership.

"**Canadian Obligors**" means, collectively, each of the Canadian Obligors listed from time to time on Schedule "A" hereto.

"**Carrying Costs**" means, for any period, the sum of the Obligors' obligations for such period (whether or not payable during such period) determined on an accrual basis in accordance with GAAP in connection with: (i) the accrued interest component of the Senior Obligations; (ii) any fees or expenses in respect of the Senior Obligations; and (iii) any other cost, expense or liability of the Obligors with respect to the Senior Obligations, of any nature whatsoever (other than the obligation of the Obligors to pay (a) the principal amount of the Senior Obligations, (b) any amount owing upon termination or default under any Hedging Agreement, and (c) any Liquidated Damages with respect to the Shell Energy Obligations or Other Commodity Supply Obligations).

"**Cash Proceeds of Realization**" means the aggregate of all Proceeds of Realization in the form of cash including, without limitation, all cash in any Blocked Account and all cash proceeds of the sale or disposition of non-cash Proceeds of Realization in accordance with Section 3.04 herein.

"**Cash Security Deposit**" means an amount required to be paid by an Obligor to an LDC pursuant to a Collection Service Agreement following the occurrence of an event of default thereunder, in respect of amounts owing by such Obligor to such LDC pursuant to such Collection Service Agreement.

"**Charged Property**" means the undertaking and all of the property and assets, real, personal or mixed, moveable and immoveable, of whatsoever nature and kind and wheresoever situate, both present and future, of any Person which is, or is intended to be, subject to the Security and all proceeds thereof.

"**CIBC**" means Canadian Imperial Bank of Commerce.

"**Collateral Agent**" means CIBC in its capacity as collateral agent hereunder for and on behalf of the Senior Creditors and any subsequent collateral agent appointed pursuant to the terms hereof.

"**Collection Service Agreement**" means a collection service agreement entered into from time to time between an Obligor and a LDC providing for billing and collection services by such LDC on behalf of such Obligor with respect to its Customers, as supplemented, amended or restated from time to time.

"**Commodity Linked Hedges**" means all Hedging Agreements entered into between an Obligor and a Lender Hedge Provider for protection against fluctuations in foreign currency exchange rates that are directly related to either the supply of natural gas or electricity or to any agreements for the hedging or fixing of the cost of natural gas or electricity.

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "**Controls**" and "**Controlled**" have corresponding meanings.

"**Credit Agreement**" has the meaning ascribed thereto in the recitals.

"**Credit Agreement Lenders**" means the "Lenders" as defined in the Credit Agreement and "**Credit Agreement Lender**" means any one of them.

"**Customer Contracts**" means contracts entered into from time to time by an Obligor with Customers in connection with the Business.

"**Customers**" means residential, small to mid-size commercial and small industrial purchasers of products of the Business from an Obligor.

"**DBRS**" means DBRS Limited and its successors.

"**Debt**" has the meaning ascribed thereto in the Credit Agreement.

"**Default**" has the meaning ascribed thereto in Section 5.02.

"**Deposit Threshold**" means the maximum aggregate value of Cash Security Deposits not to exceed US$10,000,000 in the aggregate at any time.

"**Disposition**" means any sale, assignment, transfer, conveyance, permanent user license or other disposition of any nature or kind whatsoever of any Property or of any right, title or interest in or to any Property, and the verb "Dispose" will have a correlative meaning.

"**Distributable Free Cash Flow**" has the meaning ascribed thereto in the Credit Agreement.

"**Distributions**" has the meaning ascribed thereto in the Credit Agreement.

"**Electricity Service Agreements**" means electricity service agreements entered into between an Obligor and an LDC regarding such Obligor's electricity Customers.

"**Eligible Customer Contracts**" means Customer Contracts for sales entered into in connection with the Business in Canada or the United States that are subject to the Security.

"**Eligible Transferee**" means (i) the Collateral Agent, (ii) a person that had an issuer's rating or public unsecured debt outstanding for not less than four fiscal quarters, rated not less than BBB by at least one of S&P, Fitch or DBRS or Baa2 by Moody's or has a minimum tangible net worth of at least $200,000,000 as indicated by its most recently published audited consolidated financial statements, (iii) a person whose guarantor meets the criteria set forth in (ii) herein and guarantees the obligations of such person, or (iv) any other person who is reasonably acceptable to the Shell Energy Entity or any Other Commodity Supplier (as applicable).

"**Encumbrance**" means, in respect of any Person, any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, hypothecation or security interest granted or permitted by

such Person or arising by operation of law, in respect of any of such Person's Property, or any Capital Lease (as defined in the Credit Agreement) of Property by such Person as lessee or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation, and "Encumbrances", 'Encumbrancer", "Encumber" and "Encumbered" will have corresponding meanings.

"**Energy Management Agreement**" means the energy management agreement dated as of October 15, 1998 between Shell Energy and JEC, as amended by amending agreements dated as of September 26, 2001, January 15, 2003 and April 1, 2004, and as assigned by JEC to the Canadian Borrower as of August 1, 2005 (as the same may be amended, restated, modified or supplemented from time to time).

"**Enforcement Notice**" means written notice given by a Significant Creditor to the Collateral Agent and each other Senior Creditor: (i) stating that an Event of Default has occurred and has continued to exist, uncured pursuant to Section 5.02(1) if applicable, or for the applicable grace period, if any, and (ii) setting forth instructions to the Collateral Agent for commencement and prosecution of an Enforcement Proceeding.

"**Enforcement Proceeding**" means, at any time after an Event of Default, either:

(i) any steps commenced by a Person to enforce or otherwise exercise any rights or remedies provided for under the Security Documents or in the Security;

(ii) any event, action, case or proceeding commenced by or against a Person for: (i) the entry of an order for relief under any chapter of the Bankruptcy Code, the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) or any other insolvency law; (ii) the appointment of a Receiver, trustee, liquidator, monitor or other custodian for such Person or any part of its properties; (iii) an assignment for the benefit of creditors of such Person; or (iv) the liquidation, dissolution, or winding-up of the affairs of such Person;

(iii) any steps are commenced by a Person for a judgment, execution, writ of seizure and sale, sequestration or decree for the payment of money due; or

(iv) any steps are commenced by the Agent, the Collateral Agent or any Credit Agreement Lender to set-off any amounts in any Blocked Accounts,

provided that (A) the exercise of any right of Applicable Agreement Set-off or (B) set-off of amounts in the Blocked Accounts against the swingline facility constituting daily cash sweeps as part of normal course cash management prior to receipt by the Agent of a Shared Payment Notice or an Enforcement Notice, or (C) any set-off of amounts in the Blocked Accounts for returned items or other like charges against the accounts as part of normal course cash management, shall not be deemed to be an Enforcement Proceeding.

"**ERCOT**" means Electric Reliability Council of Texas, Inc. or its successor.

"**Event of Default**" means, after the expiry of any applicable cure period, any one of: (i) an Event of Default under and as defined in the Credit Agreement; (ii) an event of default or triggering event, termination event, early termination event or other default, as applicable, caused by an Obligor, under or as defined in any Shell Energy Agreement; (iii) an event of default, triggering event, termination event, early termination event or other default, as applicable, caused by an Obligor, under or as defined in any Other Commodity Supply Agreements; (iv) an event of default, triggering event, termination event, early termination event or other default, as applicable, caused by an Obligor, under and as defined in any Hedging Agreement, or (v) the failure by Just Energy to perform the covenant set forth in Section 9.03.

"**ExGen**" means Exelon Generation Company, LLC, a successor company by merger to Constellation Energy Commodities Group, Inc.

"**ExGen Agreements**" means the Master Swap Agreement dated November 30, 2006 between the Canadian Borrower and ExGen and each other agreement entered into whether before or after the date hereof between ExGen and any Obligor for the physical or financial purchase, sale, supply or hedging of natural gas, electricity or JustGreen Products or constituting Other Commodity Supply Agreements between ExGen and any Obligor and agreements for the netting or set-off of amounts under such agreements (in each case as such agreements may be amended, restated, modified or supplemented from time to time).

"**Extraordinary Event**" means a default by Shell Energy under a Shell Energy Agreement or by any Other Commodity Supplier under any Other Commodity Supply Agreement.

"**Fiscal Quarter**" means each three month period of Just Energy's Fiscal Year ending on June 30, September 30, December 31 and March 31 of each calendar year.

"**Fiscal Year**" means the 12 month fiscal period of Just Energy ending on the last day of March in any calendar year.

"**Fitch**" means Fitch Ratings, Inc. and its successors.

"**Four Quarter Period**" means as at the last day of any particular Fiscal Quarter, the period of four consecutive Fiscal Quarters which includes such Fiscal Quarter (including the last day thereof) and the immediately preceding three Fiscal Quarters.

"**GAAP**" means those accounting principles which are recognized as being generally accepted in Canada and which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants, or International Financial Reporting Standards, as the case may be; provided that all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under any Financial Accounting Standard to value any Debt or other liabilities of any Obligor or any Subsidiary of any Obligor at "fair value" as defined in any such Financial Accounting Standard.

"**Guarantors**" means the Canadian Obligors, the US Obligors and the UK Obligors and each other Person who from time to time provides a guarantee of any Senior Obligations, and "**Guarantor**" means any one of them.

"**Hedging Agreement**" means any interest rate swap agreement, foreign exchange contract, equity swap agreement, short sale of government bonds or securities, futures contract, options related contract or any similar arrangement entered into for protection against fluctuations in interest rates, foreign currency exchange rates or share price between an Obligor and a Lender Hedge Provider.

"**High Yield Debt**" has the meaning ascribed thereto in the Credit Agreement.

"**Insolvency Proceeding**" has the meaning ascribed thereto in Section 8.10.

"**ISO**" means an independent system operator that coordinates, controls and monitors the operation of the electrical power system in a jurisdiction and includes, without limitation, the NYISO, ERCOT, PJM, NEPOOL, MISO and AESO.

"**ISO Services Agreement**" means an agreement pursuant to which an Obligor has reimbursement obligations to a Senior Creditor for payments made by such Senior Creditor on behalf of such Obligor to an ISO.

"**ISO Services Obligations**" means the obligations of an Obligor to a Senior Creditor under an ISO Services Agreement, including without limitation, the Shell Energy ISO Reimbursement Obligations and the BP ISO Services Obligations.

"**JE NY**" means Just Energy New York Corp., a Delaware corporation (formerly known as New York Energy Savings Corp.).

"**JEC**" means Just Energy Corp., an Ontario corporation (formerly known as Ontario Energy Savings Corp.).

"**JEC Assignment Agreement**" means the Assignment, Assumption, Consent and Release Agreement dated as of August 1, 2005 between JEC, the Canadian Borrower and Shell Energy.

"**Just Energy**" means Just Energy Group Inc., an Ontario corporation.

"**JustGreen Products**" means environmental derivative products, including without limitation, carbon offsets, carbon credits, renewable energy certificates or attributes and the equivalents thereof.

"**LDCs**" means (i) local distribution companies to whom volumes of natural gas are delivered by an Obligor and with whom such Obligor has Transportation Agreements and Collection Service Agreements and (ii) local electricity distribution companies, which deliver electricity to Customers for and on behalf of an Obligor and with whom such Obligor has an Electricity Service Agreement.

"**LDC Agreements**" means Collection Service Agreements, Transportation Agreements and Electricity Service Agreements in effect as of the date hereof and as from time to time amended or replaced and any such agreement entered into with LDCs after the date hereof.

"**Lenders**" means the Credit Agreement Lenders and the Lender Hedge Providers collectively and "**Lender**" means any one of them.

"**Lender Hedge Provider**" means each financial institution that is a counterparty to a Hedging Agreement with an Obligor if at the time that such financial institution entered into such Hedging Agreement it was a Credit Agreement Lender or an Affiliate of a Credit Agreement Lender even if thereafter it ceases to be a Credit Agreement Lender.

"**Lender Limitation Amount**" means $370,000,000, or such other amount as agreed from time to time between the Agent, the Shell Energy Entities and each Other Commodity Supplier from time to time party hereto.

"**Lender Obligations**" means, at any time and from time to time, all indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time: (i) of each Borrower to the Lenders (or any of their Affiliates), or any of them or the Agent, pursuant to the Credit Agreement, the Security Documents, any Hedging Agreements or any agreements evidencing treasury facilities and cash management products to which such Borrower is a party; or (ii) of each Guarantor to the Lenders (or any of their Affiliates), or any of them or the Agent, pursuant to any guarantee of the foregoing obligations of the Borrowers made by any such Guarantor, the Security Documents, any Hedging Agreements or any agreements evidencing treasury facilities and cash management products to which such Guarantor is a party, in either case whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter increased again, including all principal, interest, commissions, legal and other costs, indemnification amounts, charges, fees and expenses provided for therein or pertaining thereto.

"**Liquidated Damages**" means any liquidated damages, liquidated payments, settlement payments, hedging termination amounts or termination payments of any kind, including the same for failure to deliver, schedule or receive, or in connection with a final determination or settlement of obligations in connection with any termination; provided however that the term "Liquidated Damages" expressly excludes all indirect, special, consequential, punitive and exemplary damages, including consequential lost profits or consequential business interruption damages.

"**MISO**" means the Midwest Independent System Operator or its successor.

"**Modified Consolidated Basis**" means the consolidated financial position or results of Just Energy, the Borrowers and the Restricted Subsidiaries, as determined in accordance with GAAP.

"**Moody's**" means Moody's Investors Service, Inc. and its successors.

"**NEPOOL**" means New England Power Pool or its successor.

"**NYISO**" means New York Independent System Operator or its successor.

"**Obligors**" means collectively each of the Canadian Obligors, each of the US Obligors, each of the UK Obligors and each Subsidiary of Just Energy who becomes an Obligor hereunder in accordance with Section 8.13(2) and Section 8.14, and "**Obligor**" means any one of the Obligors.

"**Original Credit Agreement**" has the meaning ascribed thereto in the recitals.

"**Other Commodity Suppliers**" means each BP Entity, ExGen, Bruce Power L.P., Société Générale, EDF Trading North America, LLC, National Bank of Canada, Nextera Energy Power Marketing, LLC, Macquarie Bank Limited, Macquarie Energy Canada Ltd., Macquarie Energy LLC and any Credit Agreement Lender that is counterparty with an Obligor to a hedging contract for protection against fluctuations in commodity prices that becomes a party to this Agreement pursuant to Section 8.13 as an Other Commodity Supplier, and any other contract counterparties who are parties to Other Commodity Supply Agreements and who become party to this Agreement pursuant to Section 8.13.

"**Other Commodity Supply Agreements**" means the BP Agreements, the Constellation Agreements, and any other gas supply agreements, electricity supply agreements or other agreement entered into from time to time by any Obligor and any Other Commodity Supplier for the physical or financial purchase, sale, trading or hedging of natural gas, electricity or JustGreen Products and agreements for the netting or set-off of amounts under such agreements and any guarantee provided by an Obligor in favour of an Other Commodity Supplier with respect to any of the foregoing (as such agreements may be amended, restated, modified or supplemented from time to time).

"**Other Commodity Supply Obligations**" means, with respect to each Other Commodity Supplier, at any time and from time to time, all indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time: (i) of each Obligor to such Other Commodity Supplier pursuant to Other Commodity Supply Agreements of such Other Commodity Supplier and the Security Documents to which such Obligor is a party; and (ii) of each Borrower and each Guarantor to such Other Commodity Supplier, pursuant to any guarantee of the foregoing obligations of any Obligor made by any such Borrower or such Guarantor and the Security Documents to which such Borrower or Guarantor is a party; in each case whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter increased again, including all delivery payments, Liquidated Damages, principal, interest, commissions, legal and other costs, indemnification amounts, charges, fees and expenses provided for therein or pertaining thereto, but excludes any ISO Services Obligations.

"**Pending Event of Default**" has the meaning ascribed thereto in the Credit Agreement.

"**Permitted Asset Dispositions**" means Dispositions by an Obligor of:

(a) tangible personal property in the normal course of its Business for fair market value and on customary trade terms;

(b) tangible personal property other than pursuant to clauses (a) or (c) hereof where the value of all such Property Disposed in any Fiscal Year pursuant to this clause (b) does not exceed in the aggregate $15,000,000;

(c) tangible or intangible personal property to any other Obligor;

(d) Billed Accounts Receivable and Sold Unbilled Accounts Receivable under the Customer Contracts to LDCs in accordance with the LDC Agreements; and

(e) intangible personal property, other than pursuant to clauses (c) and (d) hereof, in the normal course of its business for fair market value where the value of all such

intangible property disposed in any Fiscal Year by all Obligors does not exceed $2,000,000 in the aggregate.

"**Permitted Distributions**" has the meaning ascribed thereto in the Credit Agreement.

"**Permitted Encumbrances**" means, with respect to any Person, the following:

(a) Encumbrances for Taxes (as defined in the Credit Agreement) not yet due or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(b) Encumbrances in respect of claims for unpaid wages, vacation pay, worker's compensation, unemployment insurance premiums, pension plan contributions, employee or non-resident withholding tax source deductions, realty taxes (including utility charges and business taxes which are collectable like realty taxes), unremitted goods and services taxes, provincial sales taxes, customs duties or similar statutory obligations secured by an Encumbrance on any Obligor's assets ranking prior to or *pari passu* with the Security, but only if the obligations secured by such Encumbrances are paid before they become delinquent or they are being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under GAAP are maintained;

(c) undetermined or inchoate liens, rights of distress and charges incidental to current operations which relate to obligations not yet due, or if due, they are not yet delinquent or the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person or they do not exceed $15,000,000 in the aggregate;

(d) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workmen's compensation, unemployment insurance, letters of credit, surety or appeal bonds, or costs of litigation when required by law in any case not to exceed $15,000,000 or the Equivalent Amount (as defined in the Credit Agreement) in US$ in aggregate outstanding at any time, liens and claims incidental to current construction, mechanics', warehousemen's, landlords', carriers', surety bonds and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;

(e) the Encumbrance created by a judgment of a court of competent jurisdiction, so long as the same does not result in an Event of Default;

(f) Encumbrances on real property which consist of (i) reservations, limitations, provisos and conditions expressed in the original grant from the Crown, (ii) any general qualifications to title imposed under the land registry system in which any real property is situate, (iii) any encroachments, variations in description or by-law infractions which might be revealed by an up-to-date survey of the real

property, (iv) any agreement with a municipality with respect to the development of the buildings, fixtures and improvements on the real property, (v) restrictions or restrictive covenants disclosed by registered title, (vi) any easement or right-of-way disclosed by registered title and (vii) any easement for the supply of utilities to the real property;

(g) liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts (including segregated deposit accounts for Customers if required by Applicable Law) or other funds maintained with a financial institution;

(h) the Security;

(i) Purchase Money Security Interests (as defined in the Credit Agreement) and Capital Leases (as defined in the Credit Agreement), provided that the aggregate outstanding amount of Debt (as defined in the Credit Agreement) secured thereby or arising thereunder does not exceed $10,000,000 or the Equivalent Amount (as defined in the Credit Agreement) in US$ at any time;

(j) security securing Existing Intercompany Debt (as defined in the Credit Agreement) or Future Intercompany Debt (as defined in the Credit Agreement) if required pursuant to Section 10.02 of the Credit Agreement;

(k) any Encumbrance granted by any Obligor to LDCs in respect of Billed Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 9.01(1);

(l) any Encumbrance granted by any Obligor to LDCs in respect of Sold Unbilled Accounts Receivable under the Customer Contracts that have been sold to LDCs and for which LDCs are obligated to pay for following such sale in accordance with Collection Service Agreements as permitted by Section 9.01(1);

(m) any Encumbrance granted by any Obligor to LDCs in respect of Unbilled Accounts Receivable in accordance with Collection Service Agreements, provided that the aggregate value of such Unbilled Accounts Receivable Encumbered at any time shall not exceed US$25,000,000;

(n) any Encumbrance granted by any Obligor to LDCs in respect of Cash Security Deposits (as defined in the Credit Agreement) in accordance with Collection Service Agreements, provided that the aggregate value of such Cash Security Deposits (as defined in the Credit Agreement) Encumbered at any time shall not exceed US$10,000,000;

(o) any Encumbrance granted by an Obligor to an LDC in respect of natural gas in storage with such LDC if required by such LDC or the tariff applicable to such LDC; provided that the aggregate volume of such natural gas in storage so

Encumbered shall not at any time exceed 10% of the aggregate volume of all such natural gas in storage;

(p) Encumbrances over Credit Card Payment Accounts (as defined in the Credit Agreement) to secure obligations of certain Obligors to certain deposit banks pursuant to merchant services agreements; and

(q) Encumbrances securing High Yield Debt (as defined in the Credit Agreement) provided that all consents required under the Intercreditor Agreement have been obtained;

(r) Encumbrances granted by an Obligor to an exchange for natural gas over any and all cash, monies and interest bearing instruments delivered to, deposited with or held by an exchange for natural gas, provided that the aggregate amount of all such Encumbrances at any time shall not exceed US$10,000,000; and

(s) such other Encumbrances as agreed to in writing by the Lenders in accordance with this Agreement.

"**Person**" or "**person**" means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual.

"**PJM**" means PJM Interconnection or its successor.

"**Proceeds of Realization**" means all cash and non-cash proceeds derived from any Realization of all or a portion of the Charged Property received by the Collateral Agent or any Senior Creditor upon or after the delivery to the Collateral Agent of an Enforcement Notice, including proceeds derived from cash in the Blocked Accounts, insurance proceeds as a result of the loss or destruction of any of the Charged Property, proceeds received as a result of the expropriation or other condemnation of any of the Charged Property and distributions received in connection with any Insolvency Proceeding, in each case net of all costs, charges and expenses or liabilities incurred in connection with such Realization including, without limitation, legal fees and all proper costs, charges, expenses and liabilities of any Receiver.

"**Property**" means, with respect to any Person, all or any portion of its undertaking, property and assets, both real and personal, including, for greater certainty, (i) any share in the capital of a corporation or ownership interest in any other Person and (ii) its interest under all Supplier Contracts (as defined in the Credit Agreement), LDC Agreements and related permits.

"**Realization**" means any sale, disposition, seizure, set-off (other than day-to-day normal course cash management set-off) or other realization in each case with respect to an Enforcement Proceeding.

"**Receiver**" means a receiver, receiver and manager or other person having similar powers or authority appointed by the Collateral Agent or by a court at the instance of the Collateral Agent in respect of the Charged Property or any part thereof.

"**Refinancer**" means the Person or Persons who loan(s) money to any Obligor or purchase(s) evidences of indebtedness of any Obligor in a Refinancing and receive(s) the benefit of the Security.

"**Refinancing**" means any transaction pursuant to which any Obligor borrows money or issues any evidence of indebtedness to be secured by the Security where the proceeds of such transaction are used to satisfy the Senior Obligations, in whole or in part.

"**Required Senior Creditors**" means, except as otherwise defined in Section 2.02(5) for the purposes of Sections 2.02(2) through 2.02(7), (a) following an Enforcement Notice, Senior Creditors representing $66^{2/3}$ % of the aggregate amount of (i) the principal amount of the Senior Obligations (including the face amount of unmatured Bankers' Acceptances or equivalent instruments and the face amount of issued and undrawn letters of credit) which has been accelerated, (ii) all amounts owing to the Lenders under Hedging Agreements arising upon a termination thereof or default thereunder, and (iii) all actual or estimated Liquidated Damages owing to Senior Creditors in respect of the ISO Services Obligations up to but not exceeding US$75,000,000, the Shell Energy Obligations and Other Commodity Supply Obligations, in each case with such amounts to be calculated after Applicable Agreement Set-Off or as if Applicable Agreement Set-Off had occurred; and (b) prior to an Enforcement Notice, Senior Creditors representing $66^{2/3}$ % of the aggregate amount of (i) the commitments of the Lenders under the Credit Agreement, (ii) the aggregate of the net positive mark to market exposures owing to each individual Lender Hedge Provider in respect of all Hedging Agreements, and (iii) the aggregate of the net obligations, matured or not matured, owed to, and net positive mark to market exposures to the Obligors of each individual Senior Creditor (other than the Lenders) in respect of the Shell Energy Obligations and Other Commodity Supply Obligations, in each case with such amounts to be calculated as if Applicable Agreement Set-Off had occurred.

"**Restricted Subsidiaries**" means each direct or indirect Subsidiary of Just Energy that is not an Unrestricted Subsidiary and for greater certainty includes the Obligors identified on Schedule "A" hereto as Restricted Subsidiaries, as such schedule may be replaced from time to time in accordance with Section 8.14.

"**Restrictive Covenant Breach**" means, unless waived by the Required Senior Creditors, the failure by Just Energy or any other Obligor to observe or perform: (i) any of the restrictive covenants in Section 9.01(1), 9.01(2), 9.01(3) or 9.01(6); or (ii) either of the restrictive covenants in Section 9.01(4) or 9.01(5) and Just Energy or another Obligor fails to remedy such failure within 90 days from the date Just Energy or any Obligor becomes aware of such failure, unless any failure contained in item (i) or (ii) is due to the occurrence of an Extraordinary Event in which case no such Restrictive Covenant Breach shall have occurred.

"**S&P**" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"**Security**" means the Security Interests created by the Security Documents.

"**Security Documents**" means all security agreements (in each case as may be amended, restated, modified, supplemented or replaced from time to time) granted from time to time by any Obligor,

and held by the Collateral Agent for and on behalf of the Senior Creditors, including, without limitation, each of the documents listed on Schedule "D".

"**Security Interest**" means any mortgage, charge (whether fixed or floating), hypothec, assignment, pledge, lien, vendor's privilege, supplier's right of reclamation or other security interest or encumbrance or whatever kind or nature, regardless of form and whether consensual or arising by law (statutory mortgage or otherwise) that secures the payment of any indebtedness, obligation or liability or the observance or performance of any obligation and for greater certainty does not include any absolute assignment of accounts receivable.

"**Senior Agreements**" means the Credit Agreement, each Hedging Agreement, the Shell Energy Agreements, and the Other Commodity Supply Agreements, and the "**Senior Agreement**" means any one of them.

"**Senior Creditors**" means the Agent, each Lender, each Shell Energy Entity and each Other Commodity Supplier, and "**Senior Creditor**" means any one of them.

"**Senior Obligations**" means the Lender Obligations, the Shell Energy Obligations, the ISO Services Obligations and all Other Commodity Supply Obligations.

"**Shared Payment Notice**" means written notice given by the Agent (acting on the instructions of Lenders in accordance with the terms of the Credit Agreement), a Shell Energy Entity or any Other Commodity Supplier to the Collateral Agent and each other Senior Creditor: (i) stating that either an Event of Default or a Restrictive Covenant Breach has occurred and continues to exist uncured beyond the applicable grace period, if any; and (ii) setting forth instructions to the Collateral Agent for commencement of sharing of collections pursuant to Section 2.02(1) but subject to Section 2.02(2).

"**Shell Energy**" means Shell Energy North America (Canada) Inc., formerly operating under the name Coral Energy Canada Inc.

"**Shell Energy Agreements**" means the Shell Energy Gas Sale Agreements, the Shell Energy Power Agreements, the Energy Management Agreement, the Shell Energy Master Swap Agreements, , any ISO Services Agreement entered into whether before or after the date hereof between a Shell Energy Entity and any Obligor (including the Shell Energy Scheduling Coordinator Agreement), and each agreement entered into whether before or after the date hereof between a Shell Energy Entity and any Obligor for the physical or financial purchase, sale, supply or hedging of natural gas, electricity or JustGreen Products and agreements for the netting or set-off of amounts under such agreements, and any guarantee provided by an Obligor in favour of a Shell Energy Entity with respect to any of the foregoing (as each may be amended, restated, modified or supplemented from time to time).

"**Shell Energy Entities**" means each of Shell Energy, Shell Energy US and Shell Trading collectively and "**Shell Energy Entity**" means any one of them.

"**Shell Energy Gas Sale Agreements**" means the Base Contract for Sale and Purchase of Natural Gas dated as of October 31, 2005 between Shell Energy, as seller and the Canadian Borrower, as buyer (amending and restating that certain natural gas sale agreement dated as of October 15, 1998 between Shell Energy, as seller and the Canadian Borrower, as buyer, as amended by amending

agreements dated as of September 26, 2001 and January 15, 2003), the Base Contract for Sale and Purchase of Natural Gas dated April 1, 2004 between Shell Energy US and Just Energy Illinois Corp., as amended by amending agreement dated October 31, 2005 and the Base Contract for the Sale and Purchase of Natural Gas dated as of October 31, 2005 between Shell Energy US and JE NY, the Base Contract for Sale and Purchase of Natural Gas dated February 23, 2007 between Shell Energy and JE NY, the Master Agreement for Purchase and Sale of REC Products dated June 1, 2007 between Shell Energy and the Canadian Borrower, the Master Agreement for Purchase and Sale of VERS dated October 5, 2007 between the US Borrower and Shell Energy US, and the Base Contract for Sale and Purchase of Natural Gas dated as of January 13, 2005 between Shell Energy US and Commerce Energy, Inc., as amended by amending agreement dated July 1, 2009 (as each may be amended, restated, modified or supplemented from time to time).

"**Shell Energy ISO Reimbursement Obligations**" means the obligations of a US Obligor to Shell Energy US under the Shell Energy Scheduling Coordinator Agreement which represent reimbursement obligations for payments made by Shell Energy US on behalf of an Obligor to an ISO.

"**Shell Energy Master Swap Agreements**" means the Master Swap Agreement dated as of January 15, 2003 between Shell Energy and JEC, and as assigned by JEC to the Canadian Borrower as of August 1, 2005, the Master Swap Agreement dated as of October 31, 2005 between JE NY and Shell Energy US, as assigned by Shell Energy US to Shell Trading via novated dated October 16, 2013 and the Master Swap Agreement dated as of April 1, 2004 between Just Energy Illinois Corp. and Shell Energy US, as amended by amending agreement dated as of October 31, 2005 (as each may be amended, restated, modified or supplemented from time to time).

"**Shell Energy Obligations**" means, at any time and from time to time, all indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, in any currency, at any time: (i) of each Obligor to a Shell Energy Entity, pursuant to the Shell Energy Agreements and the Security Documents to which such Obligor is a party; and (ii) of each Borrower and each Guarantor to a Shell Energy Entity, pursuant to any guarantee of the foregoing obligations of any Obligor made by any such Borrower or such Guarantor and the Security Documents to which such Borrower or Guarantor is a party, in each case whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter increased again, including all delivery payments, Liquidated Damages, principal, interest, commissions, legal and other costs, indemnification amounts, charges, fees and expenses provided for therein or pertaining thereto, but excludes all Shell Energy ISO Reimbursement Obligation.

"**Shell Energy Power Agreements**" means the Amended and Restated Master Power Purchase and Sale Agreement dated as of October 31, 2005 between JE NY and Shell Energy US, the Purchase and Sale Agreement for Renewable Energy Certificates (Unit Specific) dated as of Augusts 15, 2013 between the US Borrower and Shell Energy US, the Master Purchase and Sale Agreement (Alberta) dated as of October 1, 2013 between Shell Energy and Just Energy Alberta L.P., the Master Agreement for the Purchase and Sale of REC Products dated as of October 26, 2007 between Shell Energy US and JE NY, the Amended and Restated Master Power Purchase and Sale Agreement dated as of February 1, 2005 between Shell Energy US and Just Energy Texas LP, the Master Power Purchase and Sale Agreement dated as of October 1, 2004 between Shell Energy US and Commerce

Energy, Inc., as amended by amending agreements dated February 10, 2009 and July 1, 2009 (as each may be amended, restated, modified or supplemented from time to time).

"**Shell Energy Scheduling Coordinator Agreement**" means the Third Amended and Restated Scheduling Coordinator Agreement dated as of December 1, 2014 among Shell Energy US, JE NY, the US Borrower and Commerce Energy, Inc. (as may be amended, restated, modified or supplemented from time to time).

"**Shell Energy US**" means Shell Energy North America (US), L.P. (formerly known as Coral Energy Resources, L.P. and successor in interest by merger to Coral Power, L.L.C. and Coral Energy Resources, L.P.).

"**Shell Trading**" means Shell Trading Risk Management, LLC.

"**Significant Creditor**" means any Senior Creditor (other than the Lenders) owed in excess of $5,000,000 in the aggregate on account of the Senior Obligations (calculated in the manner set forth in the definition of Required Senior Creditors *mutatis mutandis*) or the Agent acting upon the instructions of the Lenders in accordance with the terms of the Credit Agreement.

"**Sold Unbilled Accounts Receivable**" means all present and future amounts that have not yet been billed to a Customer in respect of gas, electricity or JustGreen Products that has been delivered to such Customer pursuant to a Customer Contract and which have been assigned or sold to an LDC concurrently with the delivery of such gas, electricity or JustGreen Products and which are subject to a Collection Service Agreement.

"**Subsidiary**" means, at any time, as to any Person, any other Person, if at such time the first mentioned Person owns, directly or indirectly, securities or other ownership interests in such other Person, having ordinary voting power to elect a majority of the board of directors or persons performing similar functions for such other Person, and will include any other Person in like relationship to a Subsidiary of such first mentioned Person.

"**Supplier Limitation Amount**" has the meaning ascribed thereto in Section 3.04(2).

"**Supply Commitments**" means, at any time, the amount of natural gas, electricity or JustGreen Products anticipated to be deliverable by the Obligors to Customers under (i) committed existing Customer Contracts; (ii) supplied but not flowing renewals of expiring Customer Contracts; and (iii) supplied but not flowing new Customer Contracts.

"**Transportation Agreements**" means, collectively, the transportation agreements entered into between the Obligors and LDCs (or entered into between JEC and LDCs and assigned to the Canadian Borrower pursuant to JEC Assignment Agreement) providing for the delivery of gas provided by an Obligor to its Customers and related matters, as supplemented, amended or restated from time to time accordingly with the terms of the Credit Agreement.

"**UK Obligors**" means, collectively, each of the UK Obligors listed from time to time on Schedule "A" hereto.

"**Unbilled Accounts Receivable**" means all present and future amounts in respect of gas or electricity or JustGreen Products that have been delivered to a Customer pursuant to a Customer Contract, and that have not yet been billed to such Customer or assigned or sold to an LDC pursuant to a Collection Service Agreement, and which, for greater certainty, remain an asset of an Obligor.

"**Unrestricted Subsidiaries**" means each direct or indirect Subsidiary of Just Energy that is identified on Schedule "A" hereto as an Unrestricted Subsidiary, as such schedule may be replaced from time to time in accordance with Section 8.14.

"**US Borrower**" means Just Energy (U.S.) Corp., a Delaware corporation.

"**US Obligors**" means, collectively, each of the US Obligors listed from time to time on Schedule "A" hereto.

1.02 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.03 Number

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and *vice versa* and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations, limited liability companies and corporations and *vice versa*. Unless otherwise specified, monetary references herein are to Canadian dollars.

1.04 Statutory and Agreement References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided: (i) a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations thereunder; and (ii) a reference to any agreement, indenture or declaration of trust is to that agreement, indenture or declaration of trust as the same may from time to time be supplemented, amended, restated or replaced.

1.05 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any other agreement which is referred to herein or delivered pursuant hereto or thereto, the provisions of this Agreement shall prevail and be paramount, provided that nothing in this Agreement is intended to or shall impair, as between the Obligors, the obligations of the Obligors to pay the Senior Obligations when due.

1.06 No Rights Conferred on Obligors

Nothing in this Agreement shall be construed as conferring any rights upon any Obligor or on any other third party but, for greater certainty, the Obligors confirm their obligations hereunder, including, without limitation, under Sections 2.01 and 3.03 hereof. The terms and conditions hereof are and shall be for the sole and exclusive benefit of the Collateral Agent and the Senior Creditors.

1.07 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.08 Calculation of Senior Obligations

(1) For the purposes of Section 3.04, Senior Obligations shall be calculated after Applicable Agreement Set-off has occurred and after any dispute as to the application thereof has been finally determined by a court of competent jurisdiction.

(2) For the purposes of Section 2.02, Senior Obligations shall be calculated after Applicable Agreement Set-off has occurred and if application of Applicable Agreement Set-off by a Senior Creditor is being disputed in good faith: (i) the amount asserted by such Senior Creditor which is not in dispute shall be used for the purposes of determining such Senior Creditor's Senior Obligations; and (ii) the amount asserted by such Senior Creditor which is in dispute among the parties shall be retained in the Blocked Accounts and not distributed by the Collateral Agent until the earlier of (x) the parties resolve such dispute and agree upon such disputed amount or (y) such time as a court of competent jurisdiction finally determines such dispute. For clarity, an example of this calculation is attached hereto as Schedule "B".

(3) For the purposes of this Agreement other than Sections 2.02 and 3.04, Senior Obligations shall be calculated after Applicable Agreement Set-off has occurred and if application of Applicable Agreement Set-off by a Senior Creditor is being disputed in good faith, the amount asserted by such Senior Creditor shall be used for the purposes of determining such Senior Creditor's Senior Obligations until such time as a court of competent jurisdiction finally determines such dispute, at which time appropriate adjustments shall be made with respect to the allocations hereunder based on the determinations of the amount of such Senior Creditor's Senior Obligations.

ARTICLE 2
COLLECTIONS

2.01 Blocked Accounts

(1) No Obligor will open or maintain any bank, deposit, investment or similar account for the purpose of retaining money, processing cheques, notes, drafts or other payments, or for investment purposes (each, a "**Blocked Account**"), without first causing the financial institution with whom such account is maintained to enter into a blocked account agreement with the Collateral Agent for the benefit of the Senior Creditors in form and substance satisfactory to the Collateral

Agent. Each Obligor shall direct all LDCs to make all payments required pursuant to the LDC Agreements directly to a Blocked Account. If any Obligor, any Affiliate or subsidiary corporation of any Obligor, or any shareholder, officer, director, employee or agent of any Obligor, or any Affiliate or subsidiary corporation, or any other Person acting for or in concert with any Obligor shall receive any monies, cheques, notes, drafts or other payments relating to payments required under any LDC Agreement, or directly from any Customer, each such Obligor and Person shall receive all such items in trust for, and as the sole and exclusive property of, the Collateral Agent (for and on behalf of the Senior Creditors) and, immediately upon receipt thereof, shall remit the same (or cause the same to be remitted) in kind to a Blocked Account.

(2) Following receipt by the Collateral Agent of a Shared Payment Notice and notification from the Collateral Agent to the Obligors to do so, all cheques, drafts, instruments and other items of payment delivered to the Collateral Agent in kind shall be endorsed by the Obligors to the Collateral Agent, and, if that endorsement of any such item shall not be made for any reason, the Collateral Agent is hereby irrevocably authorized to endorse the same on the Obligors' behalf. For the purpose of this paragraph, the Obligors irrevocably hereby make, constitute and appoint the Collateral Agent (and all Persons designated by the Collateral Agent for that purpose) as the Obligors' true and lawful attorney and agent-in-fact (i) to endorse the Obligors' names upon said items of payment of the Obligors and upon any chattel paper, document, instrument, invoice or similar document or agreement relating to the payments required pursuant to the LDC Agreements; (ii) to take control in any manner of any item of payment or proceeds thereof (iii) to take control in any manner of each Blocked Account; (iv) to have access to any lock box or postal box into which any of the Obligors' mail is deposited; and (v) open and process all mail addressed to the Obligors deposited therein.

(3) The parties hereto acknowledge and agree that the Collateral Agent acting on behalf of the Senior Creditors shall have the right to set-off amounts in the Blocked Accounts following (but not before) any Enforcement Notice, and shall apply such amounts against the Senior Obligations as Proceeds of Realization in accordance with Section 3.04.

2.02 Application of Collections

(1) Following the Collateral Agent receiving a Shared Payment Notice until such time as (i) the Collateral Agent receives an Enforcement Notice at which time Section 3.04(2) shall apply or (ii) such Shared Payment Notice is withdrawn, the Collateral Agent shall, once per month on or before the 27th calendar day of each month, apply or cause to be applied the whole or any part of the amounts in the Blocked Accounts as follows:

(a) *First*: To the payment or reimbursement to the Collateral Agent of all amounts payable to it under the provisions hereunder (or to any Senior Creditor who has advanced or paid such sums in the amount of such sums) and of all costs, charges and expenses (including legal or other professional fees and currency conversion expenses) incurred by the Collateral Agent in connection with the execution of its duties hereunder;

(b) *Second*: To the payment of all fees and other amounts that the Collateral Agent has been notified are then owing to the Agent in its capacity as such under the Credit Agreement;

(c) *Third*: To the payment of (i) all accrued but unpaid interest in respect of the Lender Obligations which is due and all fees in connection with same, including all stamping fees, letter of credit fees and letter of guarantee fees; (ii) at such time that there is no default declared by a Senior Creditor that is party to an ISO Services Agreement under such ISO Services Agreement, all payments required in respect of such ISO Services Obligations up to but not exceeding US$75,000,000; (iii) all Shell Energy Obligations and all Other Commodity Supply Obligations (and for greater certainty not in the nature of Liquidated Damages), and all fees in connection with same; and (iv) all obligations to the Lenders in respect of Hedging Agreements (other than amounts due after default under such Hedging Agreements) *pro rata* to each Senior Creditor in accordance with the amount of such interest payments, fees and other amounts owing to it as a percentage of all payments, fees and amounts;

(d) *Fourth*: To the payment of regularly scheduled principal amounts under the Credit Agreement then due and owing;

(e) *Fifth*: To any Senior Creditor who has issued a Shared Payment Notice to the payment of: (i) all principal that has been accelerated under the Credit Agreement; (ii) all amounts, if any, due upon termination or default under any Hedging Agreement; (iii) at such time that there is a default declared by a Senior Creditor under an ISO Services Agreement all payments required in respect of the ISO Services Obligations up to but not exceeding US$75,000,000; and (iv) all other obligations under the Shell Energy Obligations and the Other Commodity Supply Obligations, including without limitation, other Liquidated Damages, *pro rata* to each Senior Creditor in accordance with such amounts owing to it as a percentage of all such amounts forthwith upon the Collateral Agent being given notice by the applicable Senior Creditor that same are due and owing;

(f) *Sixth*: To the payment of all other obligations under the Senior Obligations, including without limitation, all Carrying Costs (to the extent not otherwise included in the above), *pro rata* to each Senior Creditor in accordance with such amounts owing to it as a percentage of all such amounts forthwith upon the Collateral Agent being given notice by the applicable Senior Creditor that same are due and owing; and

(g) *Seventh*: To the Obligors for working capital purposes or to effect distributions, including distributions to shareholders of Just Energy; provided that the foregoing shall not be interpreted to derogate from any prohibitions against such distributions set forth in the Credit Agreement.

(2) Notwithstanding Section 2.02(1) or any other provision in this Agreement, if the Collateral Agent has received a Shared Payment Notice solely as a result of a Restrictive Covenant Breach that has occurred and is continuing, prior to taking any action with respect thereto, the

Collateral Agent shall request a meeting of the Senior Creditors in accordance with Section 6.05. Following such meeting of the Senior Creditors, the Collateral Agent shall only take action with respect thereto based on instructions from the Required Senior Creditors (as defined in Section 2.02(5) below); provided that (a) nothing contained in this Section 2.02 shall restrict the Collateral Agent from applying the amounts in the Blocked Accounts in accordance with Section 2.02(1)(a) through (d) once it has received a Shared Payment Notice and (b) following receipt of a Shared Payment Notice solely as a result of a Restrictive Covenant Breach that has occurred and is continuing, in the event that the Required Senior Creditors instruct the Collateral Agent to make any payments other than those listed in Section 2.02(1)(a) through (d), such payments shall only be made in accordance with the provisions contained in Section 2.02(1)(e) through (g).

(3) Within thirty (30) days of the end of each of its Fiscal Quarters, Just Energy shall deliver to the Collateral Agent a report containing Just Energy's good faith calculation consistent with historical practices of the aggregate marked to market exposure and notional value under all of its Applicable Commodity Supply Agreements; provided that, if a Significant Creditor requests a meeting of Senior Creditors pursuant to Section 2.02(4), no sooner than five Business Days and no later than three Business Days prior to the date of such meeting, Just Energy shall provide to the Collateral Agent (and each Senior Creditor requesting the same) an updated report containing Just Energy's good faith calculation of the aggregate marked to market exposure under all of its Applicable Commodity Supply Agreements as of such date. Such report of Just Energy (including such updated report) shall be used solely for the purposes of calculating the amounts in the definition of "Required Senior Creditors" (as defined in Section 2.02(5)) and, for greater certainty, shall not be used for any other purpose. For clarity, a sample report of Just Energy is attached hereto as Schedule "C".

(4) At any time following receipt by the Collateral Agent one or more Shared Payment Notices solely as a result of a Restrictive Covenant Breach that has occurred and is continuing, any Significant Creditor shall have the right to request a meeting of Senior Creditors no sooner than 60 days following the initial meeting of Senior Creditors pursuant to Section 2.02(2), or following any subsequent meeting of Senior Creditors. At any such meeting of Senior Creditors, the Required Senior Creditors (as defined in Section 2.02(5)) shall be determined based on the most recent report delivered by Just Energy to the Collateral Agent in accordance with Section 2.02(3), and the Collateral Agent shall take instructions with respect to such Restrictive Covenant Breach solely from the Required Senior Creditors as constituted at any such meeting of Senior Creditors.

(5) For the purposes of Sections 2.02(2) through 2.02(7) only, "**Required Senior Creditors**" shall mean Senior Creditors representing 66-2/3 % of the aggregate amount of (i) commitments of the Lenders under the Credit Agreement, (ii) the aggregate of the net positive mark to market exposure owing to each individual Lender Hedge Provider in respect of all Hedging Agreements, and (iii) the greater of (A) the aggregate of the net obligations, matured or not matured, owed to, and net positive mark to market exposures to the Obligors of each Senior Creditor (other than the Lenders) in respect of the Shell Energy Obligations and Other Commodity Supply Obligations and (B) an amount equal to the portion of $80,000,000 that is equal to the amount that is the percentage of such Senior Creditor's aggregate notional value under the Shell Energy Agreements or Other Commodity Supply Agreements to which it is a party, of the aggregate amount of the notional value under all Shell Energy Agreements and all Other Commodity Supply

Agreements, in each case with such amounts to be calculated as if Applicable Agreement Set-Off had occurred.

(6) Each of (i) the Shell Energy Entities hereby acknowledges and agrees that no Shell Energy Agreement to which any such Person is a party contains any covenant that is more restrictive or more onerous than, or is duplicative of, any of the covenants contained in Section 9.01; (ii) the BP Entities hereby acknowledges and agrees that no BP Agreement to which any such Person is a party contains any covenant that is more restrictive or more onerous than, or is duplicative of, any of the covenants contained in Section 9.01; (iii) ExGen hereby acknowledges and agrees that no ExGen Agreement contains any covenant that is more restrictive or more onerous than, or is duplicative of, any of the covenants contained in Section 9.01; and (iv) each of the Other Commodity Supplier not listed in (ii) or (iii) above hereby acknowledges and agrees that no Other Commodity Supply Agreement to which such Person is a party contains any covenant that is more restrictive or more onerous than, or is duplicative of, any of the covenants contained in Section 9.01; provided that the sole effect of the foregoing acknowledgements and agreements shall be the waiver of any applicable covenant in the Shell Energy Agreements, BP Agreements, ExGen Agreements or Other Commodity Supplier Agreements by the parties thereto, as applicable, that would otherwise cause a breach of the foregoing acknowledgements and agreements.

(7) Each of the Shell Energy Entities, the BP Entities, ExGen and the Other Commodity Suppliers hereby acknowledges and agrees that other than as set forth in Article 2, in the event that a Restrictive Covenant Breach occurs and is continuing, no such Person will take any steps or other action under this Agreement in connection with such Restrictive Covenant Breach (or any cross-default to such Restrictive Covenant Breach contained in any agreement to which such Person is a party) including, for greater certainty, the issuance of an Enforcement Notice.

ARTICLE 3
SECURITY SHARING

3.01 No Additional Security

(1) The Agent, each Lender, each Shell Energy Entity and each Other Commodity Supplier represents and warrants to the Agent, the other Lenders, the other Shell Energy Entities and each Other Commodity Supplier, as applicable, that it holds no security for the Senior Obligations other than through the Collateral Agent.

(2) The Agent, each Lender, each Shell Energy Entity and each Other Commodity Supplier agrees not to take any security for the Senior Obligations other than through the Collateral Agent. Notwithstanding the foregoing, Shell Energy may hold and retain for itself letters of credit (and any cash drawn on such letters of credit) issued for its benefit delivered from time to time as "Performance Assurance" under the Shell Energy Scheduling Coordinator Agreement (as that term is defined thereunder on the date hereof).

(3) For the purpose of clarity, the foregoing provision of this Section 3.01 shall not apply to rights of Applicable Agreement Set-off.

3.02 Pari Passu Ranking

The parties hereto acknowledge and agree that each of the Senior Obligations shall be secured equally by the Security and, subject to Sections 2.02 and 3.04 hereof, shall rank in all respects *pari passu*.

3.03 No Challenge

None of the Obligors shall commence or initiate (and hereby waives the right to) any action or proceeding to challenge the priority, validity or enforceability of any of the Security or Security Documents, the appointment of any Receiver or, subject to applicable law or the gross negligence or wilful misconduct of such party, any act or omission of the Collateral Agent or any Receiver in the enforcement of any of the Security Documents.

3.04 Application of Cash Proceeds of Realization

(1) All Proceeds of Realization not in the form of cash shall be forthwith delivered to the Collateral Agent and disposed of, or realized upon, by the Collateral Agent in a commercially reasonable manner so as to produce Cash Proceeds of Realization.

(2) All Cash Proceeds of Realization shall be applied and distributed as follows:

(a) *First*: To the payment or reimbursement to the Collateral Agent of all amounts payable to it under the provisions hereunder (or to any Senior Creditor who has advanced or paid such sums in the amount of such sums) and of all costs, charges and expenses (including legal or other professional fees and currency conversion expenses) incurred by the Collateral Agent in connection with the execution of its duties hereunder, including all such costs and expenses incurred in connection with the Realization in respect of the Charged Property or the enforcement of any of the Senior Obligations;

(b) *Second*: To the payment or reimbursement to: (i) the Agent of all amounts payable to it in such capacity including under the provisions of the Credit Agreement and hereunder, including, without limitation, Section 5.02; and (ii) the agent, trustee or any other person acting in a similar capacity in respect of any other Senior Obligations of all amounts payable to it under the provisions of its appointment by such Senior Creditor, *pro rata* to each such person in accordance with such amounts owing to it as a percentage of all such amounts;

(c) *Third*: To the payment of all reasonable costs and expenses (including legal or other professional fees and including currency conversion expenses) incurred by the Senior Creditors, *pro rata* in accordance with the respective amounts thereof, in connection with the Realization in respect of the Charged Property or any enforcement of any of the Senior Obligations;

(d) *Fourth*: To the payment of (i) all accrued but unpaid interest on the Lender Obligations which has been accelerated or is otherwise then due and all fees in connection with same, including all stamping fees, letter of credit fees, letter of

guarantee fees and all unused line fees (accrued at any time prior to cancellation by the Agent or the Lenders of such unused line of credit), and all payments to the Lender Hedge Providers in respect of Hedging Agreements allocable to past periods (including payments that become due during any cure period under Section 5.02(1), but excluding those corresponding to accelerated payments owed on the value of future settlement payments constituting Liquidated Damages, and excluding for greater certainty all accruals during such period in respect of such payments), and (ii) all payments for physical supply of electricity or gas that has been delivered and all payments for financial settlements allocable to past periods (including financial settlements that become due during any cure period under Section 5.02(1), but excluding those corresponding to accelerated payments owed on the value of future settlement payments constituting Liquidated Damages, and excluding for greater certainty all accruals during such period in respect of such financial settlements) required in respect of the Shell Energy Obligations or Other Commodity Supply Obligations, and all fees in connection with same, *pro rata* to each Senior Creditor in accordance with the amount of such interest and fees owing to it as a percentage of all such interest, fees and other payments;

(e) *Fifth*: To the payment of (i) the principal amount of the Lender Obligations (including the face amount of unmatured Bankers' Acceptances or equivalent instruments and the face amount of issued and undrawn letters of credit, but, for clarity, excluding all amounts owing the Lender Hedge Providers under Hedging Agreements) which have been accelerated in an amount not to exceed in the aggregate the Lender Limitation Amount, (ii) all amounts owing to the Lender Hedge Providers under Hedging Agreements (excluding all amounts owing to the Lender Hedge Providers under Commodity Linked Hedges) arising upon a termination thereof or default thereunder, (three times the aggregate of (i) and (ii) being referred to herein as the "**Supplier Limitation Amount**"), (iii) all amounts owing to each Shell Energy Entity or any Other Commodity Supplier under Shell Energy Agreements (excluding amounts in respect of the ISO Services Obligations) and Other Commodity Supply Agreements (excluding amounts in respect of ISO Services Obligations) arising upon a termination thereof or default thereunder, (iv) all other Liquidated Damages in respect of the Shell Energy Obligations and Other Commodity Supply Obligations provided that the aggregate of (iii) and (iv) shall not exceed the Supplier Limitation Amount, (v) all amounts owing to a Senior Creditor in respect of any ISO Services Obligations up to but not exceeding US$75,000,000, and (vi) all amounts owing to the Lender Hedge Providers under Commodity Linked Hedges arising upon a termination thereof or default thereunder, *pro rata* to each Senior Creditor in accordance with the aggregate amount (as calculated and limited above) of such principal, Liquidated Damages and other amounts owing to it as a percentage of all such amounts;

(f) *Sixth*: To the payment of (i) the principal amount of the Lender Obligations (including the face amount of unmatured Bankers' Acceptances or equivalent instruments and the undrawn amount of letters of credit) which has been accelerated and which exceeds the Lender Limitation Amount, (ii) all amounts owing to each Shell Energy Entity and each Other Commodity Supplier under Shell Energy

Agreements and Other Commodity Supply Agreements arising upon a termination thereof or default thereunder, and (iii) all other Liquidated Damages in respect of the Shell Energy Obligations and Other Commodity Supply Obligations in each case in respect of (ii) and (iii) above in excess of the Supplier Limitation Amount, *pro rata* to each such Senior Creditor in accordance with the amount of such principal amounts, Liquidated Damages and other amounts owing to it as a percentage of all such amounts;

(g) *Seventh*: To the payment of any other unpaid obligations under the Senior Obligations, including without limitation, Carrying Costs or make whole amounts incurred in connection with the early repayment of unpaid principal amounts of the Senior Obligations, *pro rata* to each Senior Creditor in accordance with such amounts owing to it as a percentage of all such amounts; and

(h) *Eighth*: To the Obligors or as otherwise required by applicable law.

(3) All Proceeds of Realization received in any Insolvency Proceeding shall be applied and distributed in the order of priority set forth in Section 3.04(2) above.

3.05 Proceeds of Realization received by a Senior Creditor

(1) In the event any Proceeds of Realization are delivered to or received by a Senior Creditor, the Senior Creditor shall hold such Proceeds of Realization in trust for the Collateral Agent and shall forthwith deliver such Proceeds of Realization to the Collateral Agent. The Collateral Agent shall apply all Proceeds of Realization in accordance with Section 3.04.

(2) Any distribution to be made pursuant to Section 3.04(2)(e) with respect to undrawn amounts of outstanding letters of credit shall be retained in a cash collateral account by the Collateral Agent, for the *pro rata* portion of the Senior Obligations consisting of such undrawn amounts of outstanding letters of credit. Thereafter (a) if any such letter of credit is drawn upon, the Collateral Agent shall pay to the issuer thereof the *pro rata* portion of the amount of cash held as collateral therefore pursuant to this Section which is allocable to the amount drawn upon such letter of credit and (b) if and to the extent that any such letter of credit shall expire or terminate undrawn or drawn only in part, the amount of cash held as collateral therefore pursuant to this Section shall be applied as if it were a newly received amount to be applied in accordance with Section 3.04(2)(e)-(h). If a Senior Creditor receives or is holding any cash collateral in respect of an undrawn outstanding letter of credit, following the delivery of an Enforcement Notice it shall turn such cash collateral over to the Collateral Agent to be treated as Cash Proceeds of Realization.

3.06 Notice of Default

The Senior Creditors agree with each other to give to each other any notice of any default (howsoever described), termination event or demand made under the Credit Agreement, the Shell Energy Agreements or any Other Commodity Supply Agreements (as applicable), or termination thereof (other than in accordance with their terms) at the same time as such notice is given to or by the Obligors provided, however, that no Senior Creditor shall suffer or incur any liability to any other Senior Creditor for an inadvertent failure or delay in giving any such notice.

Any such notice shall specify in reasonable detail the nature of such event, default or the circumstances leading to such demand or termination.

3.07 CCAA Proceedings

In any proceeding under the *Companies Creditors' Arrangement Act* (Canada) or US bankruptcy proceedings, the Lenders, each Shell Energy Entity or any Other Commodity Supplier (unless otherwise agreed by such parties) shall not vote for or propose any plan of arrangement which would extend the maturity or time for payment or reduce any of the Senior Obligations, or discharge all or any portion of the Security in all or any part of the Charged Property in advance of the satisfaction of the Lender Obligations to the Lenders, the Shell Energy Obligations to the applicable Shell Energy Entity, the Other Commodity Supply Obligations to the Other Commodity Suppliers, or the ISO Services Obligations to the applicable Senior Creditor thereunder.

ARTICLE 4
ENFORCEMENT AND REMEDIES

4.01 Enforcement

(1) Except as otherwise contemplated in this Agreement, the Collateral Agent shall have the exclusive right to exercise all rights and remedies in the Security subject to and in accordance with this Agreement and the Security Documents. For greater certainty, except in accordance with Section 4.01(2), no Senior Creditor may take steps to commence any Enforcement Proceedings against any Obligor nor require the Collateral Agent to do so.

(2) Any Significant Creditor may require the Collateral Agent to commence and prosecute an Enforcement Proceeding against any Obligor by delivering an Enforcement Notice to the Collateral Agent; provided, however, that unless waived by the Agent, (a) a Shell Energy Entity may only deliver an Enforcement Notice if the Agent has failed to cure defaults under the applicable Shell Energy Agreement pursuant to Section 5.02(1); and (b) any Other Commodity Supplier may only deliver an Enforcement Notice if the Agent has failed to cure defaults under such Other Commodity Supplier's Other Commodity Supply Agreement pursuant to Section 5.02(1). Following, but not before, delivery of such an Enforcement Notice, any Senior Creditor may take steps to commence any Enforcement Proceeding; provided that any such Enforcement Proceeding which may be taken by a Senior Creditor shall not include any right to exercise any rights or remedies in the Security, which rights and remedies may only be exercised by the Collateral Agent.

4.02 Remedies

Each of the parties hereby agrees that all covenants, provisions and restrictions contained herein are necessary and fundamental in order to establish the respective rights and obligations of the parties hereto in connection with the Senior Obligations and the Security and that a breach of any such covenant, provision or restriction would result in damages that could not adequately be compensated by monetary award. Accordingly, it is expressly agreed that in addition to all other remedies available to it including, without limitation, any action for damages, the Collateral Agent shall be entitled to the immediate remedy of a restraining order, interim injunction,

injunction or other form of injunctive or other relief as may be decreed or issued by any court of competent jurisdiction to restrain or enjoin such party from breaching any such covenant, provision or restriction.

4.03 Instructions to Collateral Agent

Following receipt of an Enforcement Notice, in determining how to exercise rights and remedies with respect to the Security, the Collateral Agent shall take instruction solely from an Enforcement Notice provided in accordance with Section 4.01(2) and from the Required Senior Creditors in accordance with Section 6.04 and 6.05, notwithstanding any provision inconsistent herewith in any Security Document. In providing such instruction to the Collateral Agent, the Required Senior Creditors shall act in good faith in instructing the Collateral Agent in the prosecution of Enforcement Proceedings and may not terminate any Enforcement Proceedings without the consent of the Significant Creditor who delivered the Enforcement Notice initiating such Enforcement Proceedings and shall prosecute such Enforcement Proceedings without delay.

4.04 Acceleration

This Agreement shall not prevent or restrict:

(a) the Agent or the Lenders from exercising any of their remedies under the Credit Agreement or any Hedging Agreement including demanding payment of the Lender Obligations in accordance with the terms of the Credit Agreement or any Hedging Agreement and retaining payment in accordance with the terms of the Credit Agreement or any Hedging Agreement for its or their own account; provided in each case that such exercise, demand or retention does not conflict with the terms of this Agreement, and provided further that upon the provision of any Shared Payment Notice or Enforcement Notice that has not been withdrawn, the Agent or the Lenders (as applicable) shall distribute all payments (but for greater certainty, excluding any amounts paid to any Lender as a result of the application of Applicable Agreement Set-off of indebtedness, liabilities or obligations owed by any Lender, but including the application of any set-off of Charged Property in Blocked Accounts) received other than pursuant to Section 2.02 or 3.04, as applicable, to the Collateral Agent for distribution in accordance with Section 2.02 and 3.04, as applicable;

(b) any Shell Energy Entity from exercising any of their remedies under the Shell Energy Agreements, including serving the applicable Obligor or Obligors with Notice to terminate the Shell Energy Agreements in accordance with their terms (subject to the terms of Section 5.01) and from demanding payment of the Shell Energy Obligations or the Shell Energy ISO Reimbursement Obligation in accordance with the terms of the Shell Energy Agreements, and retaining such payment in accordance with the terms of the Shell Energy Agreements (provided Notice has been given pursuant to Section 3.06) for its own account; provided, in each case that such exercise, termination, demand or retention does not conflict with the terms of this Agreement, and provided further that upon the provision of any Shared Payment Notice or Enforcement Notice that has not been withdrawn, each Shell Energy Entity (as applicable) shall distribute all payments (but for greater

certainty, excluding any amounts paid to any Shell Energy Entity as a result of the application of Applicable Agreement Set-off of indebtedness, liabilities or obligations owed by any Shell Energy Entity or its Affiliates, but including the application of any set-off of Charged Property) received other than pursuant to Section 2.02 or 3.04, as applicable, to the Collateral Agent for distribution in accordance with Section 2.02 or 3.04, as applicable;

(c) any Other Commodity Supplier from exercising any of their remedies under the applicable Other Commodity Supply Agreements, including serving the applicable Obligor or Obligors with Notice to terminate the relevant Other Commodity Supply Agreement in accordance with its terms (subject to the terms of Section 5.01) and from demanding payment of the Other Commodity Supply Obligations in accordance with the terms of the Other Commodity Supply Agreements (provided notice has been given pursuant to Section 3.06) and retaining such payment in accordance with the terms of such Other Commodity Supply Agreements for its own account; provided in each case that such exercise, termination, demand or retention does not conflict with the terms of this Agreement, and provided further that upon the provision of any Shared Payment Notice or Enforcement Notice that has not been withdrawn, each Other Commodity Supplier (as applicable) shall distribute all payments (but for greater certainty, excluding any amounts paid to any Other Commodity Supplier as a result of the application of Applicable Agreement Set-off of indebtedness, liabilities or obligations owed by any Other Commodity Supplier or its Affiliates, but including the application of any set-off of Charged Property) received other than pursuant to Section 2.02 or 3.04, as applicable, to the Collateral Agent for distribution in accordance with Section 2.02 or 3.04, as applicable.

(d) any Senior Creditor from exercising any of their remedies under ISO Services Agreements, including serving the applicable Obligor or Obligors with Notice to terminate such ISO Services Agreements in accordance with their terms (subject to the terms of Section 5.01) and from demanding payment of the ISO Services Obligations in accordance with the terms of the ISO Services Agreements, and retaining such payment in accordance with the terms of the ISO Services Agreements (provided Notice has been given pursuant to Section 3.06) for its own account; provided, in each case that such exercise, termination, demand or retention does not conflict with the terms of this Agreement, and provided further that upon the provision of any Shared Payment Notice or Enforcement Notice that has not been withdrawn, each Senior Creditor (as applicable) shall distribute all payments (but for greater certainty, excluding any amounts paid to such Senior Creditor as a result of the application of Applicable Agreement Set-off of indebtedness, liabilities or obligations owed by any Senior Creditor or its Affiliates, but including the application of any set-off of Charged Property) received other than pursuant to Section 2.02 or 3.04, as applicable, to the Collateral Agent for distribution in accordance with Section 2.02 or 3.04, as applicable.

For greater certainty and without limiting the right of any such Person to demand payment under this Section 4.04, or to apply the remedy of Applicable Agreement Set-Off, no Person shall commence

an Enforcement Proceeding against any Charged Property under the Security Documents except in accordance with Section 4.01(2).

4.05 Redistributing Payments

If, after an Event of Default has occurred and is continuing (provided that, with respect to the Credit Agreement, demand for payment has been made following the occurrence and continuance of such Event of Default), a Senior Creditor receives a secured claim, the security for which is a debt owed by it to any Obligor, or a Senior Creditor otherwise receives payment of a portion of the Senior Obligations which is greater than the proportion received by any other Senior Creditor including by way of set-off against any Blocked Accounts but excluding for all purposes payments from the exercise of a right of Applicable Agreement Set-off, then the Senior Creditor receiving such proportionately greater payment shall purchase a participation (which shall be deemed to have been done simultaneously with receipt of such payment) in that portion of the aggregate Senior Obligations of the other Senior Creditors so that the respective receipts shall be *pro rata* to their respective Senior Obligations as provided for herein; provided, however, that if all or part of such proportionately greater payment received by such purchasing Senior Creditor shall be recovered from such Senior Creditor, such purchase shall be rescinded to the extent of the recovery and the purchase price paid for such participation shall be returned by such Senior Creditor or Senior Creditors to the extent of such recovery, but without interest. Such purchasing Senior Creditor shall exercise its rights in respect of such secured claim in a manner consistent with the right of the Senior Creditors entitled under this Section 4.05 to share in the benefits of any recovery on such secured claims. If any Senior Creditor does any act or thing permitted by this Section 4.05, it shall promptly provide copies of such particulars to the other Senior Creditors. For the purposes of clarity, this Section 4.05 does not apply to the exercise of Applicable Agreement Set-off, including payments received as a result thereof.

ARTICLE 5
ASSIGNMENT OF AGREEMENTS

5.01 Consent and Agreement

Each Shell Energy Entity acknowledges the collateral assignment of each Shell Energy Agreement and each Other Commodity Supplier acknowledges the collateral assignment of its Other Commodity Supply Agreements by the applicable Obligor to the Collateral Agent, and each Shell Energy Entity and each Other Commodity Supplier consents to such assignment and hereby:

(1) consents to the transfer of an Obligor's interest under any Applicable Commodity Supply Agreement to an Eligible Transferee upon enforcement of the security in favour of the Collateral Agent, at a foreclosure sale, by judicial or non-judicial foreclosure and sale or by a conveyance by such Obligor in lieu of foreclosure and agrees that upon such enforcement, foreclosure, sale or conveyance, it shall recognize such Eligible Transferee as the applicable party under the Applicable Commodity Supply Agreement (in each case provided that all payment defaults under such Applicable Commodity Supply Agreement have been cured and such Eligible Transferee assumes and is reasonably capable of performing the obligations of such Obligor under the Applicable Commodity Supply Agreement from and after the date of transfer; provided that any

Eligible Transferee that satisfies the credit requirements set forth in Section 5.01(2) hereof shall be deemed reasonably capable of performing such obligations;

(2) agrees that it will not, without the prior written consent of the Agent (acting on the direction of the Lenders) (such consent not to be unreasonably withheld), (a) cancel or terminate its Applicable Commodity Supply Agreement, except as provided under the terms of such Applicable Commodity Supply Agreement and in accordance with Section 5.02 of this Agreement; or (b) consent to or accept any cancellation or termination thereof by the applicable Obligor of its Applicable Commodity Supply Agreement, except as provided under the terms of such Applicable Commodity Supply Agreement; or (c) assign its Applicable Commodity Supply Agreement unless the assignee thereof agrees to be bound hereby and (i) has a minimum credit rating of BBB or higher by S&P, Fitch or DBRS, or Baa2 or higher by Moody's, or (ii) has its obligations backed by a guarantee from a Person with a credit rating meeting the requirements of paragraph (i) or by a letter of credit issued by a bank whose long-term debt is rated at least "A" by S&P; and

(3) agrees to deliver duplicates or copies of all notices of default and any other material notice, report or other communication delivered under or pursuant to its Applicable Commodity Supply Agreement, to the Agent promptly upon receipt thereof and will advise the Agent of any material amendments to its Applicable Commodity Supply Agreements.

5.02 <u>Agent's Cure Rights</u>

Each Shell Energy Entity and each Other Commodity Supplier hereby:

(1) agrees that (x) in the event of a default or breach by an Obligor in the performance of any of its obligations under the Applicable Commodity Supply Agreement, or (y) upon the occurrence or non-occurrence of any event or condition under the Applicable Commodity Supply Agreement which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable a Shell Energy Entity or an Other Commodity Supplier, as applicable, to terminate or suspend performance of any of its obligations to deliver physical supply of electricity or gas or to make payments for financial settlements allocable to past periods under the Applicable Commodity Supply Agreement (other than in either case a default or breach arising because of the commencement of any bankruptcy or insolvency proceedings in respect of which this Section 5.02(1) shall not apply) (hereinafter, a "**Default**"), such Shell Energy Entity or such Other Commodity Supplier shall not terminate or suspend performance of any of its obligations to deliver physical supply of electricity or gas or to make payments for financial settlements allocable to past periods (including financial settlements that become due during any cure period under this Section 5.02(1)) under the Applicable Commodity Supply Agreement until it first gives written notice of such Default to the Agent (concurrently with the notice of such Default to such Obligor) and affords the Agent (a) a period of nine (9) Business Days from receipt of such notice to cure such Default if such Default is the failure to pay amounts to such person which are due and payable under the Applicable Commodity Supply Agreement or (b) with respect to any other Default, a reasonable opportunity, but no less than thirty (30) Business Days nor more than sixty (60) Business Days, from receipt of such notice, to cure such non-payment Default; provided, however, that such cure period under this clause (b) shall cease if (x) during such cure period the Agent does not continue to timely perform all payment obligations and each of such Obligor's other obligations under the Applicable Commodity Supply Agreement or (y) during such cure period such Obligor does not continue to

timely perform all payment obligations under the Applicable Commodity Supply Agreement, and the Agent has first been afforded the cure period in (a) above; and

(2) agrees that in the event the Agent elects to exercise any of its rights hereunder, the Agent shall not have personal liability to any Shell Energy Entity or any Other Commodity Supplier, and the sole recourse of any such Shell Energy Entity or any such Other Commodity Supplier in seeking the enforcement of any such obligations hereunder or under the Applicable Commodity Supply Agreement shall be to the Obligors. Without limiting the generality of the foregoing, under no circumstances shall the Agent be liable to any Shell Energy Entity or any Other Commodity Supplier for any action taken by it or on its behalf in good faith during the cure period provided for in Section 5.02(1), notwithstanding such action may prove to be in whole, in part, inadequate or invalid; provided that, for greater certainty, this Section 5.02(2) shall not apply to the extent that the Agent (for its own benefit acting other than in a capacity of enforcing the Security on behalf of the Senior Creditors) becomes a transferee of any Applicable Commodity Supply Agreement.

ARTICLE 6
COLLATERAL AGENT

6.01 Appointment

(1) Each Senior Creditor hereby irrevocably appoints and designates CIBC as the Collateral Agent hereunder and under the Security Documents. CIBC hereby accepts such appointment on the terms and conditions set forth herein and acknowledges that it holds the Security Documents as agent for and on behalf of the Senior Creditors. Each Senior Creditor hereby authorizes the Collateral Agent to enter into any Security Documents after the date hereof, if any, for the benefit of the Senior Creditors in accordance with the terms hereof and thereof, and to exercise such rights and powers under this Agreement or the Security Documents as are specifically delegated to the Collateral Agent by the terms hereof and thereof, together with such other rights and powers as are reasonably incidental thereto or as are customarily and typically exercised by an agent performing duties similar to the duties of the Collateral Agent hereunder and under the Security Documents, subject, however, to any express limitations set forth herein or in the Security Documents. The duties of the Collateral Agent will be deemed ministerial and administrative in nature and it will not have any duties or responsibilities with regard to the Charged Property except those expressly set forth herein or in the Security Documents.

(2) For greater certainty, and as part of and without limiting the powers of CIBC acting as Collateral Agent hereunder, each Senior Creditor hereby irrevocably constitutes CIBC, as the holder of an irrevocable power of attorney (*fondé de pouvoir* within the meaning of Article 2692 of the *Civil Code of Québec*) in order to hold hypothecs and security granted or to be granted by any Obligor or Guarantor on property pursuant to the laws of the Province of Québec in order to secure obligations of the Obligor and Guarantor under any bond, debenture or similar title of indebtedness issued by such Obligor or Guarantor, and hereby agrees that CIBC, as Collateral Agent, may act as the bondholder and mandatary (i.e. agent) with respect to any bond, debenture or similar title of indebtedness that may be issued by such Obligor or Guarantor and pledged in favour of CIBC, as Collateral Agent, for the benefit of the Senior Creditors. The execution by CIBC, acting as *fondé de*

pouvoir and mandatary, prior to this Agreement of any deeds of hypothec or other security documents is hereby ratified and confirmed. In connection therewith:

(a) Notwithstanding the provisions of Section 32 of *An Act respecting the special powers of legal persons* (Québec), CIBC may acquire and be the holder of any bond issued by such Obligor or Guarantor (i.e. the *fondé de pouvoir* may acquire and hold the first bond issued under any deed of hypothec by such Obligor or Guarantor).

(b) The constitution of CIBC as *fondé de pouvoir* and of the Collateral Agent as bondholder and mandatary with respect to any bond that may be issued and pledged from time to time to the Collateral Agent for the benefit of the Senior Creditors, shall be deemed to have been ratified and confirmed by each Person accepting an assignment of, a participation in or an arrangement in respect of, all or any portion of an assignor's rights and obligations under this Agreement by the execution of an assignment agreement or any other agreement pursuant to which it becomes such assignee or participant, and by each successor Collateral Agent by the execution of an assignment agreement or other agreement, or by the compliance with other formalities, as the case may be, pursuant to which it becomes a successor Collateral Agent under this Agreement.

(c) CIBC, acting as bondholder, shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favour of the Collateral Agent in this Agreement, which shall apply *mutatis mutandis* to CIBC acting as bondholder and mandatary. Without limitation, the provisions of Section 6.09 of this Agreement shall apply *mutatis mutandis* to the resignation and appointment of a successor to CIBC, acting as bondholder and mandatary.

(d) CIBC, acting as *fondé de pouvoir*, shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favour of the Collateral Agent in this Agreement, which shall apply *mutatis mutandis* to CIBC acting as *fondé de pouvoir*. Without limitation, the provisions of Section 6.09 of this Agreement shall apply *mutatis mutandis* to the resignation and appointment of a successor to CIBC, acting as *fondé de pouvoir*.

(3) The Senior Creditors hereby acknowledge that CIBC is acting both as Collateral Agent hereunder and as Agent in accordance with the terms of the Credit Agreement and acknowledge that if CIBC perceives any conflict in acting in both such capacities it may resign as Collateral Agent hereunder without resigning as Agent under the Credit Agreement.

(4) With respect to the Lender Obligations owed to CIBC as Lender, CIBC shall have the same rights and powers hereunder as any other Lender and may exercise such rights and powers as though it were not the Collateral Agent. The term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include CIBC in its individual capacity. Except as expressly set forth herein, CIBC may accept deposits from, lend money to, act as trustee under indentures of and generally engage in any kind of business with any Obligor or any other Person, without any duty to account therefor to any Senior Creditor.

6.02 Limitations on Duties and Actions of Collateral Agent

The Collateral Agent will not have any duties or responsibilities except those expressly set forth in this Agreement and the Security Documents. At the instruction of the Required Senior Creditors pursuant to Section 6.04 or any one or more of the Significant Creditors under Section 4.01(2) as applicable, the Collateral Agent will take any action under the Security Documents or otherwise in order to maintain, protect, or preserve the Charged Property and the rights of Senior Creditors with respect thereto, including the curing of any default under the Security Documents, the discharge of any tax or charge resulting in a Security Interest upon any Charged Property, or the payment of insurance premiums with respect to insurance required to be maintained by the Obligors under any of the Security Documents; provided however, that, subject to Section 4.01, the Collateral Agent will not be authorized to foreclose upon any Security Interest with respect to any of the Charged Property or take any other enforcement action with respect to the Charged Property or any part thereof.

6.03 Co-Agent; Collateral Agent's Use of Professionals

(1) The Collateral Agent will have power to appoint one or more Persons to act as a co-agent jointly with the Collateral Agent, or as a separate agent, of all or any part of the Charged Property, and to vest in such Person or Persons, in such capacity, such title to the Charged Property or any part thereof, and such rights, powers, duties, trusts or obligations as the Required Senior Creditors may consider necessary or desirable, in any case only for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Charged Property may at the time be located. Absent any specific agreement to the contrary, any co-agent appointed hereunder will, to the extent applicable, have the rights, obligations and duties of the Collateral Agent hereunder. The Collateral Agent will not be responsible for the negligence or misconduct of any such co-agent selected by it with reasonable care or for the negligence or misconduct of the other Collateral Agent.

(2) The Collateral Agent may employ one or more advisors, professionals or specialists (including legal counsel) to advise or assist it from time to time, but will not be responsible for the negligence or misconduct of any such professionals selected by it with reasonable care. The Collateral Agent will be entitled to rely on the advice and statements of professionals so selected. Any fees charged for such advice or assistance to the Collateral Agent by any advisors, professionals or specialists, including but not limited to counsel, shall become and form part of the remuneration of the Collateral Agent as herein provided.

6.04 Instructions from Senior Creditors; Permitted Inaction

(1) The Collateral Agent, its directors, officers, employees and agents will act on all Shared Payment Notices and all instructions received from the Required Senior Creditors (or in the case of Section 4.01(2) on the instruction of a Significant Creditor), with respect to any action (including failure to act) in connection with this Agreement or the Security Documents. If the Collateral Agent requests instructions from the Required Senior Creditors with respect to any act or action (including the failure to act) in connection with this Agreement (including in respect of any Shared Payment Notice) or any of the Security Documents, the Collateral Agent will be entitled to refrain from such act or taking such action unless and until it will have received instructions from the Required Senior Creditors (in which event it will be required to act in accordance with such

instructions unless otherwise excused, as provided herein); and the Collateral Agent will not incur any liability to any Person for so refraining; provided however, that the request of the Collateral Agent for instructions from the Required Senior Creditors shall not impair or delay the rights of any Shell Energy Entity or the Other Commodity Supplier, as applicable, from terminating its applicable Shell Energy Agreement or Other Commodity Supply Agreement in accordance with its terms and enforcing payment of any amounts owing, including, Liquidated Damages in accordance with Section 4.04(b) and 4.04(c). The Required Senior Creditors may not, and agree not to, provide any instruction to the Collateral Agent to hinder, delay or terminate the application of collections pursuant to Section 2.02(1) following receipt by the Collateral Agent of a Shared Payment Notice without the consent of each Senior Creditor who delivered a Shared Payment Notice or refuse to provide or delay in providing any instruction with the same effect; provided that if a Shared Payment Notice is received by the Collateral Agent solely as a result of the occurrence of a Restrictive Covenant Breach, the Collateral Agent shall take instructions only as contemplated in Sections 2.02(2) through 2.02(5) and nothing contained in this Section 6.04(1) shall restrict the Collateral Agent from applying collections in accordance with Section 2.02(2). In addition the Required Senior Creditors may not, and agree not to, provide any instruction to the Collateral Agent to hinder, delay or terminate an Enforcement Proceeding without the consent of each Significant Creditor who delivered the original Enforcement Notice instructing the Collateral Agent to commence such Enforcement Proceeding or refuse to provide or delay in providing any instruction with the same effect. Without limiting the foregoing, no Senior Creditor will have any right of action whatsoever against the Collateral Agent as a result of acting or refraining from acting hereunder or under any of the Security Documents pursuant to a Shared Payment Notice or in accordance with the instructions of the Required Senior Creditors, except for the Collateral Agent's own gross negligence or wilful misconduct in connection with any action taken, or omitted to be taken by it. Notwithstanding anything to the contrary contained in this Agreement or any of the Security Documents, the Collateral Agent, its directors, officers, employees and agents will not be required to take any action that is, in its opinion, contrary to applicable law or the terms of any of the Security Documents or that would, in its reasonable opinion, subject it or any of its officers, employees, or directors to personal liability.

(2) Notwithstanding Section 6.04(1), any action (or failure to act) of the Collateral Agent in connection with this Agreement or the Security Documents that:

(a) would discharge, terminate or waive any material part of the Security Documents or the Security or amend any of the Security Documents in a manner that would have that effect, or

(b) would affect the *pari passu* ranking of the Senior Obligations or the application of collections under Section 2.02 or the application of proceeds of realization under Section 3.04(2),

shall require instructions of all of the Senior Creditors.

(3) Notwithstanding Section 6.04(2) or any other provision in this Agreement to the contrary, the Senior Creditors hereby agree that, from time to time, the Collateral Agent is permitted to grant releases of the Security Documents or the liens thereof, at the expense of the Canadian Borrower, as follows:

(a) in connection with asset dispositions by any Obligor made in accordance with Section 9.04(1) of the Credit Agreement and Section 9.01(1) of this Agreement;

(b) in connection with the grant of security by an Obligor over Customer Contracts in accordance with Section 9.04(22) of the Credit Agreement and Section 9.01(3) of this Agreement;

(c) if a Restricted Subsidiary becomes an Unrestricted Subsidiary pursuant to the terms of Section 9.05 of the Credit Agreement; and

(d) in connection with the grant of Security by an Obligor over (i) Billed Accounts Receivable, (ii) Sold Unbilled Accounts Receivable, (iii) Unbilled Accounts Receivable, subject to an aggregate value at any time of $25,000,000, and (iv) Cash Security Deposits, subject to the Deposit Threshold, in each case in accordance with Section 9.04(10) of the Credit Agreement and Section 9.01(3) of this Agreement,

provided that (i) at least five (5) Business Days prior to effecting any such release, an officer of the Canadian Borrower provides a certificate to the Collateral Agent copying each Senior Creditor providing a brief description of the proposed release and certifying that the proposed release is in compliance with the provisions set out in the applicable Section of the Credit Agreement and that such proposed release does not breach the terms of any Shell Energy Agreement or any Other Commodity Supply Agreement and (ii) no Senior Creditor objects to the certification by the Canadian Borrower identified in (i) above within five (5) Business Days following receipt of the certificate provided under (i) above. If no Senior Creditor objects in writing to the Collateral Agent to such certification within five (5) Business Days following receipt of the certificate provided under (i) above, the Senior Creditors hereby agree that the Collateral Agent is permitted to effect such release without receiving any further instructions from the Senior Creditors.

6.05 Instructions by Senior Creditors

An approval, instruction or other expression of the Required Senior Creditors may, but need not, be obtained by instrument in writing without any meeting of the Senior Creditors. Alternatively, any such approval, instruction or expression may, but need not, be included in a resolution that is submitted to a meeting or adjourned meeting of Senior Creditors duly called and held for the purpose of considering the same as hereinafter provided and will be deemed to have been obtained if such resolution is passed by the affirmative vote of the requisite number of Senior Creditors given on a poll of such Senior Creditors with respect to such resolution. A meeting of Senior Creditors may be called by the Collateral Agent and will be called by the Collateral Agent upon the request of any Senior Creditor. Every such meeting will be held in the City of Toronto, or at such other reasonable place as the Collateral Agent may approve. At least five Business Days' notice of the time and place of any such meeting will be given to each Senior Creditor and will include or be accompanied by a draft of the resolution to be submitted to such meeting, but the notice may state that such draft is subject to amendment at the meeting or any adjournment thereof. The Senior Creditors who are present in person or by proxy at the time and place specified in the notice will constitute a quorum. A person nominated in writing by the Collateral Agent will be chairman of the meeting. In respect of all matters concerning the convening, holding and adjourning of Senior Creditors' meetings, the form, execution and deposit of instruments appointing proxies and

all other relevant matters, the Collateral Agent may from time to time make such reasonable regulations not inconsistent with this Agreement as it will deem expedient and any regulations so made by the Collateral Agent will be binding upon each Senior Creditor. A resolution passed pursuant to this Section by the Required Senior Creditors will be binding upon the Required Senior Creditors and the Collateral Agent will be bound to give effect thereto accordingly. Nothing in this Section 6.05 will require any meeting of the Senior Creditors to be held for any purpose, nor will any Senior Creditor be required to attend any such meeting. A vote of Senior Creditors at any such meeting will not be valid for any purposes unless such vote is of the Required Senior Creditors regardless of the percentage of Senior Creditors present at such meeting that vote in favour of any resolution.

6.06 No Responsibility of Collateral Agent for Certain Matters

The Collateral Agent will not be responsible in any manner whatsoever for the correctness of any recitals, statements, representations, or warranties contained herein or in any of the Security Documents. The Collateral Agent makes no representation or warranty as to: (i) the value, location, existence, or condition of any Charged Property; (ii) the financial condition of any Obligor or the title of any Obligor to any of the Charged Property; (iii) the sufficiency of the security afforded by this Agreement or the Security Documents; (iv) the validity, perfection, or priority of any Security Interest with respect to the Charged Property, or (v) the validity, proper execution, enforceability, legality, or sufficiency of this Agreement or any Security Document; and the Collateral Agent will not have any liability or responsibility in respect of any such matters. The Collateral Agent will not be required to ascertain or inquire as to the performance by any Obligor of any of its respective covenants or obligations hereunder or under any of the Senior Obligations.

6.07 Limited Duties of Collateral Agent Regarding Charged Property

The Collateral Agent will not be responsible for insuring any of the Charged Property, for the payment of taxes, charges, fines, levies, assessments, or Security Interests upon any of the Charged Property and will be indemnified therefor as provided in Section 6.10. Furthermore, the Collateral Agent will not be responsible for the maintenance or safeguarding of any Charged Property, except as expressly provided in this Section 6.07 or pursuant to Section 2.01 hereof, when the Collateral Agent has possession of any Charged Property. The Collateral Agent will not have any duty to any Obligor or the Senior Creditors with respect to any Charged Property in its possession or control or in the possession or control of any agent or nominee of such Collateral Agent or any income thereon or for the preservation of rights against prior parties or any other rights pertaining thereto, except the duty to accord Charged Property in its actual possession substantially the same degree of care as the Collateral Agent accords its own assets and the duty to account for monies received by it pursuant to Section 2.01 hereof or otherwise.

6.08 Reliance on Experts, Writings and Instructions of Required Senior Creditors

The Collateral Agent will be entitled and fully authorized to rely and act, and will be fully protected in relying and acting, upon any writing, resolution, notice, consent, certificate, affidavit, letter, facsimile or electronic mail or other document believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the

Collateral Agent. In addition, the Collateral Agent will be entitled and fully authorized to rely and act, and will be fully protected in relying and acting, upon any writing, notice or payment direction delivered by the Canadian Borrower to the Collateral Agent believed by it to be genuine. The Collateral Agent will not have any duty to verify or confirm the content of any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, facsimile, electronic mail, payment notice or other document as provided in this section.

6.09 Resignation of Collateral Agent

The Collateral Agent may resign on 60 days' prior written notice to the Senior Creditors. In the event of any resignation, the Required Senior Creditors will appoint a successor Collateral Agent (which will, in all events, be a bank, trust company or other financial institution having combined capital and surplus of at least $50,000,000. and having the power and authority to act under the Security Documents to which it will be a party) within 60 days after the retiring Collateral Agent's giving of notice of resignation; failing such appointment by the Required Senior Creditors, the resigning Collateral Agent or any Senior Creditor may apply to a Judge of the Ontario Superior Court of Justice, on such notice as such Judge may direct, for the appointment of a new Collateral Agent. Any new Collateral Agent so appointed by a Senior Creditor or the Court will be subject to removal by the Required Senior Creditors. Upon the acceptance of any appointment as the Collateral Agent hereunder by a successor, such successor Collateral Agent will thereupon succeed to and become vested with all the rights, powers, privileges, and duties of the retiring Collateral Agent, and the retiring Collateral Agent will be discharged from its duties and obligations as Collateral Agent, as appropriate, under this Agreement and the Security Documents.

6.10 Fees; Indemnity

(1) The Obligors agree, jointly and severally, that they will pay all of the Collateral Agent's fees hereunder and will indemnify the Collateral Agent, its directors, officers, employees and agents hereunder for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by or asserted against the Collateral Agent hereunder in any way relating to or arising out of this Agreement, any Security Document or any of the Charged Property or the enforcement of any of the terms of any thereof, including fees and expenses of counsel; provided that the Obligors will not be liable for any such payment to the Collateral Agent hereunder to the extent the obligation to make such payment arises solely from the Collateral Agent's gross negligence or wilful misconduct.

(2) The Senior Creditors agree that they will pay all of the Collateral Agent's fees hereunder and indemnify the Collateral Agent, its directors, officers, employees and agents hereunder (to the extent not paid or reimbursed by the Obligors pursuant to Section 6.10(1) or reimbursed pursuant to Section 3.04(2)(a)), *pro rata* in accordance with the amount of the Senior Obligations held by the Senior Creditors at the time such claim arises, in respect of the same matters and to the same extent as the Obligors pursuant to Section 6.10(1).

(3) The fees of the Collateral Agent shall be payable on demand within 30 days of billing. On overdue accounts, overdue interest will be added to the billing, such interest calculated by the Collateral Agent at its then current rate for such unpaid costs.

(4) The obligations of the Obligors and the Senior Creditors under this Section 6.10 will survive the payment in full of the Senior Obligations, the removal or resignation of the Collateral Agent and the termination of this Agreement.

6.11 Collateral Agent's Funds Not at Risk

For purposes of clarity, no provision of this Agreement or the Security Documents and no request of any Senior Creditor or other Person will require either the Collateral Agent, its directors, officers, employees or agents to expend or risk any of its own funds, or to take any legal or other action under this Agreement which might in its reasonable judgment involve any expense or any financial or other liability unless the Collateral Agent will be furnished with indemnification acceptable to it, acting reasonably, including the advance of funds sufficient in the judgment of the Collateral Agent to satisfy such liability, costs and expenses.

6.12 Independent Credit Decisions

Each Senior Creditor acknowledges that it has, independently and without reliance upon the Collateral Agent or any other Senior Creditor and based upon such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other agreements respecting the Senior Obligations to which it is a party. Each Senior Creditor also acknowledges that it will, independently and without reliance upon the Collateral Agent or any other Senior Creditor and based upon such documents and information as it will deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the agreements respecting the Senior Obligations to which it is a party.

6.13 Reliance upon Instructions from Agent

The Collateral Agent, its directors, officers, employees and agents shall be entitled to rely upon any instructions received from the Agent as being duly consented to by the Lenders without having to independently verify that the Agent has such consent.

ARTICLE 7
GENERAL POWERS

7.01 The Collateral Agent

Any written communication by the Collateral Agent that the Required Senior Creditors have given any approval, consent, waiver, request, direction or instruction, or have taken any action, shall be, for the purposes of the Obligors' reliance, taken as conclusive evidence thereof for all purposes of this Agreement.

7.02 Amendments and Waivers

(a) No amendment, supplement, waiver or other modifications or termination to this Agreement or any Security Document will be valid or binding unless duly approved in writing by the Collateral Agent, the Agent (on behalf of the Lenders), each Shell

Energy Entity and each of the Other Commodity Suppliers from time to time party hereto but shall be without the requirement for execution by the Obligors; provided that (i) any such action that shall discharge, terminate, waive, subordinate or release any Security Documents or the liens thereof may be taken in accordance with Section 6.04; (ii) any such action with respect to Section 6.10(1) or (3) of this Agreement or with respect to any Security Document will only be effective against an Obligor with the consent of such Obligor; and (iii) any such action to add to the covenants of any Obligor for the benefit of the Senior Creditors, to surrender any right or power herein conferred upon any Obligor or to add or maintain liens under the Security Documents, will become effective when executed and delivered by the applicable Obligors and the Collateral Agent. Notwithstanding the foregoing, the Collateral Agent may enter into Amendments of the Security Documents of a formal, minor or technical nature without the consent of any of the Secured Creditors.

(b) No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waiver. No failure or delay by any Person in exercising any right hereunder shall operate as a waiver of such right nor will any single partial exercise of any power or right preclude its further exercise of exercise of any other power or right.

ARTICLE 8
MISCELLANEOUS

8.01 Consent

Each Obligor by its execution hereof, hereby agrees to be bound by, and shall act in accordance with the terms, provisions and intent of this Agreement but shall have no rights with respect to this Agreement.

8.02 Information Exchange

Each Obligor hereby consents to any of the Senior Creditors exchanging such information, financial or otherwise, regarding any Obligor, the Charged Property or otherwise relating to the Senior Obligations as may be deemed advisable by any Senior Creditor from time to time.

8.03 Non-Impairment of Creditors' Rights

(a) The Agent and the Lenders may extend, renew, modify, or increase (subject to the provisions of the Credit Agreement or any Hedging Agreement, as applicable) the Lender Obligations or amend or waive the terms of the Credit Agreement or any Hedging Agreement in accordance with the terms thereof; and

(b) each Shell Energy Entity may extend, renew, modify or increase (subject to the provisions of the Shell Energy Agreements) the Shell Energy Obligations or amend or waive the terms of such agreements in accordance with the terms thereof; and

(c) any applicable Senior Creditor may extend, renew, modify or increase (subject to the provisions of the applicable ISO Services Agreement) the applicable ISO Services Obligations or amend or waive the terms of such agreement in accordance with the terms thereof; and

(d) each Other Commodity Supplier may extend, renew, modify or increase (subject to the provisions of the Other Commodity Supply Agreements of such Other Commodity Supplier) the Other Commodity Supply Obligations of such Other Commodity Supplier or amend or waive the terms of such agreements in accordance with the terms thereof; and

otherwise deal freely with the Obligors, all without affecting the liabilities and obligations of the Obligors and the other Senior Creditors hereunder.

8.04 Severability

Each provision of this Agreement is intended to be severable and if any provision is illegal, invalid or unenforceable, such illegality, unenforceability or invalidity shall not affect the validity of this Agreement or the remaining provisions.

8.05 Counterparts

This Agreement may be executed in any number of counterparts, all of which shall be deemed to be an original and such counterparts taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

8.06 Further Assurances

The parties hereto agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof, including all acts, deeds and agreements as may be necessary or desirable for the purpose of registering or filing notice of the terms of this Agreement. No party to this Agreement shall take any action whereby the rankings set out in this Agreement might be impaired or defeated.

8.07 Assignment

(1) This Agreement shall enure to the benefit of and shall be binding upon the respective successors (including, without limitation, any trustee in bankruptcy, and any successor to the Agent in accordance with the Credit Agreement) and permitted assigns of the parties hereto. The rights and obligations of the Agent and the Lenders hereunder may be assigned in whole or in part without the consent of the other parties hereto. The right of the Collateral Agent to assign this Agreement shall be subject to Section 6.09. Subject to Section 5.01(2), the Shell Energy Entities and the Other

Commodity Suppliers may assign their rights and obligations hereunder and under the Applicable Commodity Supply Agreements to which they are a party in accordance with the terms thereof.

(2) Except as otherwise expressly provided herein, in the event of any assignment or Refinancing, the assignee or the Refinancer, as the case may be, shall be entitled to all of the rights, and shall be subject to all of the obligations of the Agent, the Lenders, any Shell Energy Entity or any Other Commodity Supplier hereunder, as the case may be, to the extent of such assignment or Refinancing.

(3) The assignee or the Refinancer, as the case may be, together with the Obligors shall enter into a written agreement or agreements, in form satisfactory to the Senior Creditors, acting reasonably, acknowledging and confirming that the rights and obligations hereof continue to apply to such assignee or Refinancer (as applicable).

8.08 Entire Agreement

This Agreement contains the entire understanding of the parties with respect to the ranking of the Senior Obligations and Security and supersedes any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect of the priority of the Senior Obligations and Security. This Agreement does not constitute a novation of the Fifth Amended and Restated Intercreditor Agreement. There are no restrictions, agreements, promises, warranties, covenants or undertakings relating to the ranking of the Senior Obligations and the Security (if any) other than those set forth in this Agreement.

8.09 Notices

Except as otherwise expressly provided herein, all notices, advices, requests, demands and other communications hereunder will be in writing (including facsimile transmissions and electronic mail) or, if telephonic, immediately confirmed in writing, and will be given to or made upon the respective parties at the address set forth opposite their names on the signature pages or at such other address as any party will designate for itself. Any notice mailed will be deemed to have been received on the fifth Business Day next following the mailing of such notice, provided that postal service is in normal operation during such time. Any facsimile or electronic mail notice will be deemed to have been received on transmission (and receipt of confirmation of transmission) if sent by any party to this Agreement before 4:00 p.m. Toronto time on a Business Day and, if not, on the next Business Day following transmission.

8.10 Termination of Agreement

(1) Any Senior Creditor shall be released from and cease to be a party to this Agreement upon the earlier to occur of:

(a) all Senior Obligations to such Senior Creditor being indefeasibly repaid in full in cash and in the case of the Lenders all of their commitments under the Credit Agreement having been cancelled and all obligations of such Senior Creditor under any Senior Agreements to which it is a party having been terminated; and

(b) the written agreement of the Senior Creditor to such effect; provided, that at such time no Event of Default then exists, or any event which but for the requirement of giving notice, lapse of time, or both or but for the satisfaction of any other condition subsequent to such event, would constitute an Event of Default then exists.

(2) This Agreement shall terminate and shall be of no further force or effect as between all parties upon the earlier to occur of:

(a) all Senior Obligations being indefeasibly repaid in full in cash and all obligations of the Lenders under the Credit Agreement and any Hedging Agreements provided to the Obligors, all obligations of any Shell Energy Entity under the Shell Energy Agreements and all obligations of any Other Commodity Supplier under any Other Commodity Supply Agreements having been terminated; and

(b) the written agreement of the Senior Creditors to such effect.

(3) To the extent that any Obligor makes any payment on the Senior Obligations that is subsequently invalidated, declared to be fraudulent or preferential or set aside or is required to be repaid to a trustee, receiver or any other party under any bankruptcy, insolvency, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding (an "**Insolvency Proceeding**") (such payment being hereinafter referred to as a "**Voided Payment**"), then to the extent of such Voided Payment, that portion of the Senior Obligations that had been previously satisfied by such Voided Payment shall be revived and continue in full force and effect as if such Voided Payment had never been made. In the event that a Voided Payment is recovered from the Collateral Agent, the Agent, any Lender, any Shell Energy Entity or any Other Commodity Supplier, an Event of Default shall be deemed to have existed and to be continuing under the agreement under which such Voided Payment has been received from the date of initial receipt of such Voided Payment until the full amount of such Voided Payment is restored and during any continuance of any such Event of Default, this Agreement shall be in full force and effect with respect to the Senior Obligations. To the extent that the Agent, a Lender, any Shell Energy Entity or any Other Commodity Supplier has received any payments with respect to the Senior Obligations subsequent to the date of initial receipt of such Voided Payment and such payments have not been invalidated, declared to be fraudulent or preferential or set aside or required to be repaid to a trustee, receiver, or any other party under any Insolvency Proceeding, the Agent, the Lender, any Shell Energy Entity or any Other Commodity Supplier shall be obligated and hereby agrees that any such payment so made or received shall be deemed to have been received in trust for the benefit of the Collateral Agent, to be distributed in accordance with the terms of this Agreement.

8.11 Remedies Cumulative

It is expressly understood and agreed that the respective rights and remedies of the Senior Creditors hereunder are cumulative and any single or partial exercise by a Senior Creditor of any right or remedy hereunder shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy to which any Senior Creditor may be entitled. Without limiting the generality of the foregoing, a Senior Creditor may, but need not, issue a Shared Payment Notice without issuing an Enforcement Notice.

8.12 Applicable Law

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

8.13 Additional Parties

(1) Any Other Commodity Supplier may, with the consent of the Required Senior Creditors then a party hereto, become party hereto and benefit from the Security by entering into a supplement to this Agreement with the Collateral Agent agreeing to be bound by the terms hereof. Notwithstanding the foregoing, such consent shall not be necessary if (i) such Other Commodity Supplier becomes a party hereto pursuant to an assignment by a Shell Energy Entity or an Other Commodity Supplier of its rights under an Applicable Commodity Supply Agreement pursuant to Section 5.01(2). Each such Other Commodity Supplier acknowledges that the guarantees provided by the Guarantors to the Agent are for the benefit of the Agent and the Lenders only and that to benefit from any guarantee from the Guarantors it must enter into separate guarantee agreements directly with each Guarantor.

(2) Any Subsidiary of Just Energy may become an Obligor hereunder and party hereto (i) by executing a supplement to this Agreement with the Collateral Agent and agreeing to be bound by the terms hereof and (ii) by becoming a Restricted Subsidiary pursuant to the terms of the Credit Agreement.

8.14 Subsidiaries of Just Energy

The Borrowers and the Senior Creditors hereby agree that Schedule "A" attached hereto lists each of the Restricted Subsidiaries and Unrestricted Subsidiaries as of the date hereof. Subject to Section 6.04(3)(c) and Section 8.13(2), the Borrowers may replace such schedule from time to time (each a "**New Schedule**") provided that a certificate of an officer of each of the Borrowers has been delivered to the Collateral Agent certifying that the Borrowers have been authorized under the Credit Agreement to designate a Subsidiary as a Restricted Subsidiary or as an Unrestricted Subsidiary, as applicable. Upon receipt of such certificates from the Borrowers, the Collateral Agent shall deliver the New Schedule to each of the other Senior Creditors. The New Schedule shall be deemed to be effective two Business Days following receipt by the other Senior Creditors of such New Schedule, provided that no Senior Creditor objects in writing to the Collateral Agent to such New Schedule within such two Business Day period.

ARTICLE 9
RESTRICTIVE COVENANTS, REPORTING COVENANTS AND EVENT OF DEFAULT

9.01 Restrictive Covenants

So long as this Agreement is in force and except as otherwise permitted, Just Energy will not and will ensure that each other Obligor will not:

(1) except for Permitted Asset Dispositions, dispose of, in one transaction or a series of transactions, all or any part of its Charged Property, whether now owned or hereafter acquired;

(2) permit the revenue and gross margin of the Restricted Subsidiaries, respectively, to comprise less than 80% of the revenue and consolidated gross margin, respectively, of Just Energy and all its Subsidiaries (subject to the addition of new Restricted Subsidiaries to ensure compliance with this covenant);

(3) except for Permitted Encumbrances, create any lien, Security Interest, or other encumbrance upon any of the Charged Property, except liens, Security Interests or other encumbrances on Customer Contracts (other than the Security) in favour of suppliers for such Customer Contracts so long as (i) revenue generated on all such Customer Contracts so encumbered in favour of suppliers accounts for no more than 3% of revenue generated by all Customer Contracts; and (ii) gross margin generated by such Customer Contracts so encumbered in favour of suppliers accounts for no more than 3% of gross margin of Just Energy (on a consolidated basis) calculated on a rolling four quarter basis at the end of each Fiscal Quarter;

(4) Permit, at any time:

(a) the projected amount of Available Supply of natural gas for the next 12 months to (i) exceed 110% of Supply Commitments for natural gas, or (ii) be less than 90% of Supply Commitments for natural gas in the same period;

(b) the projected amount of Available Supply of electricity for the next 12 months to (i) exceed 110% of Supply Commitments for electricity, or (ii) be less than 90% of Supply Commitments for electricity in the same period;

(c) the projected amount of Available Supply of JustGreen Products for the next 12 months to (i) exceed 150% of Supply Commitments for JustGreen Products, or (ii) be less than 90% of Supply Commitments for JustGreen Products in the same period;

(d) the projected amount of Available Supply of natural gas for the next 36 months to (i) exceed 115% of Supply Commitments for natural gas, or (ii) be less than 85% of Supply Commitments for natural gas in the same period;

(e) the projected amount of Available Supply of electricity for the next 36 months to (i) exceed 115% of Supply Commitments for electricity, or (ii) be less than 85% of Supply Commitments for electricity in the same period;

(f) the projected amount of Available Supply of JustGreen Products for the next 36 months to (i) exceed 150% of Supply Commitments for JustGreen Products, or (ii) be less than 90% of Supply Commitments for JustGreen Products in the same period; and

(g) the notional value of the projected amount of the Available Supply of JustGreen Products that exceeds the notional value of the Supply Commitments for JustGreen Products to exceed 1.0% of the aggregate notional value of Supply Commitments for electricity, natural gas and Just Green Products;

(5) carry on any business other than any of the businesses in which Obligors and their Affiliates are principally engaged in on the date of this Agreement and any business reasonably related, incidental, complementary or ancillary thereto, except to the extent as would not be material (whether individually or in the aggregate) to the Obligors taken as a whole; and

(6) make or permit any Distributions, other than Permitted Distributions; provided that: (a) subject to the proviso below, the aggregate of all Permitted Distributions (other than cash interest payments on High Yield Debt) in cash to any Person who is not an Obligor shall not exceed actual Distributable Free Cash Flow in any Fiscal Quarter (calculated on a last twelve months basis); (b) Permitted Distributions in cash between Obligors following the occurrence of Pending Event of Default or an Event of Default (as defined in the Credit Agreement) shall only be made as follows: (i) by any Obligor organized in the United States to the US Borrower or (ii) by any Obligor to the Canadian Borrower; and (c) no Permitted Distributions shall be made in cash to any Person that is not an Obligor if a Pending Event of Default or an Event of Default (as defined in the Credit Agreement) has occurred or if the making of any such cash Distribution would cause a Pending Event of Default or Event of Default (as defined in the Credit Agreement) to occur; provided that the amount of any payments made by the Obligors in accordance with Section 9.04(4)(d) of the Credit Agreement shall not be included for the purposes of calculating Distributable Free Cash Flow or Permitted Distributions in part (a) of this Section 9.01(6).

9.02 Reporting Obligations

So long as this Agreement is in force and except as otherwise permitted, Just Energy will:

(1) Annual Reports. As soon as available and in any event within 120 days after the end of each Fiscal Year, cause to be prepared and delivered to the Senior Creditors the audited consolidated financial statements of Just Energy including, without limitation, a balance sheet, statement of equity, income statement and cash flow statement, certified by the chief financial officer of Just Energy, together with a copy of the applicable compliance certificate as required under the Credit Agreement;

(2) Quarterly Reports. As soon as available and in any event within 60 days of the end of each of its first three Fiscal Quarters, cause to be prepared and delivered to the Senior Creditors as at the end of such Fiscal Quarter the unaudited interim consolidated financial statements of Just Energy, including, in each case and without limitation, a balance sheet, statement of profit and loss and cash flow, certified by the chief financial officer of Just Energy, together with a copy of the applicable compliance certificate as required under the Credit Agreement;

(3) Borrowing Base Calculation. Within 30 days of the end of each fiscal quarter, furnish to the Senior Creditors a calculation of the Borrowing Base, as defined in the Credit Agreement, setting out the calculation of the Borrowing Base as at the last day of the month just ended;

(4) Marked to Market Calculation. As soon as available, and in any event within 10 days after the end of each month, deliver to the Senior Creditors Just Energy's good faith calculation of the aggregate marked to market exposure under all of its Applicable Commodity Supply Agreements, including a portfolio report in the form attached hereto;

(5) Operating Budget As soon as available and in any event not later than June 30 in each year for the next three Fiscal Years, provide to the Senior Creditors the Operating Budget (as defined in the Credit Agreement);

(6) Supply/Demand Projection. Within 60 days from the end of each Fiscal Quarter, cause to be prepared and delivered to the Senior Creditors, the supply vs. demand summary as set forth in Section 9.03(5) of the Credit Agreement;

(7) Volume Parameters. No later than 30 days after the end of each Fiscal Quarter, cause to be prepared and delivered to each Senior Creditor a volume parameters report setting out that Senior Creditor's volume parameters report compared to the aggregate volume parameters report;

(8) Hedging Agreement Exposure. No later than 30 days after the end of each Fiscal Quarter, cause to be prepared and delivered to the Senior Creditors a report showing the total exposure under the Hedging Agreements with the Lenders;

(9) Information Regarding the Security. Promptly upon request, provide to the Collateral Agent and the requesting Senior Creditor sufficiently detailed statements and schedules further identifying and describing the assets and property of the Borrowers and any of the Restricted Subsidiaries and such other reports in connection with the Security as the Collateral Agent on behalf of a Senior Creditor may from time to time reasonably request; and

(10) Notices. Promptly notify each Senior Creditor of any Event of Default or any other condition, event or change in the business, liabilities, operations, results or operations, assets, or prospects that would reasonably be expected to have a Material Adverse Effect (as defined in the Credit Agreement).

9.03 "Going Concern" Covenant

Just Energy shall deliver to the Shell Energy Entities and the Other Commodity Suppliers a report of its then current auditors confirming that, on a *pro forma* basis, Just Energy is a "going concern" as defined under the accounting standards applicable to Just Energy at that time (the "**Going Concern Report**") on (A) the first Business Day following the date upon which all of the Lender Obligations are indefeasibly paid in full and the Credit Agreement has been terminated; and (B) provided that a new credit arrangement providing substantially the same amount of funding to Just Energy or its Affiliates as the Credit Agreement has not been entered into by Just Energy or its Affiliates, no later than six (6) months from the delivery of the prior Going Concern Report.

9.04 Debt Incurrence Covenant

(1) So long as this Agreement is in force and except as otherwise permitted, Just Energy will not and will ensure that each other Obligor will not incur, directly or indirectly, any Debt other than Permitted Debt (as defined below), unless, immediately thereafter and after giving effect thereto on a *pro forma* basis the Total Debt to EBITDA Ratio (as defined in the Credit Agreement) for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Debt is incurred, would not exceed 3.50:1, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom),

as if the additional Debt had been incurred, as the case may be, at the beginning of such four-quarter period.

(2) Just Energy shall provide the Shell Energy Entities and the Other Commodity Suppliers with notice of the proposed incurrence of any Debt which is at least $5,000,000, other than Permitted Debt (as defined below), with its *pro forma* analysis at least seven (7) days prior to the date that the Debt is incurred.

(3) For the purposes of this Section 9.04, "**Permitted Debt**" has the meaning ascribed thereto in the Credit Agreement on the date hereof and shall not include Debt contemplated by item (m) thereof.

9.05 Post Credit Agreement Prepayment of Debt Covenant

Following the date upon which all of the Lender Obligations are indefeasibly paid in full and the Credit Agreement has terminated, Just Energy shall deliver to Shell Energy and the Other Commodity Suppliers a report of its then current auditors confirming that, on a *pro forma* basis, Just Energy is a "going concern" as defined under the accounting standards applicable to Just Energy at that time at least 5 Business Days prior to repayment or prepayment of principal by Just Energy or an Obligor on any Debt that is subordinate to the Senior Obligations.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the date first written above, the signatures of the Obligors being in furtherance of Section 7.02 and 8.01 hereof only.

Address:

Brookfield Place, 8th Floor
161 Bay Street
Toronto, ON M5J 2S8
Attention: Agency Administration
Fax: 416-956-3830

With a copy to:

Address:
Commerce Court West
199 Bay Street, 11th Floor
Toronto, ON M5L 1A2
Attention: Tim Meadowcroft,
Vice-President and
Associate General Counsel
Facsimile: (416) 304-4573
Email: tim.meadowcroft@cibc.com

CANADIAN IMPERIAL BANK OF COMMERCE, as Collateral Agent

Per: _____
Name: David Evelyn
Title: General Manager

Per: _____
Name:
Title: Neermala Hurry
Assistant General Manager

Address:

Brookfield Place, 8th Floor
161 Bay Street
Toronto, ON M5J 2S8
Attention: Agency Administration
Fax: 416-956-3830

With a copy to:

Address:
Commerce Court West
199 Bay Street, 11th Floor
Toronto, Ontario M5L 1A2

Attention: Tim Meadowcroft,
Vice-President and
Associate General Counsel

Facsimile: (416) 304-4573
Email: tim.meadowcroft@cibc.com

CANADIAN IMPERIAL BANK OF COMMERCE, as Agent for itself as agent and the Lenders

Per: _____
Name: David Evelyn
Title: General Manager

Per: _____
Name:
Title:

Address:

400 4th Avenue SW
Calgary, Alberta
T2P 0J4
Fax: 713-767-5414

SHELL ENERGY NORTH AMERICA (CANADA) INC.

Per: _____
Name: Jason Anderson
Title: Vice President

Per: _____
Name:
Title:

Address:

1000 Main Street, Plaza Level 12
Houston, Texas
77002
Fax: 713-767-5414

SHELL ENERGY NORTH AMERICA (US), L.P.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address:

1000 Main Street, Plaza Level 12
Houston, Texas
77002
Fax: 713-767-5414

SHELL TRADING RISK MANAGEMENT, LLC

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address:

1000 Main Street, Level 12
Houston, Texas
77002
Fax: 713-230-2900

SHELL ENERGY NORTH AMERICA (CANADA) INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address:

1000 Main Street, Plaza Level 12
Houston, Texas
77002
Fax: 713-230-2900

SHELL ENERGY NORTH AMERICA (US), L.P.

Per: Beth Bowman
Name: Beth Bowman
Title: Senior Vice President

Per: _____
Name:
Title:

Address:

1000 Main Street, Plaza Level 12
Houston, Texas
77002
Fax: 713-230-2900

SHELL TRADING RISK MANAGEMENT, LLC

Per: _____
Name:
Title: CFO

Per: _____
Name:
Title:

Address:
BP Canada Energy Group ULC
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

Address:
BP Canada Energy Marketing Corp.
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

Address:
BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP CANADA ENERGY GROUP ULC

Per: _____
Name: Ashley Webster
Title: Vice President

Per: _____
Name
Title:

BP CANADA ENERGY MARKETING CORP.

Per: _____
Name:
Title:

Per: _____
Name
Title:

BP ENERGY COMPANY

Per: _____
Name:
Title:

Per: _____
Name
Title:

Address:
BP Canada Energy Group ULC
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP CANADA ENERGY GROUP ULC

Per: _____
Name:
Title:

Per: _____
Name
Title:

Address:
BP Canada Energy Marketing Corp.
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP CANADA ENERGY MARKETING CORP.

Per: _____
Name: Michael Thomas
Title: Vice President

Per: _____
Name
Title:

Address:
BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP ENERGY COMPANY

Per: _____
Name:
Title:

Per: _____
Name
Title:

Address:
BP Canada Energy Group ULC
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP CANADA ENERGY GROUP ULC

Per: _____
Name:
Title:

Per: _____
Name
Title:

Address:
BP Canada Energy Marketing Corp.
c/o BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP CANADA ENERGY MARKETING CORP.

Per: _____
Name:
Title:

Per: _____
Name
Title:

Address:
BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Power Contracts Administration
Tel. No.: 713-323-1649
Fax No.: 713-323-4929

With a copy to:

BP Energy Company
201 Helios Way
Houston, Texas 77079
Attention: Senior Counsel, Power
Fax No.: 713-323-7472

BP ENERGY COMPANY

Per: _____
Name: Kirk Resewehr
Title: Attorney-in-Fact

Per: _____
Name
Title:

Address:

100 Constellation Way, Suite 500C
Baltimore, Maryland 21202

Attn: Deputy General Counsel – Wholesale

EXELON GENERATION COMPANY, LLC

Per: _____
Name:
Title: JAMES McHUGH
VP PORTFOLIO MANAGEMENT

RCO/JAC 8/27/15

Address:

P.O. Box 1540, Building B10
177 Tie Road
Municipality of Kincardine
RR2
Tiverton, ON N0G 2T0
Attn: Vice-President, Power Marketing
Fax: 519.361.1845
cc. Chief Legal Officer
Fax: 519.361.4333

BRUCE POWER L.P. by its general partner Bruce Power Inc.

Per: Kevin Kelly 2015.08.24 07:43:12 -04'00'

Name: Kevin Kelly
Title: CFO and EVP - Finance and Commercial Services

Per: Brian Hilbers 2015.08.21 14:23:00 -04'00'

Name: Brian Hilbers
Title: Chief Legal Officer

BRUCE POWER
LAW DIVISION
Approved: WS
Date: Aug 21/15

Address:

245 Park Avenue
New York, New York
10167
Attention: Director, Energy and Natural Resources
Fax: 212-278-7953

SOCIÉTÉ GÉNÉRALE

Per: _____
Name: Michiel van der Voort
Title: Managing Director

Address:

EDF Trading North America, LLC
4700 West Sam Houston Parkway North,
Suite 250
Houston, Texas 77041
Attention: General Counsel
Fax: 281-653-1454

EDF TRADING NORTH AMERICA, LLC

Per: Brett M. Carroll
Name: Brett McCarroll
Title: Senior Vice President

Address:

National Bank of Canada
1155 Metcalfe Street, 19th Floor
Montreal, Québec H3B 5G2
Attention: Legal Department
Fax: 514-866-8229

NATIONAL BANK OF CANADA

Per: _____
Name: Richard Lo
Title: Director

Per: _____
Name: Ian Gillespie
Title: Managing Director

Legal Review Completed

Address:

Nextera Energy Power Marketing, LLC
700 Universe Blvd
Juno Beach, Florida
United States of America 33408

Attention: Credit Manager
Fax: 561-625-7642
Email: TRADECREDIT@nexteraenergy.com

NEXTERA ENERGY POWER MARKETING, LLC

Per: _____

Name:
Title:

Mark Palanchian
Vice President
Asst. Secretary
Nextera Energy
Power Marketing, LLC

CREDIT SCC

Address:
Macquarie Bank Limited
50 Martin Place
Sydney, NSW 2000
Australia
Attention: Executive Director, Legal Risk Management Division, Commodities and Financial Markets
Fax: (+61 2) 8232 4540
Email: ficc.notices@macquarie.com

With a copy to:
Address:
Macquarie Bank Limited Representative Office
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

Address:
Macquarie Energy Canada Ltd.
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

Address:
Macquarie Energy LLC
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

MACQUARIE BANK LIMITED

Per: _____
Name:
Title: Jonathan Gaylard
Division Director

Per: _____
Name:
Title: Frederick Foo
Associate Director

Signed in London, POA #1721
(executed 9 October 2014)

MACQUARIE ENERGY CANADA LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

MACQUARIE ENERGY LLC

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address:
Macquarie Bank Limited
50 Martin Place
Sydney, NSW 2000
Australia
Attention: Executive Director, Legal Risk Management Division, Commodities and Financial Markets
Fax: (+61 2) 8232 4540
Email: ficc.notices@macquarie.com

With a copy to:
Address:
Macquarie Bank Limited Representative Office
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

MACQUARIE BANK LIMITED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Address:
Macquarie Energy Canada Ltd.
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

MACQUARIE ENERGY CANADA LTD.

Per: _____
Name: Kurt Batenhorst
Title: Division Director

Per: _____
Name: Joseph Forbes
Title: Division Director

Address:
Macquarie Energy LLC
500 Dallas Street, Suite 3300
Houston, TX 77002
Attention: Legal Risk Management, Commodities and Financial Markets
Fax: (713) 275-8978
Email: FICClegalHouston@Macquarie.com

MACQUARIE ENERGY LLC

Per: _____
Name: Kurt Batenhorst
Title: Division Director

Per: _____
Name: Joseph Forbes
Title: Division Director

Address:
6345 Dixie Road
Suite 200
Mississauga, Ontario L5T 2E6
Attention: General Counsel
Fax: 905-564-6069
Email: legal@justenergy.com

JUST ENERGY ONTARIO L.P., by its general partner, JUST ENERGY CORP.

JUST ENERGY (U.S.) CORP.

JUST ENERGY GROUP INC.

JUST ENERGY CORP.

ONTARIO ENERGY COMMODITIES INC.

JUST ENERGY MANITOBA L.P., by its general partner, JUST ENERGY CORP.

JUST ENERGY (B.C.) LIMITED PARTNERSHIP, by its general partner, JUST ENERGY CORP.

JUST ENERGY QUÉBEC L.P., by its general partner, JUST ENERGY CORP.

JUST ENERGY TRADING L.P., by its general partner, JUST ENERGY CORP.

JUST ENERGY ALBERTA L.P., by its general partner, JUST ENERGY CORP.

UNIVERSAL ENERGY CORPORATION

JUST ENERGY FINANCE CANADA ULC

HUDSON ENERGY CANADA CORP.

JUST GREEN L.P., by its general partner, JUST ENERGY CORP.

JUST ENERGY PRAIRIES L.P., by its general partner, JUST ENERGY CORP.

JUST MANAGEMENT CORP.

Per: _____

Name: **Patrick McCullough**
Title: **Chief Financial Officer**

Address:
5251 Westheimer Road, Ste. 1000
Houston, Texas 77056
Attention: General Counsel
Fax: 905-564-6069
Email: legal@justenergy.com

JUST ENERGY ILLINOIS CORP.
JUST ENERGY INDIANA CORP.
JUST ENERGY NEW YORK CORP.
JUST ENERGY TEXAS I CORP.
JUST ENERGY, LLC, by its Sole Member and Sole Manager, JUST ENERGY TEXAS I CORP.
JUST ENERGY TEXAS LP, by its General Partner, JUST ENERGY, LLC, by its Sole Member and Sole Manager, JUST ENERGY TEXAS I CORP.
JUST ENERGY PENNSYLVANIA CORP.
COMMERCE ENERGY, INC.
JUST ENERGY MASSACHUSETTS CORP.
JUST ENERGY MICHIGAN CORP.
JUST ENERGY RESOURCES LLC
HUDSON ENERGY SERVICES LLC
HUDSON ENERGY CORP.
HUDSON PARENT HOLDINGS LLC
HE HOLDINGS, LLC
DRAG MARKETING LLC
FULCRUM RETAIL ENERGY LLC
FULCRUM RETAIL HOLDINGS LLC
TARA ENERGY, LLC
JUST ENERGY MARKETING CORP.
JUST ENERGY CONNECTICUT CORP.
JUST ENERGY LIMITED
JUST SOLAR HOLDINGS CORP.

Per: 

Name:

Title: **Patrick McCullough**
Chief Financial Officer

Address:
Avebury House, 219-225
Avebury Boulevard, Milton Keynes MK9 1AU
U.K.
Attention: General Counsel
Fax: 905-564-6069
Email: legal@justenergy.com

JEG FINANCE UK LLC
JEG HOLDINGS UK LLC

Per: J. Thornton
Name: J. THORNTON
Title: DIRECTOR

Address:
Avebury House, 219-225
Avebury Boulevard, Milton Keynes MK9 1AU
U.K.
Attention: General Counsel
Fax: 905-564-6069
Email: legal@justenergy.com

JEG FINANCE (UK) LIMITED

Per: J. Thornton
Name: J. THORNTON
Title: DIRECTOR

APPROVED BY LEGAL

SCHEDULE "A"

List of Restricted Subsidiaries and Unrestricted Subsidiaries

A. Restricted Subsidiaries

Canadian Obligors

Just Energy Group Inc.
Just Energy Corp.
Just Energy Manitoba L.P.
Just Energy (B.C.) Limited Partnership
Just Energy Québec L.P.
Ontario Energy Commodities Inc.
Just Energy Trading L.P.
Just Energy Ontario L.P.
Just Energy Alberta L.P.
Universal Energy Corporation
Just Energy Finance Canada ULC
Hudson Energy Canada Corp.
Just Green L.P.
Just Energy Prairies L.P.
Just Management Corp.

US Obligors

Just Energy (U.S.) Corp.
Just Energy Illinois Corp.
Just Energy Indiana Corp.
Just Energy Massachusetts Corp.
Just Energy New York Corp.
Just Energy Texas I Corp.
Just Energy Texas LP
Just Energy, LLC
Just Energy Pennsylvania Corp.
Just Energy Michigan Corp.
Commerce Energy, Inc.
Hudson Energy Services LLC
Hudson Energy Corp.
HE Holdings, LLC
Hudson Parent Holdings LLC
Drag Marketing LLC
Just Energy Resources LLC
Fulcrum Retail Energy LLC
Fulcrum Retail Holdings LLC
Tara Energy, LLC
Just Energy Marketing Corp.

Just Energy Connecticut Corp.
Just Energy Limited
JEG Finance UK LLC
JEG Holdings UK LLC
Just Solar Holdings Corp.

United Kingdom (UK) Obligors

JEG Finance (UK) Limited

B. Unrestricted Subsidiaries

Just Solar Development Corp.
Terra Grain Fuels Marketing Corp.
Hudson Energy JV, LLC
American Home Energy Services Corp.
Just Energy New Jersey Corp.
Just Home Services L.P.
Just Ventures LLC
Hudson Energy Holdings UK Limited
Hudson Energy Supply UK Limited
Just Ventures GP Corp.
Just Ventures L.P.
Just Insurance Limited
Just Energy Holdings (UK) Limited
Momentis (UK) Limited
Just Holdings L.P.
Just Energy Foundation Canada
Just Energy Foundation USA, Inc.
8704104 Canada Inc.
Momentis Canada Corp.
Momentis U.S. Corp.

SCHEDULE "B"

Sample Calculation for the purposes of Section 1.08(2)

For the purposes of this sample calculation:

(a) A = Shell Energy

(b) B = an Other Commodity Supplier

(c) C = the Agent for the benefit of the Lenders

(d) Each of A, B, and C are claiming $100 are owed to each of them after application of Applicable Agreement Set-off, however $10 of the $100 claimed by A is being disputed by B and C

(e) An amount equal to or greater than $300 is being distributed through the waterfall described in Section 2.02

STEP 1 Calculate including the $10 claimed by A which is in dispute:

$$\frac{A\ (\$100)}{A(\$100) + B(\$100) + C(\$100)}$$

A = $100
B = $100
C = $100

- Amount that B and C are to receive is undisputed, even if A is correct in asserting $100 (as opposed to $90 claim), therefore B and C each receive $100 distribution

STEP 2 Calculate excluding the $10 claimed by A which is in dispute:

$$\frac{A\ (\$90)}{A(\$100) + B(\$100) + C(\$100)}$$

A = $ 90
B = $105
C = $105

- Amount that A is to receive will not be less than $90 (i.e. because all parties agree that $90 is the minimum distribution that A is entitled to receive and is not in dispute)

- $10 to be held to be held in Blocked Account pending final determination by a court of competent jurisdiction to release to either (i) A as per the calculation in Step 1, or (ii) B and C as per the calculation in Step 2

SCHEDULE "C"

Sample Just Energy Report for the purposes of Section 2.02(3)

Mark to Market

Sum of MarktoMarketCAD	DeliveryYear							
ParentCorporation	2015	2016	2017	2018	2019	2020	2021	Grand Total
Acciona Energy USA Global LLC	$0							$0
Algonquin One LLC		($27,659)	($30,793)	($27,022)				($85,473)
AltaGas	$11,000	$15,300						$26,300
Amory Street Energy Ventures Inc.	($274)							($274)
Aspire Energy LLC		($53,202)						($53,202)
AXPO Trading AG	$0	$0						$0
Barnett Distribution Centers Inc	($6,136)	($9,740)	($60,122)					($75,998)
Blue Source LLC	$0	$0	$0					$0
BP Corporation North America Inc.	($5,951,509)	($7,340,808)	($2,734,478)	($969,795)	($926,329)	($66,605)		($17,579,522)
Brookfield Renewable Power Inc.	($105,771)	$0						($105,771)
Bruce Power L.P.	($6,527,192)	($8,890,503)	($5,845,043)	($2,079,316)	($440,513)	$651,858		($23,168,710)
Consolidated Edison Energy		($9,782)						($9,782)
County of Kent, Kent County Dept. of Public Works	($45,237)	($36,687)						($81,924)
Covanta Energy Marketing, LLC	$30,918	$23,033						$53,951
Cox Enterprises Inc.	($7,911)							($7,911)
Direct Energy Business Marketing	$34,172	$27,008	$8,073					$69,253
DONG Energy		$0						$0
EDF Renewable Energy	($279,234)							($279,234)
EDF Trading Limited	($0)	($0)						($0)
EDF Trading North America LLC	($4,029,963)	($7,260,604)	($2,773,048)	($1,020,163)	($329,545)			($16,220,343)
EDP Renewables North America LLC		($73,214)	($16,202)	$0	$0	$0		($89,415)
Electric Reliability Council of Texas	$1,114,354	$756,587	$122,907					$1,993,849
Electroroute Ltd		$0						$0
Element Markets LLC	($53,476)	($44,881)	($28,259)	($16,823)	($7,338)			($147,354)
Energi Danmark		$0						$0
Essex Hydro Associates, L.L.C.	($3,254)							($3,254)
Exelon Generation Company LLC	($52,467,706)	($50,169,576)	($20,180,110)	($6,374,168)	$407,631	$90,573		($128,690,676)
Falls Creek Hydroelectric Project, LP	($9,503)	($9,220)	($9,041)	($8,975)	$0	$0	$0	($36,740)
Gainesville Regional Utilities	($19,527)	($16,233)						($35,760)
Gazprom Marketing and Trading Limited	$0							$0
Goldthwaite Wind Energy LLC	$0	$12,988	$25,833					$38,818
Green Harbor Energy, LLC	$0							$0
Iberdrola Renewables, LLC	($341,395)	($947,054)	($605,337)	$0				($1,893,786)
Industrial Power Generating Company LLC	$0	$0						$0
Kawa Capital Management		($9,740)						($9,740)
KDC Solar Marketing		($117,142)						($117,142)
Kearsarge Solar LLC		($635,190)						($635,190)
Knollwood Energy of M.A., LLC	($94,360)							($94,360)
Koch Supply & Trading, LP	($138,316)	($22,726)						($161,042)
Lagasse & Legault International Inc.	($250,000)	($250,000)						($500,000)
Luminus Energy Partners QP, LP		($89,909)						($89,909)
MA-45 LLC	($94,054)							($94,054)
Manitoba Hydro-Electric Board	($97,500)							($97,500)
Minonk Wind LLC			($43,744)					($43,744)
NDEX	$8,708							$8,708
National Bank of Canada	($5,449,007)	($7,745,534)	($3,007,787)	($338,534)				($16,540,862)
Natural Gas Exchange, Inc.	($73,698)	$96,350	$24,213	($1,775)	$4,836			$49,930
NEAS Energy A/S	($113,030)	$0						($113,030)
NextEra Energy, Inc.	($1,810,099)	($1,730,123)	($241,677)	$100,503	$24,169	($3,460)		($3,660,689)
NextSun Energy Littleton LLC	($13,016)							($13,016)
Niagara Wind Power, LLC	($117,875)							($117,875)
NJR Energy Services Company		($259,901)						($259,901)
Noble Americas Energy Solutions LLC		($110,934)	($123,131)	($148,127)				($381,992)
Ontario Power Generation Inc.	$0	$0	$0					$0
P.H. Glatfelter Company		$99,030	($81,000)	$0				$18,023
PEI Power Corporation		($185,475)	($155,834)	$0	$0			($341,309)
PGE Pipeline	($122,317)	($76,475)						($198,792)
Powerex Corp.	$19,527							$19,527
PPS Berkshire, LLC	$37,427	$66,231						$103,657
Rising Tree Wind Farm LLC	($684,622)	($436,292)	($242,174)	($40,098)				($1,363,186)
Senate Wind, LLC	($253,049)							($253,049)
Shell Energy Europe Limited	($1,167,968)	($898,113)	($62,688)	$38				($2,128,730)
Shell Energy North America (US) Inc.	($107,310,584)	($123,600,767)	($66,522,858)	($32,604,606)	($6,118,121)	$368,626		($335,788,309)
Societe Generale	($5,001,986)	($5,554,647)	($2,092,838)	($509,303)				($13,158,749)
Sol Systems LLC	($37,492)	($44,543)	($17,324)					($99,359)
Solarcity Corp			($246,263)	($188,057)				($434,320)
Southeastern Chester County Refuse Authority		($2,034)	$16,202	$0	$0			$14,168
TerraPass Inc.	($112,736)	($120,075)	($87,213)	($79,652)	($75,365)			($457,041)
The Bank of Nova Scotia	($306,001)	($290,736)	($123,423)					($720,160)
Timberline Energy LLC	$11,716	$11,688	$17,437	$17,318				$58,159
TransAlta Energy Marketing Corp	$15,000	$15,000						$30,000
TransCanada Pipelines Limited	($223,000)	$62,706	($20,478)					($180,772)
Transcanada Power Marketing Ltd.		($4,001)						($4,001)
Trent-Severn Power LP	($13,250)							($13,250)
Twin Eagle Resource Management		($36,607)	($14,591)	$0				($51,198)
United Parcel Service of America, Inc.		($66,633)						($66,633)
Vessels Cambria 33 Resources LLC	$0	$0						$0
Vitol Inc.	($54,034)	($2,051)	($25,903)	($74,063)				($156,052)
Virint Solar Developer, LLC	$60,152							$60,152
Westborn Solar LLC	$69,971	$66,179						$136,150
Western Area Power Administration	($42,647)	($13,472)						($56,119)
Wheelabrator North Andover, Inc.	$20,017							$20,017
Whitecourt Power LP	($12,000)	($7,100)						($19,600)
XE MA REC 91 LLC	($107,396)	($63,634)						($171,031)
Grand Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	$1,073,969	$0	[illegible]

SCHEDULE "D"

List of Security Documents

Subordination Agreements

1. Confirmation of subordination agreement, dated as of January 1, 2011 among Computershare Trust Company of Canada, the Collateral Agent and Just Energy Group Inc., as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

2. Confirmation of subordination agreement, dated as of September 22, 2011 among Computershare Trust Company of Canada, the Collateral Agent and Just Energy Group Inc., as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

3. Confirmation of subordination agreement, dated as of December 12, 2012 among Computershare Trust Company of Canada, the Collateral Agent and Just Energy Group Inc., as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

4. Second amended and restated subordination and postponement agreement made as of October 2, 2013 between each Obligor and the Collateral Agent, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

5. Subordination and postponement agreement, made as of December 9, 2013, between the Collateral Agent, Just Energy Group Inc. and 8704104 Canada Inc., as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

6. Confirmation of subordination agreement, dated as of January 29, 2014 among U.S. Bank Trustees Limited, the Collateral Agent and Just Energy Group Inc., as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

7. Subordination and postponement agreement made as of November 7, 2014 between Just Energy (U.S.) Corp., Just Insurance Limited and the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

Shell Security Agreements

8. Amended and restated security agreement dated October 29, 2004 between Shell Energy North America (Canada) Inc., formerly Coral Energy Canada Inc. and Just Energy Corp., as assigned to the Collateral Agent pursuant to an assignment agreement dated as of November 1, 2004, and as assigned by Just Energy Corp. to Just Energy Ontario L.P. as of August 1, 2005, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

9. Security agreement dated April 5, 2002 between Shell Energy and Ontario Savings Electric Corporation (a predecessor of Just Energy Corp., and assigned to Just Energy

Corp., as the successor-in-interest by amalgamation in 2002), and as assigned by Just Energy Corp. to Just Energy Ontario L.P. as of August 1, 2005, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

Canadian Security Documents

10. Amended and restated general security agreement dated as of October 31, 2005 made by each of the Canadian Obligors in favour of the Collateral Agent, as amended by a first amendment dated as of November 30, 2006 and a second amendment dated as of June 26, 2008, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time (the "**Canadian General Security Agreement**").

11. Amended and restated securities pledge agreement dated as of October 31, 2005 made by Energy Savings L.P. (a predecessor to Just Energy Trading L.P.) in favour of the Collateral Agent, as amended by a first amendment dated as of November 30, 2006, a second amendment dated as of October 3, 2011, a third amendment dated as of November 30, 2011, a fourth amendment dated as of June 28, 2012, a fifth amendment dated as of November 15, 2012, a sixth amendment dated as of January 29, 2014 and a seventh amendment dated as of November 24, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

12. Amended and restated securities pledge agreement dated as of October 31, 2005 made by Ontario Energy Commodities Inc. in favour of the Collateral Agent, as amended by a first amendment dated as of November 30, 2006, a second amendment dated as of April 1, 2011, a third amendment dated as of October 3, 2011, a fourth amendment dated as of January 29, 2014 and a fifth amendment dated as of November 24, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

13. Securities pledge agreement dated as of March 7, 2007 made by Just Energy Ontario L.P., in favour of the Collateral Agent, as amended by a first amendment dated as of December 18, 2009, a second amendment dated as of May 7, 2010, a third amendment dated as of October 3, 2011, a fourth amendment dated as of December 22, 2011, a fifth amendment dated as of May 8, 2013 and a sixth amendment dated as of January 29, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

14. Securities pledge agreement dated as of July 1, 2009 made by Universal Energy Corporation in favour of the Collateral Agent, as amended by a first amendment dated as of October 1, 2010, a second amendment dated as of April 1, 2011, a third amendment dated as of November 15, 2012 and a fourth amendment dated as of January 29, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

15. Securities pledge agreement dated as of December 18, 2009 made by Just Energy Finance Canada ULC in favour of the Collateral Agent, as amended by a first amendment dated as of dated as of October 3, 2011, a second amendment dated as of November 24, 2014, as

such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

16. Securities pledge agreement dated as of January 1, 2011 made by Just Energy Group Inc. in favour of the Collateral Agent, as amended by a first amendment dated as of January 2, 2011, a second amendment dated as of October 3, 2011, a third amendment dated as of June 28, 2012, a fourth amendment dated as of November 15, 2012 , a fifth amendment dated as of May 28, 2013, a sixth amendment dated as of December 24, 2013, a seventh amendment dated as of January 29, 2014, an eighth amendment dated as of September 10, 2014, a ninth amendment dated as of November 24, 2014 and a tenth amendment dated as of December 31, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

17. Securities pledge agreement dated as of November 30, 2011 made by Just Green L.P. (by its predecessor name Alberta Energy Savings L.P.) in favour of the Collateral Agent, as amended by a first amendment dated as of December 15, 2011, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

18. Securities pledge agreement dated as of May 8, 2013 made by Just Energy Alberta L.P. in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

19. Securities pledge agreement dated as of December 24, 2013 made by Just Management Corp. in favour of the Collateral Agent, as amended by a first amendment dated as of June 27, 2014, a second amendment dated as of September 10, 2014 and a third amendment dated as of December 31, 2014, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

20. Second amended and restated securities pledge agreement dated as of September 1, 2015 made by Just Energy Corp. in favour of the Collateral Agent, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

US Security Documents

21. Amended and restated general security agreement dated as of October 31, 2005 made by each of the US Obligors in favour of the Collateral Agent, as amended by a first amendment dated as of November 30, 2006 and a second amendment dated as of June 26, 2008, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time (the "**US General Security Agreement**").

22. Amended and restated securities pledge agreement dated as of October 31, 2005 made by Just Energy (U.S.) Corp. in favour of the Collateral Agent, as amended by a first amendment dated as of November 30, 2006, a second amendment dated as of December 18, 2009, a third amendment dated as of January 1, 2011, a fourth amendment dated as of October 3, 2011, a fifth amendment dated as of October 2, 2013, a sixth amendment dated as of March 28, 2014 and a seventh amendment dated as of November 24, 2014, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

23. Securities pledge agreement dated as of May 24, 2007 made by Just Energy Texas I Corp. in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

24. Securities pledge agreement dated as of May 24, 2007 made by Just Energy, LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

25. Securities pledge agreement dated as of May 7, 2010 made by Hudson Energy Corp. in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

26. Securities pledge agreement dated as of May 7, 2010 made by HE Holdings, LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

27. Securities pledge agreement dated as of May 7, 2010 made by Hudson Parent Holdings LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

28. Patent collateral agreement dated as of May 7, 2010 made by Hudson Energy Services LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

29. Securities pledge agreement dated as of January 1, 2011 made by Just Energy New York Corp. in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

30. Securities pledge agreement dated as of October 3, 2011 made by Fulcrum Retail Holdings LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

31. Securities pledge agreement dated as of November 24, 2014 made by JEG Finance UK LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

32. Securities pledge agreement dated as of November 24, 2014 made by JEG Holdings UK LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

33. Securities pledge agreement dated as of November 24, 2014 made by JEG Finance (UK) Limited in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

34. Trademark collateral agreement dated as of October 3, 2011 made by Tara Energy LLC in favour of the Collateral Agent, as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

Quebec Security Documents

35. Deed of hypothec to secure payment of debentures dated as of October 30, 2006, between Just Energy Québec L.P. (f/k/a Energy Savings (Quebec) LP) and CIBC as *fondé de pouvoir* under the meaning of Article 2692 of the Civil Code of Quebec.

36. Debenture no. 4 in the principal amount of $1,000,000,000 dated as of October 30, 2006 by Just Energy Québec L.P. (f/k/a Energy Savings (Quebec) LP) in favour of the Collateral Agent.

37. Amended and restated pledge of debenture agreement dated as of November 30, 2006 between Just Energy Québec L.P. (f/k/a Energy Savings (Quebec) LP) and the Collateral Agent, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

United Kingdom Security Documents

38. Guarantee, dated November 24, 2014, between JEG Finance (UK) Limited and the Agent, as such guarantee may be amended, restated, supplemented or otherwise modified from time to time.

39. Debenture, dated November 24, 2014, between JEG Finance (UK) Limited and the Collateral Agent, as such debenture may be amended, restated, supplemented or otherwise modified from time to time.

Canadian Imperial Bank of Commerce Blocked Account Agreements and Deposit Account Control Agreements

40. Blocked account agreement, dated as of November 15, 2005, among Just Energy Ontario L.P. (f/k/a Ontario Energy Savings L.P.), Just Energy Corp. (f/k/a Ontario Energy Savings Corp.), Energy Savings Income Fund, ESIF Commercial Trust I, Energy Savings L.P., Ontario Energy Commodities Inc., OESC GP Inc., Just Energy Manitoba L.P. (f/k/a Energy Savings (Manitoba) Corp.), Just Energy (B.C.) Limited Partnership (f/k/a ES (B.C.) Limited Partnership), Just Energy Quebec L.P. (f/k/a Energy Savings (Quebec) L.P.), Canadian Imperial Bank of Commerce and the Collateral Agent (account numbers 000022756218, 061223971619, 061224007913, 061229310010, 061223930114, 061229282017, 061229281916, 061228822212, 061223926516, 061227141211, 061223775313, 061220425818, 061225105110, 061229070915, 061228828814, 061228865612, 061221509918, 06122521914, 061226986412), as amended by an amendment dated September 19, 2011 and an amendment dated November 14, 2012, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

41. Blocked account agreement dated as of May 30, 2007 between Energy Savings (Manitoba) L.P. (a predecessor name of Just Energy Manitoba L.P.), Canadian Imperial Bank of Commerce and the Collateral Agent (account numbers 061221385313 and 061221386018), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

42. Blocked account agreement dated as of June 29, 2009 between Just Energy Alberta L.P., Canadian Imperial Bank of Commerce and the Collateral Agent (account number 8930511), as amended by an amendment dated as of December 8, 2010 (adding account number 9874615) and an amendment dated as of September 19, 2011 (adding account number 8822417), as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

43. Blocked account agreement dated as of December 11, 2009 between Just Energy Ontario L.P., Canadian Imperial Bank of Commerce and the Collateral Agent (account number 06122521914), as amended by an amendment dated as of November 14, 2012, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

44. Blocked account agreement dated as of January 1, 2011 between Hudson Energy Canada Corp., Canadian Imperial Bank of Commerce and the Collateral Agent (account numbers 06122-9601910 and 06122-5697017), as amended by an amendment dated June 17, 2013 between Hudson Energy Canada Corp., Canadian Imperial Bank of Commerce and the Collateral Agent, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

45. Blocked account agreement dated as of June 7, 2011 between Just Energy Group Inc., Canadian Imperial Bank of Commerce and the Collateral Agent (account number 06122-9320512), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

46. Blocked account agreement dated as of November 30, 2011 between Alberta Energy Savings L.P. (a predecessor name of Just Green L.P.), Canadian Imperial Bank of Commerce and the Collateral Agent (account number 06122-9170413 and 06122-9170510), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

47. Blocked account agreement dated as of June 28, 2012 between Just Energy Prairies L.P., Canadian Imperial Bank of Commerce and the Collateral Agent (account number 06122-5099714 and 06122-5099811), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

48. Blocked account agreement dated as of November 24, 2014 between Just Management Corp., Canadian Imperial Bank of Commerce and the Collateral Agent (account number 06122-5098114), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

Royal Bank of Canada Blocked Accounts Agreements and Deposit Account Control Agreements

49. Blocked account agreement dated as of July 1, 2009 between Just Energy Alberta L.P., Royal Bank of Canada and the Collateral Agent (account number 108-852-5 and lockbox located at PO Box 2533, Stn "M", Calgary, Alberta T2P 0R7), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

JPMorgan Chase Bank, N.A. Blocked Account Control Agreements and Deposit Account Control Agreements

50. Deposit account control agreement made as of October 31, 2005, among U.S. Energy Savings Corp. (predecessor of Just Energy (U.S.) Corp.), Illinois Energy Savings Corp. (predecessor of Just Energy Illinois Corp.), New York Energy Savings Corp. (predecessor of Just Energy New York Corp.), JPMorgan Chase Bank and the Collateral Agent (deposit account numbers 644425126, 675521116 and 704341676 and the following lockbox account numbers 35190 and 35086), as modified by a letter dated February 2, 2011 to remove account number 644425068 from the deposit account control agreement, as amended by an amendment agreement dated as of September 30, 2013 (adding account number 475761758), as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

51. Deposit account control agreement dated as of May 30, 2007, among Just Energy Indiana Corp. (f/k/a Indiana Energy Savings Corp.) and Just Energy Texas I Corp. (f/k/a Energy Savings Texas Corp.), JPMorgan Chase Bank, N.A. and the Collateral Agent (account numbers 704341940 and 708220702), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

52. Deposit account control agreement dated as of April 30, 2008, among Just Energy Massachusetts Corp. (f/k/a Massachusetts Energy Savings Corp.), JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 754401891), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

53. Blocked account control agreement dated as of July 3, 2009, by and among Just Energy Illinois Corp., JPMorgan Case Bank, N.A. and the Collateral Agent (account number 644425068), as modified by a letter dated October 26, 2010 whereby account numbers 707811675 and 816799316 were removed from the blocked account control agreement, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

54. Blocked account control agreement dated as of July 3, 2009, by and among Commerce Energy, Inc., JPMorgan Case Bank, N.A. and the Collateral Agent (account numbers 53-00085898, 65-6513678, 817041874), as amended by a first amendment agreement dated as of September 21, 2011 (adding account numbers 93-8003282, 93-8226693 and 93-8412673) and as amended by a second amendment agreement dated as of September 30, 2013 (adding account number 979526951), as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

55. Blocked account control agreement dated as of December 2, 2009, by and among Just Energy Trading L.P., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 837213081), as amended by an amendment dated as of February 2, 2011, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

56. Blocked account control agreement dated as of December 2, 2009, by and among Just Energy Finance Canada ULC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 837278829), as amended by an amendment dated as of February 2, 2011, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

57. Blocked account control agreement dated as of December 2, 2009, by and among Ontario Energy Commodities Inc., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 837278167), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

58. Blocked account control agreement dated as of December 2, 2009, by and among Just Energy Ontario L.P., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 837278613), as amended by an amendment dated as of February 2, 2011, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

59. Blocked account control agreement dated as of May 7, 2010, by and among Hudson Energy Services, LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account numbers 816889810, 816861793, 222961117), as amended by an amendment to blocked account control agreement dated as of June 19, 2013 by Hudson Energy Services, LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

60. Blocked account control agreement dated as of December 16, 2010, by and among Just Energy Michigan Corp., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 88-5966069), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

61. Blocked account control agreement dated as of December 16, 2010, by and among Just Energy Texas I Corp., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 75-3830454), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

62. Blocked account control agreement dated as of February 14, 2011, by and among Just Energy Pennsylvania, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 831142740), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

63. Blocked account control agreement dated as of October 3, 2011, by and among Fulcrum Retail Energy LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account numbers 113426978, 113426242, 113426705, 934949470), as amended by an amendment dated as of July 22, 2015 removing account number 100073085498 from the blocked account control agreement, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

64. Blocked account control agreement dated as of October 3, 2011, by and among Fulcrum Retail Holdings LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account

numbers 817147721 and 935603811), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

65. Blocked account control agreement dated as of October 3, 2011, by and among Tara Energy, LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account numbers 836235051, 837667450, 936004068 and 886751346), as amended by an amendment dated as of October 24, 2013, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

66. Blocked account control agreement dated as of June 22, 2012, by and among Universal Energy Corporation, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 469935253), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

67. Blocked account control agreement dated as of May 8, 2013, by and among Just Energy Resources LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 196238650), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

68. Blocked account control agreement dated as of October 2, 2013, by and among Just Energy Marketing Corp., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 644425191), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

69. Blocked account control agreement dated as of October 2, 2013, by and among Just Energy Limited, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 958162877), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

70. Blocked account control agreement dated as of October 2, 2013 by and among Just Energy Connecticut Corp., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 465017395), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

71. Blocked account control agreement dated as of January 8, 2015, by and among JEG Finance (UK) Limited, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 979527140), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

72. Blocked account control agreement dated as of February 11, 2015, by and among JEG Finance UK LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 675891282), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

73. Blocked account control agreement dated as of May 1, 2015, by and among JEG Holdings UK LLC, JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 705229610), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

74. Blocked account control agreement dated as of September 1, 2015, by and among Just Solar Holdings Corp., JPMorgan Chase Bank, N.A. and the Collateral Agent (account number 697275662), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

The Toronto-Dominion Bank Deposit Account Control Agreements

75. Deposit account control agreement made as of December 17, 2010 among Just Energy Ontario L.P., the Toronto-Dominion Bank and the Collateral Agent (account number 52-53889), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

FIRST AMENDING AGREEMENT AND ADHESION AGREEMENT TO INTERCREDITOR AGREEMENT

THIS FIRST AMENDING AGREEMENT (this "**Agreement**") is made as of May 17, 2018

AMONG:

CANADIAN IMPERIAL BANK OF COMMERCE,
as collateral agent

- and -

CANADIAN IMPERIAL BANK OF COMMERCE,
as agent for itself and the Lenders

- and -

SHELL ENERGY NORTH AMERICA (CANADA) INC., SHELL ENERGY NORTH AMERICA (US), L.P., SHELL TRADING RISK MANAGEMENT, LLC, BP CANADA ENERGY GROUP ULC, BP CANADA ENERGY MARKETING CORP., BP ENERGY COMPANY, EXELON GENERATION COMPANY, LLC, BRUCE POWER L.P., EDF TRADING NORTH AMERICA, LLC, NEXTERA ENERGY POWER MARKETING, LLC, MACQUARIE BANK LIMITED, MACQUARIE ENERGY CANADA LTD., AND MACQUARIE ENERGY LLC

- and -

MORGAN STANLEY CAPITAL GROUP INC.
(the "**New Commodity Supplier**")

- and -

JUST ENERGY ONTARIO L.P. and JUST ENERGY (U.S.) CORP.,
(the "**Borrowers**")

BACKGROUND

WHEREAS certain parties hereto are party to a sixth amended and restated intercreditor agreement dated as of September 1, 2015 (the "**Original Intercreditor Agreement**");

AND WHEREAS pursuant to a termination agreement dated as of November 15, 2015, Société Générale ceased to be an Other Commodity Supplier and a party to the Original Intercreditor Agreement;

AND WHEREAS pursuant to a termination agreement dated as of May 7, 2018, National Bank of Canada ceased to be an Other Commodity Supplier and a party to the Intercreditor Agreement;

AND WHEREAS the Borrowers have requested certain amendments to the Original Intercreditor Agreement and the parties hereto have agreed to amend certain provisions in the Original Intercreditor Agreement as set out in, and on the terms and conditions of this Agreement;

AND WHEREAS the Borrowers would like the New Commodity Supplier to become a party to the Intercreditor Agreement as an Other Commodity Supplier and the Borrowers have requested the Required Senior Creditors consent to the New Commodity Supplier becoming a party to the Intercreditor Agreement and benefit from the Security;

NOW THEREFORE in consideration of the mutual obligations contained herein and for other consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless otherwise defined herein, words and expressions defined in the Original Intercreditor Agreement are used with the same respective defined meanings in this Agreement.

1.2 To be Read with Intercreditor Agreement

This Agreement is an amendment to the Original Intercreditor Agreement. Unless the context of this Agreement otherwise requires, the Original Intercreditor Agreement and this Agreement shall be read together and shall have effect as if the provisions of the Original Intercreditor Agreement and this Agreement were contained in one agreement. The term "Agreement" when used in the Original Intercreditor Agreement and each reference to the Original Intercreditor Agreement in any Security Document means the Original Intercreditor Agreement as amended, supplemented or modified from time to time, including by this Agreement.

1.3 Reference to Agreements

Each reference in this Agreement to any agreement or document (including this Agreement and any other defined term that is an agreement) shall be construed so as to include such agreement or document (including any attached schedules, appendices and exhibits) and each change thereto made at or before the time in question.

1.4 Headings, etc.

The division of this Agreement into Articles, Sections and Subsections and the insertion of headings are for the convenience of reference only and shall not affect the

construction or interpretation of this Agreement. The terms “**this Agreement**”, “**hereof**”, “**hereunder**” and similar expressions refer to this Agreement and not to any particular Article, Section, Subsection, paragraph, subparagraph, clause or other portion of this Agreement.

1.5 Grammatical Variations

In this Agreement, unless the context otherwise requires, (a) words and expressions (including words and expressions (capitalized or not) defined, given extended meanings or incorporated by reference herein) in the singular include the plural and *vice versa* (the necessary changes being made to fit the context), (b) words in one gender include all genders and (c) grammatical variations of words and expressions (capitalized or not) which are defined, given extended meanings or incorporated by reference in this Agreement shall be construed in like manner.

ARTICLE 2
AMENDMENT

2.1 Amendment

The Original Intercreditor Agreement is hereby amended by deleting Subsection 9.01(2) in its entirety and replacing it with the following:

> “(2) permit the gross margin of the Restricted Subsidiaries to comprise less than 80% of the consolidated gross margin of Just Energy and all its Subsidiaries (subject to the addition of new Restricted Subsidiaries to ensure compliance with this covenant);”.

ARTICLE 3
ADHESION OF NEW COMMODITY SUPPLIER

3.1 Adhesion of New Commodity Supplier

3.1.1 In accordance with Subsection 8.13(1) of the Original Intercreditor Agreement, each Required Senior Creditor hereby consents to the New Commodity Supplier becoming a party to the Original Intercreditor Agreement, as amended by this Agreement, and as may be amended, restated, supplemented or otherwise modified from time to time hereinafter referred to as the “**Intercreditor Agreement**”, benefitting from the Security and being entitled to all of the rights and benefits as an Other Commodity Supplier under the Intercreditor Agreement.

3.1.2 The New Commodity Supplier hereby unconditionally agrees to be bound by all of the terms, provisions and conditions binding on each Other Commodity Supplier under the Intercreditor Agreement. With effect from the date hereof, the Intercreditor Agreement shall henceforth be read and construed with the New Commodity Supplier as a party thereto having all the rights and benefits of an Other Commodity Supplier under the Intercreditor Agreement as if it had been an original signatory thereto.

3.1.3 The New Commodity Supplier acknowledges that (a) it has received a copy of the Intercreditor Agreement; and (b) the guarantees provided by the Guarantors to the Agent are for

the benefit of the Agent and the Lenders only and that to benefit from any guarantee from the Guarantors it must enter into separate guarantee agreements directly with each Guarantor.

3.1.4 The address and notice information of the New Commodity Supplier for purposes of providing notice in accordance with Section 8.09 of the Intercreditor Agreement shall be as set forth below:

Morgan Stanley Capital Group Inc.
1585 Broadway
New York, NY 10036-8293

Attention: Miscellaneous Notices
Fax: 212-404-9899
E-mail: mscg_reporting@morganstanley.com

3.1.5 This Article 3 shall be deemed to be a supplement for the purposes of the requirement set out in Subsection 8.13(1) of the Original Intercreditor Agreement for purposes of adding the New Commodity Supplier as a party to the Intercreditor Agreement.

ARTICLE 4
CONDITIONS PRECEDENT

4.1 Conditions Precedent to Effectiveness of this Agreement

This Agreement shall be subject to and conditional upon receipt by the Borrowers, the Collateral Agent and the Agent of a fully executed copy of this Agreement.

ARTICLE 5
GENERAL

5.1 Continuance of Security Documents and the Intercreditor Agreement

The Security Documents and the Intercreditor Agreement, as changed, altered, amended or modified by this Agreement, shall be and continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for in this Agreement.

5.2 No Waiver

The execution, delivery and effectiveness of this Agreement will not operate as a waiver of any right, power or remedy of any party under the Intercreditor Agreement or any other document, instrument or agreement executed in connection with the Intercreditor Agreement, nor constitute a waiver of any provision contained in the Intercreditor Agreement, except as specifically set forth in the Intercreditor Agreement.

5.3 Severability

If any term or provision of this Agreement or the application thereof to any party or circumstance shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the validity, legality and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby, and the affected term or provision shall be modified to the minimum extent permitted by law so as most fully to achieve the intention of this Agreement.

5.4 Counterparts

This Agreement may be executed in any number of counterparts or by facsimile or pdf format electronic counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

5.5 Governing Law

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

[The Remainder of this Page is Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

CANADIAN IMPERIAL BANK OF COMMERCE, as Collateral Agent

By: _____
Name: David Evelyn
Title: General Manager

By: _____
Name: Neermala Hurry
Title: Assistant General Manager

CANADIAN IMPERIAL BANK OF COMMERCE, as Agent for itself as agent and the Lenders

By: _____
Name: David Evelyn
Title: General Manager

By: _____
Name: Neermala Hurry
Title: Assistant General Manager

JUST ENERGY ONTARIO L.P.

By: _____
Name: Jim Brown
Title: Chief Financial Officer

By: _____
Name: Jonah Davids
Title: EVP, General Counsel and Corporate Secretary

JUST ENERGY (U.S.) CORP.

By: _____
Name: Jim Brown
Title: Chief Financial Officer

By: _____
Name: Jonah Davids
Title: EVP, General Counsel and Corporate Secretary

SHELL ENERGY NORTH AMERICA (CANADA) INC.

By: _____
Name: Jason Anderson
Title: Vice President - Finance

SHELL ENERGY NORTH AMERICA (US), L.P.

By: _____
Name: Dawn Rubink
Title: VP Finance

SHELL TRADING RISK MANAGEMENT, LLC

By: _____
Name: Dave Davis
Title: Chief Financial Officer

BP CANADA ENERGY GROUP ULC

By: _____
Name: CHRIS REID
Title: Vice-President
BP Canada Energy Group ULC

BP CANADA ENERGY MARKETING CORP.

By: _____
Name: Michael Thomas
Title: Vice President

BP ENERGY COMPANY

By: _____
Name:
Title:

Michael Thomas
Vice President

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

By: Richard Horrobin 2018.05.01 11:21:48 -04'00'

Name: Richard Horrobin VP and Managing Director,
Title: Supply Chain

Bill Schnurr Approved 2018.04.30 12:27:02 -04'00'

By: Brian Hilbers 2018.05.01 08:40:02 -04'00'

Name: Brian Hilbers
Title: Chief Legal Officer

EDF TRADING NORTH AMERICA, LLC

By: _____

Name:

Title:

EXELON GENERATION COMPANY, LLC

By: _____

Name: Ravi Ganti

Title: SVP, Portfolio Management and Strategy

pgv

MACQUARIE BANK LIMITED

By: _____
Name:
Title: Robert Trevena
Division Director

By: _____
Name:
Title: FIONA SMITH
Division Director

Signed in Sydney, POA Ref: #2468 dated 7 June 2017

MACQUARIE ENERGY CANADA LTD.

By: _____
Name: Michael Canfield
Title: Executive Director

By: _____
Name: Joseph Forbes
Title: Division Director

MACQUARIE ENERGY LLC

By: _____
Name: Kurt Batenhorst
Title: Division Director

By: _____
Name: Joseph Forbes
Title: Division Director

MORGAN STANLEY CAPITAL GROUP INC.

By: Karen Kochonies
Name: Karen Kochonies
Title: Vice President

By: _____
Name:
Title:

NEXTERA ENERGY MARKETING, LLC
(formerly known as NEXTERA ENERGY POWER MARKETING, LLC)

Legal Review Completed AR

By: _____

Name: Lawrence Silverstein
Title: Senior Vice President and Managing Director Nextera Energy Marketing, LLC

CREDIT

Execution Version

SUPPLEMENT TO INTERCREDITOR AGREEMENT

TO: NATIONAL BANK OF CANADA, as collateral agent for and on behalf of the Senior Creditors (together with any successor(s) thereto in such capacity, the "**Collateral Agent**")

AND TO: JUST ENERGY ONTARIO L.P. and JUST ENERGY (U.S.) CORP. (collectively, the "**Borrowers**")

RE: Sixth amended and restated intercreditor agreement dated as of September 1, 2015 (as amended pursuant to a first amending agreement dated May 17, 2018 and as further amended, restated, supplemented or otherwise modified from time to time, the "**Intercreditor Agreement**"), among the Borrowers, the Collateral Agent, the Senior Creditors and the other Guarantors

DATE: September 28, 2020

NOW THEREFORE THIS SUPPLEMENT AGREEMENT WITNESSETH THAT for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the undersigned hereby agree as follows:

1. Capitalized terms used in this Supplement Agreement but not defined herein shall have the meanings given in the Intercreditor Agreement.

2. 8704104 Canada Inc. (the "**New Obligor**"), by its execution of this Supplement Agreement pursuant to Section 8.13(2) of the Intercreditor Agreement, hereby acknowledges and agrees to be bound by, and will act in accordance with, the terms, provisions and intent of the Intercreditor Agreement as an Obligor thereunder as if it had been an original signatory thereto.

3. The New Obligor, by its execution of this Supplement Agreement, hereby acknowledges and agrees to become a Restricted Subsidiary pursuant to the terms of the ninth amended and restated credit agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") among the Borrowers, the Agent and the lenders from time to time party thereto.

4. The New Obligor acknowledges that this Supplement Agreement shall be effective upon receipt by the Collateral Agent of an executed copy of this Supplement Agreement and the execution of this Supplement Agreement by the Collateral Agent.

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

[SIGNATURE PAGE FOLLOWS]

DATED as of the date first written above.

Address:

100 King Street West, Suite 2630
Toronto, Ontario M5X 1E1
Attention: General Counsel
Fax: (905) 670-8579

8704104 CANADA INC.

Per: 

Name: James Brown
Title: CFO

Acknowledged and agreed:

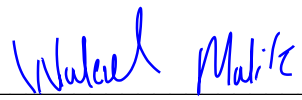
NATIONAL BANK OF CANADA, as
Collateral Agent

Per: _____
Name: Jonathan Campbell
Title: Director

Per: _____
Name: Gavin Virgo
Title: Director

TAB Q

THIS IS EXHIBIT "Q" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Court File No. CV-20-00643596-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED

AND IN THE MATTER OF RULE 14.05(2) OF THE RULES OF CIVIL PROCEDURE

AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF JUST ENERGY GROUP INC. AND 12175592 CANADA INC.

Applicants

AFFIDAVIT OF JAMES BROWN

I, James Brown, of the city of Houston, in the State of Texas, MAKE OATH AND SAY:

1. I am the Chief Financial Officer of Just Energy Group Inc. ("**Just Energy**") and have served in that role since April 2018. As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources for information, I have stated the source of my information and I believe such information to be true. Where I rely upon information provided to me by counsel, that information is not privileged. Just Energy does not, and does not intend to, waive privilege by any statement herein. In preparing this affidavit, I have reviewed Just Energy's records, press releases, and public filings, and have relied on various advisors of Just Energy and other members of senior management of Just Energy as necessary.

2. I swear this affidavit for the motion brought by Just Energy and 12175592 Canada Inc. ("**ArrangeCo**" and, with Just Energy, the "**Applicants**") seeking advice and directions and an Interim Order under s. 192(4) of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the "**CBCA**") providing, among other things, the following relief:

(a) authorizing the Applicants to convene separate meetings (the "**Meetings**") of the Senior Unsecured Debtholders, the Convertible Debentureholders, and the Shareholders (each as defined below) to consider and vote on the plan of arrangement of the Applicants (the "**CBCA Plan")** substantially in the form attached as **Exhibit** "**A**";

(b) determining the notice requirements for the Meetings and the return of the Applicants for approval of the Arrangement;

(c) prescribing the manner in which the Meetings shall be called, held and conducted, including, among other things, the quorum required at the Meetings and the vote required to pass the Arrangement Resolutions (defined below); and

(d) amending the Record Date (defined below) previously set by this Court in the preliminary interim order dated July 8, 2020 (the "**Preliminary Interim Order**").

3. This Affidavit is also sworn in support of the application for a final order of this Court approving the Arrangement.

4. All capitalized terms not otherwise defined in this affidavit have the meanings given to them in the CBCA Plan. All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

A. Overview

5. Just Energy and its subsidiaries (the "**Just Energy Group**") are a retail energy provider specializing in electricity and natural gas commodities, energy efficiency solutions, and renewable energy options. They currently serve over 1.1 million residential and commercial customers across the United States, Canada, and Germany.

6. On June 6, 2019, Just Energy announced a formal review process to evaluate strategic alternatives (the "**Strategic Review**"). During the Strategic Review, Just Energy identified certain financial challenges (including high leverage levels and an unsustainable capital structure) and liquidity risks. Just Energy has taken various measures to address these challenges, including pursuing a sales transaction as part of its consideration of strategic alternatives, implementing cost-cutting measures, and selling most overseas operations to focus on its higher-margin North American business.

7. In March 2020, Just Energy retained BMO Capital Markets ("**BMO**") to provide financial advisory services to, among other things, assist in exploring and evaluating potential transactional alternatives, including initiatives to optimize its capital structure. With the assistance of BMO and other professional advisors, Just Energy decided to proceed with a balance sheet recapitalization transaction (the "**Recapitalization**"), which will be facilitated in part through the Arrangement.

8. Just Energy concluded that it had to proceed with the Recapitalization as it was the only viable option that provided a long-term solution to its current financial challenges. This conclusion was supported by, among others, the following:

(a) The sales process noted above, which lasted for nearly a year, had not resulted in any executable transaction.

(b) Just Energy had inadequate liquidity for over a year and had been obtaining ongoing waivers from its lenders under the Credit Facility and the Term Loan Agreement (defined below) since June 2018.

(c) Just Energy was facing looming maturity dates for significant debt obligations, including a $370 million secured Credit Facility (defined below) that was scheduled to mature on September 1, 2020 (the maturity date has since been extended to December 1, 2020 by an agreement with the Credit Facility Lenders (defined below)).

(d) Just Energy's annual financial statements for the fiscal year ended March 31, 2020 (the "**Financial Statements**") contained a going concern note stating that Just Energy's ability to continue as a going concern was dependent on the continued availability of its credit facilities, Just Energy's ability to obtain waivers from its lenders for potential instances of non-compliance with covenants if necessary, Just Energy's ability to refinance or secure additional sources of financing if necessary or the completion of the Recapitalization, the liquidation of available investments, and the continued support of Just Energy's lenders and suppliers. The Financial Statements stated that these conditions indicated the existence of material uncertainties that raised substantial doubt about Just Energy's ability to continue as a going concern.

(e) Just Energy's business depends on relationships with various counterparties, including suppliers and sureties. Releasing the Financial Statements with the going concern note and without launching the Recapitalization would have risked

undermining these critical relationships to the detriment of Just Energy's business and its stakeholders.

9. Just Energy and its advisors engaged in extensive discussions with the Term Loan Lenders (defined below) and the Credit Facility Lenders in connection with the Recapitalization. As a result of these discussions, on July 8, 2020, Just Energy entered into (i) a support agreement with the Term Loan Lenders (the "**Support Agreement**"), a copy of which is attached as **Exhibit** "**B**"; and (ii) an amendment and consent agreement with the Credit Facility Lenders (the "**Amendment and Consent Agreement**"), a copy of which is attached as **Exhibit** "**C**". Pursuant to these agreements, among other things, the Term Loan Lenders and the Credit Facility Lenders consented to the Recapitalization on the terms set out in a term sheet appended to both agreements (the "**Term Sheet**").

10. On July 8, 2020, this Court granted a Preliminary Interim Order (the "**Preliminary Interim Order**") which provided, among other things, a stay of proceedings in favour of the Just Energy Group on the terms set out in the Preliminary Interim Order while Just Energy continued to advance the Recapitalization. The Preliminary Interim Order also set July 8, 2020 as the Record Date for the Meetings and Just Energy's upcoming annual meeting (the "**Annual Meeting**"). A copy of the Preliminary Interim Order, which includes the endorsement of Justice McEwen on the backpage, is attached as **Exhibit** "**D**".

11. Following the granting of the Preliminary Interim Order by the Court, Just Energy, with the assistance of its legal and financial advisors, continued its ongoing discussions and negotiations with the Credit Facility Lenders and the Term Loan Lenders and their respective advisors. Just

Energy has also prepared the CBCA Plan and is currently finalizing a management information circular in connection with the Meetings (the "**Circular**").

12. As further described in the CBCA Plan and below, the key terms of the Recapitalization include the following:

(a) *A&R Credit Agreement:* The Credit Agreement will be amended pursuant to a ninth amended and restated agreement (the "**A&R Credit Agreement**"), which shall be finalized prior to implementation of the Arrangement in accordance with the terms set out in the refinancing term sheet attached to the Amendment and Consent Agreement and the Term Sheet. The amendment, which will become effective on implementation of the Arrangement, among other things, (i) extends the maturity date of the Credit Facility to December 31, 2023; (ii) reduces the maximum availability under the Credit Facility by $35 million upon implementation of the Arrangement, with an agreed schedule of additional commitment reductions through the remainder of the term; and (iii) amends certain covenants in the Credit Agreement.

(b) *Exchange of Senior Unsecured Debt*: All obligations in respect of the $150 Million Convertible Bonds and the Term Loan (both defined below and collectively, the "**Senior Unsecured Debt**") will be exchanged for debt issued by Just Energy under an amended and restated Term Loan Agreement in the form attached to the Term Sheet (the "**A&R Term Loan Agreement**") and approximately 5% of Just Energy's post-Consolidation (defined below) common shares (the "**Common**

Shares").[1] This will result in (i) a reduction of principal owed to the holders of Senior Unsecured Debt; (ii) deferred maturity dates for the Senior Unsecured Debt; (iii) reduced cash interest expenses for Just Energy; and (iv) amended covenants.

(c) *Exchange of Convertible Debentures*: In respect of the $160 Million Debentures and the $100 Million Debentures (both as defined below and collectively, the "**Convertible Debentures**") (i) Just Energy will pay all accrued and unpaid interest on the $100 Million Convertible Debentures as of June 30, 2020; and (ii) all remaining obligations will be exchanged for approximately 56.7% of the post-Consolidation Common Shares.

(d) *Existing Shareholders*: The Preferred Shares (defined below) will be exchanged for approximately 9.5% of the post-Consolidation Common Shares. Holders of the existing Common Shares (the "**Existing Common Shares**") shall be subject to a 1-for-33 consolidation (the "**Consolidation**") pursuant to the Arrangement, unless otherwise agreed by Just Energy and the Initial Backstop Parties (defined below), each acting reasonably. As a result of the Consolidation, holders of Existing Common Shares will retain approximately 28.8% of the post-Consolidation Common Shares.

(e) *New Equity Offering*: Just Energy will provide Eligible Securityholders (defined below) the right to participate in an offering (the "**New Equity Offering**") of $100 million of Common Shares (the "**Offered Shares**"), which offering will be

[1] All percentages for post-Consolidation Common Shares in this affidavit are calculated inclusive of securities in employee equity plans.

backstopped under the backstop commitment letter executed on July 8, 2020 (the "**Backstop Agreement**"). A copy of the Backstop Agreement is attached as **Exhibit** "**E**".

(f) *Unaffected Claims:* All priority claims, tax liabilities, trade debt, obligations of Just Energy under eligible financial contracts, and obligations of Just Energy to employees shall be unaffected by the Recapitalization (except, in the case of employee obligations, as may be otherwise provided for in the Support Agreement).

13. The Applicants are now seeking the Court's advice and directions pursuant to section 192(4) of the CBCA to address the various matters regarding, among other things, the calling, holding and conduct of the Meetings, voting at the Meetings, the hearing of the application for a final order, and certain other ancillary relief. The Applicants expect that they will serve a supplementary affidavit attaching a substantially complete Circular and providing further information about consideration of the Circular by Just Energy's board of directors (the "**Board**") and associated documents before the hearing of this motion.

14. The key dates in connection with the Arrangement and the Recapitalization and their expected dates based on the proposed Interim Order are summarized in the table below:

Event	**Date**
Interim Order for advice and directions regarding the Arrangement	July 17, 2020
Record date to establish right to vote at the Meetings and participate in New Equity Offering	July 23, 2020
Mailing of Meeting materials	Week of July 27, 2020
Proxy voting cut-off date	August 21, 2020

Meetings	August 25, 2020
Final Order hearing date	September 2, 2020
Implementation of the Arrangement	September 2020

15. Just Energy's comprehensive Strategic Review of alternatives to realign its capital structure has culminated in the Recapitalization. Just Energy expects that the Recapitalization will improve its capital structure by (i) reducing its debt by approximately $275 million, and reducing net debt and preferred shares by approximately $535 million; (ii) raising $100 million of new equity; (iii) significantly reducing annual cash interest costs by approximately $45 million initially; and (iv) extending looming debt maturity dates. Moreover, the Revised Debt Covenants in the A&R Credit Agreement and the A&R Term Loan Agreement will provide Just Energy increased flexibility to advance its business strategy going forward.

16. Since announcing the Recapitalization, Just Energy has received positive feedback regarding the Recapitalization from a variety of stakeholders. Most significantly, Just Energy has received feedback indicating that the Recapitalization, if successfully implemented, will stabilize Just Energy's relationship with its most significant suppliers. Since August 2019, of Just Energy's eight key suppliers that historically supplied more than 90% of Just Energy's delivered natural gas and electricity, seven had stopped entering into new material supply transactions with Just Energy because of credit risk concerns. Since the announcement of the Recapitalization, five of the suppliers that had ceased entering into supply transactions have expressed a desire to resume trading with Just Energy once the Recapitalization has been implemented. These relationships are essential for Just Energy to manage the price risk inherent in new and renewing customers. Moreover, these supply relationships impact Just Energy's borrowing base under the Credit

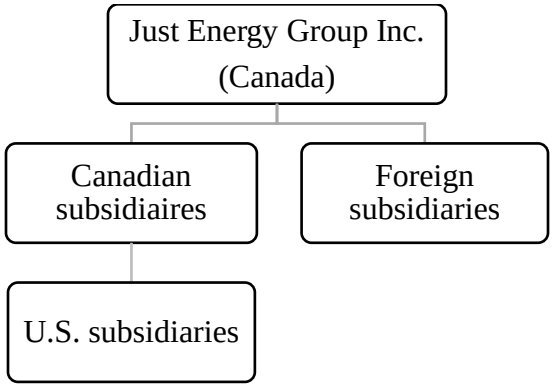
Facility, which is a function of Just Energy's customer base and that customer base would shrink without the renewal and addition of new customers. Just Energy has also received positive feedback from other business partners such as bonding companies and foreign exchange traders.

17. If implemented, the Recapitalization will put Just Energy on a stronger financial footing and ensure that it can continue operating as a going concern and grow its business for the benefit of all stakeholders. Among other things, it will ensure that Just Energy can continue providing continuous employment to nearly 900 employees across the world, continue supplying essential electricity and gas supplies for over a million consumer and commercial customers, maintain critical relationships with suppliers and other contractual counterparties, and increase enterprise value.

B. Corporate Structure

18. A corporate chart showing the structure of the Just Energy Group is attached as **Exhibit "F"**. This does not include ArrangeCo, which is a wholly-owned subsidiary of Just Energy incorporated under the CBCA. ArrangeCo is solvent and does not have any assets or liabilities.

19. A simplified version of the corporate chart is below:



(a) Just Energy Group Inc.

20. Just Energy is a CBCA corporation. It has two head offices, one at 80 Courtneypark Drive, Suites 3 and 4, Mississauga, Ontario and the second at 5251 Westheimer Road, Suite 1000, Houston, Texas. Just Energy's registered office is First Canadian Place, 100 King Street West, Suite 2630, Toronto, Ontario. Its Common Shares are listed on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange (the "**NYSE**").

(b) Canadian Subsidiaries

21. The Canadian subsidiaries are corporations, limited partnerships, and unlimited liability companies that are directly or indirectly wholly owned by Just Energy. The material Canadian subsidiaries are set out below:

(a) Just Energy Ontario L.P. (Ontario); Just Energy Alberta L.P. (Alberta); Just Green L.P. (Alberta); Just Energy Manitoba L.P. (Manitoba); Just Energy B.C. Limited Partnership (British Columbia); Just Energy Québec L.P. (Quebec); Just Energy Prairies L.P. (Manitoba); Just Energy Trading L.P. (Ontario); Hudson Energy Canada Corp. (Canada); and Filter Group Inc.

22. Just Energy also indirectly holds an approximate 8% fully diluted interest in ecobee Inc., a manufacturer and distributor of smart thermostats located in Toronto, Ontario.

(c) U.S. Subsidiaries

23. The U.S. subsidiaries are corporations, limited liability companies and limited partnerships indirectly wholly owned by Just Energy. The material U.S. subsidiaries are noted below (all of which are formed under the laws of the State of Delaware, unless otherwise noted):

(a) Just Energy (U.S.) Corp.; Just Energy Illinois Corp.; Just Energy Indiana Corp.; Just Energy Massachusetts Corp.; Just Energy New York Corp.; Just Energy Texas I Corp.; Just Energy Texas LP (Texas); Just Energy Pennsylvania Corp.; Just Energy Solutions Inc. (California); Just Energy Marketing Corp.; Just Energy Michigan Corp.; Hudson Energy Services LLC (New Jersey); Just Energy Limited; Fulcrum Retail Energy LLC d/b/a Amigo Energy (Texas); Tara Energy, LLC (Texas); Just Solar Holdings Corp.; Interactive Energy Group LLC; EdgePower, Inc.; and Filter Group US Inc.

(d) Foreign Subsidiaries

24. Until recently, the Just Energy Group had operations in several countries outside North America, including the United Kingdom, Germany, Japan, and Ireland. As discussed below, in 2019, Just Energy made a strategic decision to focus on its North American operations. The Just Energy Group has sold its U.K., Irish, and Japanese operations, and is continuing to market its German operation. The Just Energy Group also includes an Indian subsidiary and has employees in India that support the Just Energy Group's operations in Canada and the United States.

C. The Just Energy Group's Business

(a) Products and Services Offered by the Just Energy Group

25. The Just Energy Group primarily supplies electricity and natural gas commodities to both consumer and commercial customers. These sales are made under various arrangements ranging from month-to-month variable-price contracts to long-term fixed-price contracts.

26. The Just Energy Group also provides various green products. Customers can choose an appropriate JustGreen program to supplement their natural gas and electricity contracts and offset

their carbon footprint. In addition, through TerraPass, residential and commercial customers can offset their environmental impact by purchasing high quality environmental products. TerraPass supports projects throughout North America that destroy greenhouse gases, produce renewable energy, and restore freshwater ecosystems through the purchase of renewable energy credits and carbon offsets.

27. The Just Energy Group also offers home filtration systems through Filter Group Inc. ("**Filter Group**") in Canada and through its subsidiary Filter Group US Inc. in the United States. Filter Group is the borrower under an outstanding loan from Home Trust Company to finance the cost of rental equipment over a period of three to five years (the "**Filter Group Loan**"). Payments on the loan are made monthly as Filter Group receives payment from the customer and continue up to the end date of the customer contract term on the factored receivable. The Filter Group Loan will not be subject to the Arrangement.

28. The Just Energy Group's business is divided into two main segments, a consumer segment and a commercial segment:

(a) The consumer segment sells gas and electricity to customers with annual consumption equal to or less than 15 residential customer equivalents ("**RCEs**").[2] Consumer customers make up 35% of the Just Energy Group's RCE base and accounted for approximately 60.3% of sales in the year ended March 31, 2020.

[2] A unit of measurement equivalent to a customer using 2,815 m3 (or 106 GJs or 1,000 Therms or 1,025 CCFs) of natural gas on an annual basis or 10 MWh (or 10,000 kWh) of electricity on an annual basis, which represents the approximate amount of gas and electricity used by a typical household in Ontario, Canada.

Products are marketed to consumer customers primarily through retail, online, telesales, and door-to-door marketing.

(b) The commercial segment sells gas and electricity to customers with annual consumption over 15 RCEs. Commercial customers make up 65% of the Just Energy Group's RCE base and accounted for approximately 39.7% of sales in the year ended March 31, 2020. Sales to commercial customers are made through three main channels: brokers, door-to-door commercial independent contractors, and inside commercial sales representatives.

(b) Employees

29. As of July 3, 2020, the Just Energy Group employed approximately 872 full-time employees and 5 part-time employees. The geographic distribution of the Just Energy Group's employees is as follows:

Province / Territory	**Number of Employees**
Canada	
Ontario	342
Alberta	2
Total (Canada)	344
United States	
Texas	311
Other states	25
Total (United States)	336
Other	
India	196
Germany	1
Total (overall)	**877**

30. In addition, the Just Energy Group contracts with 4 independent contractors: 2 business analysts in Ontario and 2 HR benefits specialists in Texas.

(c) Suppliers

31. The Just Energy Group transacts with various suppliers to purchase gas and electricity products (the "**Commodity Suppliers**"). The Just Energy Group typically purchases gas and electricity for larger commercial customers when it executes the contract for that customer. For remaining customers, supplies are purchased based on forecasted consumption. Commodity and volume forecasts are developed using historical data and current market conditions, which forecasts are meticulously tested and analyzed under potential scenarios.

32. In addition to agreements for the physical supply of gas and electricity, the Just Energy Group also enters into hedges with Commodity Suppliers in order to minimize commodity and volume risk. These include derivative instruments such as physical forward contracts and options and financial swap contracts and options that are designed to fix the price of supply for estimated customer commodity demand. The Just Energy Group also purchases various weather derivatives to mitigate its exposure to variances in customer requirements that are driven by changes in expected weather conditions.

33. The Just Energy Group's financial obligations to its primary Commodity Suppliers in North America, which includes Shell, BP, Exelon, Bruce Power, EDF Trading North America, LLC, Nextera Energy Power Marketing, LLC, Macquarie and Morgan Stanley Capital Group Inc. (collectively, the "**Secured Suppliers**"), are secured by general security agreements, pledge of securities, and other security documents. The Secured Suppliers, the Credit Facility Borrowers (defined below), certain subsidiaries and affiliates of the Credit Facility Borrowers, and the Agent

for the lenders under the Credit Agreement are also party to an intercreditor agreement (the "**Intercreditor Agreement**") setting out the relative priority of the parties' security interests. The security is granted in favour of a collateral agent under the Intercreditor Agreement for the benefit of the Credit Facility Lenders and the Secured Suppliers.

34. The Just Energy Group has posted letters of credit to secure its obligations to certain Commodity Suppliers other than the Secured Suppliers.

(d) Surety Bonds

35. Pursuant to arrangements with several bond agencies Just Energy has issued surety bonds to various counterparties including states, regulatory bodies, utilities and various other surety bond holders in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required in order to operate in certain states or markets. The total surety bonds issued as at March 31, 2020 were $63.4 million.

36. All trade, customer, and employee obligations (including obligations to Secured Suppliers, other Commodity Suppliers, and bonding companies) shall be unaffected by the Arrangement and shall be paid or satisfied in the ordinary course of business.

D. The Financial Position of the Just Energy Group

37. A copy of Just Energy's audited Financial Statements for the fiscal year ended March 31, 2020 are attached as **Exhibit** "**G**", which has been prepared on a combined consolidated basis for the Just Energy Group.

38. As noted above, the Financial Statements included a going concern note stating that Just Energy's ability to continue as a going concern is dependent on the continued availability of its

credit facilities, Just Energy's ability to obtain waivers from its lenders for potential instances of non-compliance with covenants if necessary, Just Energy's ability to refinance or secure additional sources of financing if necessary or the completion of the Recapitalization, the liquidation of available investments, and the continued support of Just Energy's lenders and suppliers. The Financial Statements state that these conditions indicate the existence of material uncertainties that raise substantial doubt about Just Energy's ability to continue as a going concern. The Recapitalization is expected to address the concerns identified in the Financial Statements.

39. Certain information contained in the Financial Statements are summarized below.

(a) Assets

40. As at March 31, 2020, the total assets of the Just Energy Group had a book value of approximately $1,215,833,000 and consisted of the following (which figures are in thousands of dollars):

Current assets: $686,767	
Cash and cash equivalent	$26,093
Restricted cash	$4,326
Trade and other receivables, net	$403,907
Gas in storage	$6,177
Fair value of derivative financial assets	$36,353
Income taxes recoverable	$6,641
Other current assets	$203,270
Non-current assets: $529,066	
Investments	$32,889

Property and equipment, net	$28,794
Intangible assets, net	$370,958
Fair value of derivative financial assets	$28,792
Deferred income tax assets	$3,572
Other non-current assets	$56,450
Assets classified as held for sale	$7,611
Total Assets	**$1,215,833**

(b) Liabilities

41. As at March 31, 2020, the total liabilities of the Just Energy Group had a book value of approximately $1,711,121,000 and consisted of the following (which figures are in thousands of dollars):

Current liabilities: $1,060,768	
Trade and other payables	$685,665
Deferred revenue	$852
Income taxes payable	$5,799
Fair value of derivative financial liabilities	$113,438
Provisions	$1,529
Current portion of long-term debt	$253,485
Non-current liabilities: $650,353	
Long-term debt	$528,518
Fair value of derivative financial liabilities	$76,268
Deferred income tax liabilities	$2,931
Other non-current liabilities	$37,730

Liabilities classified as held for sale	$4,906
Total liabilities	$1,711,121

(c) Stockholder's Deficit

42. As at March 31, 2020, the shareholders deficit in the Just Energy Group was $495,288,000 and consisted of the following (which figures are in thousands of dollars):

Shareholders' capital	$1,246,829
Equity component of convertible debentures	$13,029
Contributed deficit	$(29,826)
Accumulated deficit	$(1,809,557)
Accumulated other comprehensive income	$84,651
Non-controlling interest	$(414)
Total shareholders' deficit	**$(495,288)**

(d) Capital Structure

43. The Just Energy Group's capital structure includes Common Shares, Preferred Shares, the Credit Facility, the Term Loan, the $150 Million Convertible Bonds, and the Convertible Debentures, each of which is described below.

44. As at March 31, 2020, the Just Energy Group had approximately $26,093,000 of cash and cash equivalents.

(i) Equity

45. Just Energy's authorized share capital consists of an unlimited number of Common Shares and 50,000,000 preference shares (the "**Preferred Shares**"). As at March 31, 2020, there were

151,614,238 Common Shares and 4,662,165 Preferred Shares issued and outstanding. The Common Shares and Preferred Shares are listed on the TSX and the NYSE.

(ii) Debt

46. The following table summarizes the various debts that will be affected by the Recapitalization, which are described in greater detail below. The debts are categorized by priority of payment in the table below.

	Type	**Borrower(s)**	**Maturity Date**	**Approximate Outstanding Amount as of March 31, 2020**
Secured Debt				
Credit Facility	Revolving credit facilities on borrowing base	Just Energy Ontario L.P. and Just Energy (U.S.) Corp.	September 1, 2020	$236.4 million in principal $72.5 million in letters of credit
Senior Unsecured Debt				
Term Loan	Non-revolving, multi-draw senior unsecured term loan facility	Just Energy Group Inc.	September 12, 2023	$280.5 million
$150 Million Convertible Bonds	Senior convertible unsecured convertible bonds	Just Energy Group Inc.	December 31, 2020	$12.9 million
Convertible Debentures				
$100 Million Debentures	Convertible unsecured senior subordinated debentures	Just Energy Group Inc.	March 31, 2023	$100 million

$160 million Debentures	Convertible unsecured senior subordinated debentures	Just Energy Group Inc.	December 31, 2021	$160 million

(A) Credit Facility

47. Just Energy Ontario L.P. and Just Energy (U.S.) Corp. (collectively, the "**Credit Facility Borrowers**") are borrowers under an amended and restated credit agreement (as amended from time to time, the "**Credit Agreement**") made as of April 18, 2018 with a syndicate of lenders that includes Canadian Imperial Bank of Commerce, National Bank of Canada, HSBC Bank Canada, JPMorgan Chase Bank N.A., Alberta Treasury Branches, Canadian Western Bank, and Morgan Stanley Senior Funding, Inc., a subsidiary of Morgan Stanley Bank N.A. (the "**Credit Facility Lenders**"). A copy of the Credit Agreement and amendments are attached as **Exhibit** "**H**".

48. Under the Credit Agreement, the Credit Facility Lenders agreed to extend a credit facility of $352.5 million, with an option for the Credit Facility Borrowers to draw up to $370 million (the "**Credit Facility**"). The Credit Facility Borrowers exercised this option on June 28, 2019. The Credit Facility matures on September 1, 2020.

49. The Credit Facility Borrowers' obligations are guaranteed by guarantees from certain subsidiaries and affiliates, and secured by a general security agreements from the Credit Facility Borrowers and such subsidiaries and affiliates, pledges of the securities of the Credit Facility Borrowers and such subsidiaries and affiliates, and other security documentation.

50. As at March 31, 2020, there was approximately $236.4 million in principal outstanding under the Credit Agreement and outstanding letters of credit amounting to $72.5 million. The letters of credit are issued to various counterparties, primarily utilities as well as suppliers. Interest

is payable on outstanding loans at rates that vary with Bankers' Acceptance rates, LIBOR, Canadian bank prime rate or U.S. prime rate. Interest rates are adjusted quarterly based on certain financial performance indicators.

51. The Credit Agreement requires the Credit Facility Borrowers to repay, either on a monthly or quarterly basis as determined in accordance with the terms thereof, all outstanding advances under the revolving facilities thereunder (other than outstanding letters of credit) (the "**Clean-Down Repayments**"). Just Energy has been obtaining waivers for the Clean-Down Repayments since June 2018. Just Energy and the Credit Facility Lenders have also agreed to amendments increasing the permitted senior debt to EBITDA covenant ratio and the total debt to EBITDA covenant under the Credit Agreement for certain quarters in June 2019, November 2019, March 2020, and June 2020.

(B) Term Loan

52. On September 12, 2018, Just Energy entered into an agreement (as amended from time to time, the "**Term Loan Agreement**") for a U.S. $250 million non-revolving multi-draw senior unsecured term loan facility (the "**Term Loan**") with Sagard Credit Partners, LP and certain funds managed by a leading U.S.-based global fixed income asset manager. Attached as **Exhibit** "**I**" is a copy of the original Term Loan Agreement and amendments.

53. As at March 31, 2020, approximately $280.5 million was drawn on the Term Loan.

54. The Term Loan bears interest at 8.75% per annum, which is payable semi-annually in arrears on June 30 and December 31 in each year along with fees. The Term Loan currently matures on September 12, 2023.

55. The Term Loan Agreement includes a covenant that the Credit Facility Borrowers shall make the Clean-Down Repayments under the Credit Agreement. Just Energy has been obtaining monthly waivers from the Term Loan Lenders with respect to this obligation since June 2018. Just Energy has also obtained waivers from the Term Loan Lenders in respect of the senior debt to EBITDA covenant ratio and the total debt to EBITDA covenant under the Term Loan Agreement for certain quarters in June 2019, November 2019, March 2020, and June 2020.

(C) $150 Million Convertible Bonds

56. On January 29, 2014, Just Energy issued U.S. $150 million of European-focused senior convertible unsecured convertible bonds (the "**$150 Million Convertible Bonds**"). Attached as **Exhibit** "**J**" is a copy of the trust deed dated January 29, 2014 between Just Energy, U.S. Bank Trustees Limited as Trustee and Elavon Financial Services Limited, UK Branch as Share Trustee-Custodian relating to the $150 Million Convertible Bonds along with a supplement (collectively, the "**$150 Million Convertible Bonds Trust Deed**").

57. The $150 Million Convertible Bonds bear interest at an annual rate of 6.5%, payable semi-annually in arrears in equal installments on January 29 and July 29 in each year and have a maturity date of December 31, 2020. As of March 31, 2020, there were approximately $12.9 million of $150 Million Convertible Bonds outstanding.

(D) $100 Million Debentures

58. On February 22, 2018, Just Energy issued $100 million of convertible unsecured senior subordinated debentures (the "**$100 Million Debentures**"). Attached as **Exhibit** "**K**" is a copy of the trust indenture between Just Energy and Computershare Trust Company of Canada

("**Computershare**") providing for the issue of the $100 Million Debentures (the "**$100 Million Indenture**").

59. The $100 Million Debentures are, by their terms, subordinated to the Credit Facility, the Term Loan, and the $150 Million Convertible Bonds.

60. The $100 Million Debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on March 31 and September 30 in each year. They have a maturity date of March 31, 2023. As of March 31, 2020, all of the $100 Million Debentures are outstanding.

61. Each $1,000 principal amount of the $100 Million Debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 112.3596 Common Shares, representing a conversion price of $8.90, subject to certain anti-dilution provisions. Holders who convert their debentures are entitled to receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

62. The $100 Million Debentures are redeemable at Just Energy's option after March 31, 2021. After March 31, 2021 and prior to March 31, 2022, the debentures may be redeemed at Just Energy's option on at least 30 days' and no more than 60 days' notice at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after March 31, 2022, the debentures may be redeemed at Just Energy's

option on at least 30 days' and no more than 60 days' notice at a price equal to their principal amount plus accrued and unpaid interest.

(E) $160 Million Debentures

63. On October 5, 2016, Just Energy issued $160 million of convertible unsecured senior subordinated debentures (the "**$160 Million Debentures**"). Attached as **Exhibit** "**L**" is a copy of the trust indenture between Just Energy and Computershare providing for the issue of the $160 Million Debentures (the "**$160 Million Indenture**").

64. The $160 Million Debentures are, by their terms, subordinated to the Credit Facility, the Term Loan, and the $150 Million Convertible Bonds.

65. The $160 Million Debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on June 30 and December 31 in each year. They mature on December 31, 2021. As of March 31, 2020, all of the $160 million Debentures are outstanding.

66. Each $1,000 principal amount of the $160 Million Debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 107.5269 Common Shares, representing a conversion price of $9.30, subject to certain anti-dilution provisions. Holders who convert their debentures are entitled to receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

67. The $160 Million Debentures have been redeemable at the option of Just Energy since December 31, 2019. Until December 31, 2020, the debentures may be redeemed at Just Energy's

option on at least 30 days and no more than 60 days' notice at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after December 31, 2020, the debentures may be redeemed at Just Energy's option on at least 30 days and no more than 60 days' notice at a price equal to their principal amount plus accrued and unpaid interest.

E. Background to Proposed Arrangement

68. Just Energy currently faces various business challenges, including liquidity challenges, high leverage levels, and an unsustainable capital structure. It has taken various steps to address these challenges, including conducting the Strategic Review, pursuing various initiatives to improve its margins, and running an extensive sales process seeking a strategic alternative for its business. Ultimately, as discussed in greater detail below, Just Energy concluded that it must proceed with the Recapitalization to achieve a long-term solution for its challenges.

(a) Strategic Initiatives: Cost-Cutting Measures and Enhanced Focus on Higher-Margin Operations

69. Just Energy has taken various steps to cut costs and improve profitability. For example, on March 21, 2019, Just Energy announced the elimination of over 200 positions, equating to approximately $40 million in general and administrative savings. In total, Just Energy cut approximately $68.3 million in costs in fiscal 2020, excluding costs associated with the Strategic Review process.

70. Just Energy has also been taking various steps to become a margin-centric business, including acquiring and retaining high margin customers, not rolling over contracts for low margin

customers, and refining its global footprint to focus on core profitable markets. As part of a strategic transition to focus on Just Energy's higher-margin North American business, in March 2019, Just Energy formally approved and commenced a process to dispose of its businesses in Germany, Ireland, and Japan. In June 2019, as part of the Strategic Review, the U.K. was added to the disposal group.

71. Just Energy has completed the following sales of its overseas operation:

(a) On October 8, 2019, Just Energy entered into an agreement to sell the issued and outstanding shares of its wholly-owned U.K. subsidiary, Hudson Energy Supply U.K. Limited, to Shell Energy Retail Limited. On November 29, 2019, Just Energy closed its sale of the U.K. operations for proceeds of £1.5 million ($2.5 million) of cash received on closing. Just Energy may also receive consideration up to £8.5 million ($14.2 million) related to the reinstatement of the U.K. capacity market payments, which are expected to be determined within 12 months of the closing date.

(b) On November 6, 2019, Just Energy entered into an agreement to sell the assets of Just Energy Ireland Limited to Flogas Natural Gas Limited ("**Flogas**"). The transaction closed in December 2019 and Just Energy received a total purchase price of €0.6 million ($1 million). The net consideration payable to Just Energy is subject to an adjustment based on the actual number of accounts transferred to Flogas.

(c) On December 31, 2019, Just Energy announced that it had sold all of its customer contracts and natural gas in storage assets in the state of Georgia to Infinite Energy, Inc., for US $3.5 million ($4.5 million).

(d) On April 13, 2019, Just Energy announced that it had sold all of the shares of Just Energy Japan KK to Astmax Trading, Inc. The purchase price was nominal, as the business was still in its start-up phase with more liabilities than assets and had fewer than 1,000 customers.

72. Just Energy is continuing to market its German operations.

(b) Strategic Review

73. On June 6, 2019, Just Energy announced the Strategic Review to evaluate strategic alternatives for unlocking shareholder value with a view to the best interests of Just Energy and all its stakeholders. The Board appointed a committee comprised of independent directors to oversee the Strategic Review with the assistance of Guggenheim Securities, LLC and National Bank Financial Inc. (collectively, the "**Sale Advisors**") in connection with a potential sale transaction for Just Energy's business.

74. During the Strategic Review, Just Energy continued its previously-announced initiatives to optimize its business by refining its geographic footprint and cut costs to maximize profitability, which are discussed above. Subsequently, the Committee's mandate was expanded to include, among other things, consideration of a range of strategic alternatives in addition to a potential sale, including a potential financing, restructuring or recapitalization. The Sale Advisors did not assist with the expanded mandate outside of the sales process described below.

(c) Sales Process

75. After launching the Strategic Review, Just Energy, with the assistance of the Sale Advisors, actively marketed its business and engaged in discussions with respect to strategic transaction opportunities with various parties.

76. Just Energy set up a sales process with two deadlines: (i) July 26, 2019 as the deadline for submitting non-binding bids (the "**Phase 1 Deadline**"), and (ii) August 28, 2019 as the deadline for final bids (the "**Phase 2 Deadline**").

77. The Sale Advisors contacted 19 potential bidders, which included both publicly traded strategic generation and retail owners and private equity companies with experience owning generation and retail businesses. Just Energy entered into non-disclosure agreements ("**NDAs**") with 15 different parties.

78. Just Energy provided due diligence materials in a data room (the "**Phase 1 Data Room**"). One of the parties that signed an NDA was only interested in a portion of Just Energy's business and therefore was not given access to the Phase 1 Data Room. All other parties that signed an NDA were provided access to the Phase 1 Data Room on July 9, 2020.

79. Four parties submitted non-binding bids or letters of intent ("**NBOs**") during Phase 1. These parties were provided access to a data room with additional due diligence materials (the "**Phase 2 Data Room**"). None of the parties submitted any bids by the Phase 2 Deadline. Following the Phase 2 Deadline, Just Energy continued engaging with parties that expressed interest in potential transactions with the assistance of the Sale Advisors and other professionals. In September 2019, Just Energy reengaged with a party that had submitted an NBO previously during Phase 1, which party completed more fulsome due diligence but did not submit a bid to the

Special Committee. Between September 2019 and June 2020, Just Energy engaged with two additional parties that expressed an interest in a potential transaction. One of these parties delivered a non-binding proposal, subsequent to which Just Energy and this party entered into an exclusivity agreement. Over the next few months, this bidder engaged in extensive due diligence and the parties exchanged a number of non-binding proposals and counterproposals, including proposals for transactions to be affected through a plan of arrangement or other court process. Ultimately, Just Energy concluded that the proposals were not viable because they did not offer sufficient return for stakeholders and were not supported by the Credit Facility Lenders and the Term Loan Lenders.

(d) Customer Enrolment and Non-Payment Issues

80. On July 23, 2019, Just Energy announced that it had identified operational issues in customer enrolment and non-payment in the Texas residential market. Management identified an impairment of certain accounts receivable within the Texas residential markets, some of which related to past reporting periods, and released corrected financial statements for the fiscal year ended March 31, 2019. Subsequently, Just Energy also identified operational and collection issues in the United Kingdom and determined that this required an adjustment for certain previous reporting periods.

81. These issues arose due to insufficient analysis of a rapid deterioration of the aging of Just Energy's accounts receivable caused by operational enrolment deficiencies in the Texas market, and due to operational and accounts receivable non-collection issues in the U.K. market. Just Energy immediately commenced remediation efforts once these issues were identified and took steps to improve Just Energy's internal controls.

82. Following the announcement of the customer enrolment and non-payment issues in Texas in July 2019, certain putative class actions were filed in New York, Texas, and Ontario on behalf of investors that purchased Just Energy securities during various periods, ranging from November 9, 2017 through August 19, 2019 (the "**Existing Equity Class Actions**"). The Existing Equity Class Actions are against Just Energy, certain former and current executive officers, and Just Energy's auditor during the relevant time, and seek damages based on alleged violations of U.S. and Canadian securities legislation as well as certain common law causes of action.

(e) Development of the Recapitalization Transaction

83. During the Strategic Review, Just Energy identified financial challenges, in particular that its leverage levels are high and its capital structure is unsustainable, with approximately $782 million of long term debt as of March 31, 2020 compared to Base EBITDA[3] from continuing operations of approximately $185.8 million for the fiscal year ended March 31, 2020 and forecasted Base EBITDA from continuing operations between $130 million and $160 million for the upcoming fiscal year.

84. Just Energy has also experienced growing financing costs in recent years. Finance costs for the fiscal year ended March 31, 2020 were $107.0 million, an increase of 22% over the previous comparable period.

---

[3] "Base EBITDA" is a non-IFRS term used in Just Energy's financial reporting that consists of EBITDA adjusted to exclude the impact of mark to market gains (losses) arising from IFRS requirements for derivative financial instruments, Texas residential enrolment and collections impairment, Strategic Review costs, discontinued operations, and restructuring as well as adjustments reflecting share-based compensation, non-controlling interest and amortization of sales commissions with respect to value-added products. This measure reflects operational profitability.

85. Just Energy also faces significant liquidity risk. Liquidity levels are low for the size of its business and liquidity risks are much larger than available liquidity and require significant management time to manage. As noted above, Just Energy obtained ongoing waivers for certain covenant breaches from both the Credit Facility Lenders and the Term Loan Lenders since June 2018. Moreover, Just Energy has significant debt obligations coming due in the near future, in particular the $370 million Credit Facility, which was maturing on September 1, 2020 before Just Energy and the Credit Facility Lenders entered into the Amendment and Consent Agreement.

86. Just Energy, with the assistance of its professional advisors, considered several alternatives to address these challenges, including continuing the sales process, seeking a short-term extension of the Credit Agreement, and a balance sheet recapitalization. Ultimately, Just Energy decided to proceed with the Recapitalization as the only viable option that provided a long-term solution.

(i) Agreements with Term Loan Lenders and Credit Facility Lenders

87. On July 8, 2020, following extensive discussions with the Credit Facility Lenders and the Term Loan Lenders, Just Energy executed the Support Agreement, the Amendment and Consent Agreement, and the Backstop Agreement. These agreements are described below.

(A) Support Agreement

88. The Support Agreement sets out the terms by which the Term Loan Lenders have agreed to support the Recapitalization and vote in favour of the Arrangement on the terms described in the Term Sheet. The Support Agreement contains standard conditions for such support, including with respect to meeting an agreed timeline for the implementation of the Arrangement, including:

(a) the Interim Order shall be approved by no later than July 24, 2020;

(b) the Arrangement shall receive all requisite voting approvals in accordance with the Interim Order;

(c) the Arrangement shall be approved by the Court pursuant to a final order by no later than September 21, 2020; and

(d) the Recapitalization shall be implemented pursuant to the Arrangement and the Final Order by no later than October 5, 2020.

89. The Support Agreement also includes a waiver by the Term Loan Lenders of certain covenants contained in the Term Loan Agreement and a waiver of cash interest payments that would otherwise be due and payable by Just Energy pursuant to the Term Loan Agreement (provided that such interest shall be paid in kind and capitalized and added to the outstanding principal amount under the Term Loan Agreement).

90. The Support Agreement provides that if Just Energy and the Term Loan Lenders shall not be implemented pursuant to a CBCA Plan for any reason, then they will consider and consider and negotiate in good faith and, if practicable, consummate the Recapitalization by way of an alternative implementation method or proceeding, which may include proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA**") (an "**Alternative Implementation Proces**s"), where the claims of the Shareholders and Convertible Debentureholders are extinguished for no consideration, as determined by Just Energy and the Term Loan Lenders.

(B) Amendment and Consent Agreement

91. The Amendment and Consent Agreement amends the Credit Agreement and provides for the consent by the Credit Facility Lenders to the Recapitalization on the terms set out in the Term Sheet and is intended to facilitate the Recapitalization Transaction.

92. The Amendment and Consent Agreement provides, among other things, the following:

(a) agreement of the Credit Facility Lenders to, upon implementation of the Arrangement, enter into an A&R Credit Agreement for the refinancing of the credit facilities substantially on the terms set forth in the refinancing term sheet attached to the Amendment and Consent Agreement (the A&R Credit Agreement is described below);

(b) waiver by the Credit Facility Lenders of defaults that may be triggered due to the commencement of these proceedings or the implementation of the Arrangement and Recapitalization;

(c) an extension of the Credit Facility's maturity date to December 1, 2020 or such earlier date that may be determined in accordance with the provisions thereof;

(d) a waiver of the obligation to make the Clean-Down Repayments during an accommodation period from the date of the Amendment and Consent Agreement until December 1, 2020, or such earlier date that may be determined in accordance with the provisions thereof; and

(e) an amendment to the pricing grid contained in the Credit Agreement.

93. The support, covenants and waivers of the Credit Facility Lenders are subject to certain customary conditions, including various milestone dates that are consistent with those set forth in the Support Agreement.

94. The Amendment and Consent Agreement provides that if the Recapitalization is not implemented by way of a CBCA Plan and Just Energy seeks to pursue an Alternative Implementation Process, Just Energy and the Credit Facility Borrowers will engage in good faith negotiations with the Credit Facility Lenders regarding the structure, terms and conditions of the Alternative Implementation Process, which structure, terms and conditions must be acceptable to the Credit Facility Lenders.

(C) Backstop Agreement

95. The Backstop Agreement was executed on July 8, 2020 between Just Energy and the Term Loan Lenders (in such capacities, the "**Initial Backstop Parties**"). The Initial Backstop Parties have entered into a U.S. $73 million backstop commitment (equivalent to CDN $100 million at an exchange rate of U.S. $0.73 per CDN $1). The Backstop Agreement provides that the Backstop Parties will subscribe for and receive their pro rata share of any unsubscribed or unfunded shares to be issued in connection with the New Equity Offering. To the extent that the aggregate amount of unsubscribed or unfunded shares provide for an aggregate commitment amount by the Backstop Parties of less than U.S. $20,350,000, Just Energy will issue additional Common Shares to the Backstop Parties to provide for an aggregate commitment totaling such amount (the "**Additional Subscription Shares**").

96. The Backstop Agreement provides that, until July 18, 2020, Just Energy shall be allowed to sell, transfer, negotiate and assign all (but not less than all) of the rights and obligations of the

Initial Backstop Parties under the Backstop Agreement to one or more persons if such person has made a superior proposal to Just Energy in respect of the rights, obligations and commitments under the Backstop Agreement and agrees to be bound by the Backstop Agreement, provided that such a superior proposal is for a minimum commitment of at least $100,000,000. Until July 23, 2020, Just Energy may sell, transfer, negotiate and assign up to 50% of the backstop-related commitments of the Initial Backstop Parties under the Backstop Agreement, provided that such transferees agree to be bound by the Backstop Agreement. After July 23, 2020, no further assignments may be made and the remaining parties with commitments under the Backstop Agreement shall be the "**Backstop Parties**".

97. The Backstop Agreement provides for an aggregate payment by Just Energy to the Initial Backstop Parties of a commitment fee equal to U.S. $2,190,000 (the "**Backstop Commitment Fee**") and an aggregate payment to the Backstop Parties of a funding fee equal to U.S. $2,920,000 (the "**Backstop Funding Fee**"), each payable on the Effective Date and which fees will be applied to subscribe for Common Shares pursuant to the CBCA Plan.

98. In the event that any of the Backstop Parties fails to fund any of the unsubscribed or unfunded Offered Shares under the New Equity Offering and the non-defaulting Backstop Parties do not elect to assume such obligations, all subscriptions made in connection with the New Equity Offering shall be considered null and void and of no further force and effect and the New Equity Offering and the Backstop Agreement shall be terminated. The termination of the Backstop Agreement shall trigger a termination right by the Term Loan Lenders under the Support Agreement and the termination of the accommodation period set forth in the Amendment and Consent Agreement. However, in the event that any Additional Subscription Shares have not been funded by the Backstop Parties on the Effective Date (but there are otherwise no unsubscribed or

unfunded Offered Shares), Just Energy shall be permitted to implement the Arrangement without issuing such unfunded Additional Subscription Shares.

99. Just Energy, with BMO's assistance, marketed the backstop commitment opportunity in connection with the New Equity Offering before entering into the Backstop Agreement. Starting in early June 2020, BMO worked with Just Energy to prepare materials to market a potential recapitalization transaction and an equity backstop commitment proposal to support the recapitalization. Sixteen parties were contacted in connection with the backstop commitment opportunity, including a number of Just Energy's largest current security holders. A number of these parties entered into NDAs and participated in discussions with Just Energy and BMO with respect to the equity backstop commitment opportunity. No party made a proposal that, in the view of Just Energy and BMO, was superior to the Backstop Agreement.

100. Since the Recapitalization was announced, Just Energy has received expressions of interest from a number of parties that were considering becoming Backstop Parties.

(f) Commencement of Arrangement Proceedings

101. On July 8, 2020, Just Energy initiated these proceedings and the Court granted the Preliminary Interim Order that, among other things, provides for a stay of proceedings in favour of the Just Energy Group on the terms set out in the Preliminary Interim Order while Just Energy continued to advance the Recapitalization.

102. Following the granting of the Preliminary Interim Order by the Court, Just Energy, with the assistance of its legal and financial advisors, continued its ongoing discussions and negotiations with the Credit Facility Lenders and the Term Loan Lenders and their respective advisors, prepared the CBCA Plan, and are in the process of finalizing the Circular.

103. On July 8, 2020, Just Energy issued a press release announcing the Recapitalization. In addition, shortly before and after commencing these proceedings, I and other representatives of Just Energy have had discussions with various business counterparties and stakeholders. Just Energy has received positive feedback from a number of stakeholders including Commodity Suppliers, bonding companies, and foreign exchange traders.

104. Most significantly, the reaction of Just Energy's largest Commodity Suppliers indicates that the Recapitalization will, if successfully implemented, stabilize these critical relationships. Since August 2019, of the eight Commodity Suppliers that have historically accounted for over 90% of Just Energy's delivered electricity and natural gas, seven had stopped entering into new material supply transactions with Just Energy because of credit risk concerns. The eighth supplier had to extend payment terms for Just Energy beyond standard payment terms to 60 days in an effort to assist Just Energy with its liquidity issues and therefore provided critical support for Just Energy's business.

105. I have had conversations with representatives of six of the eight Commodity Suppliers during the week of July 6 to describe the Recapitalization and Arrangement. The supplier that was continuing to supply to Just Energy was pleased to learn that Just Energy had developed a plan to reduce leverage, increase liquidity, and push out debt maturities and that Just Energy would be reducing the extended payment terms over time which would be satisfactory on a go forward basis. The five other Commodity Suppliers were also pleased to hear about the Recapitalization and expressed a desire to resume trading with Just Energy once the Recapitalization has been implemented.

106. In addition, I have had meetings with two of Just Energy's significant bonding companies that represent approximately two-thirds of Just Energy's issued bonds. Both bonding companies had previously expressed concerns about the looming maturity date for the Credit Facility and they were pleased to hear that Just Energy had announced a plan to extend the Credit Facility until December 2023 as part of the Recapitalization.

107. Just Energy has also had a similar experience with foreign exchange trading, which is utilized to manage foreign exchange risk between Canada and the United States. In recent months, Just Energy's foreign exchange trading partners had stopped entering to new trades. However, on July 9, 2020, one of these partners communicated that they would resume trading foreign exchange with Just Energy on a limited basis after Just Energy announced the Recapitalization.

F. Description of the Arrangement

108. The specific steps of the Arrangement are set out in Article 4 of the CBCA Plan. The CBCA Plan will become effective in the sequence described in Section 4.4 of the CBCA Plan, and will be binding on the Senior Unsecured Debtholders, the Convertible Debentureholders, the Trustees, the Term Loan Agent, the Existing Common Shareholders, the Existing Preferred Shareholders (with the Existing Common Shareholders, the "**Shareholders**"), and any other person affected by or named in the CBCA Plan and all other persons and parties named or referred to in, or subject to, the CBCA Plan, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement.

(a) Effect of the Arrangement on Senior Unsecured Debtholders

109. The Senior Unsecured Debt subject to the CBCA Plan is comprised of the debt outstanding under the (i) Term Loan Agreement, (ii) the $150 Million Convertible Bonds Trust Deed, and (iii) all related documentation, including all related guarantee and security documentation.

110. On the date of implementation of the Arrangement (the "**Effective Date**"), in accordance with the steps and sequence set forth in the CBCA Plan, each Senior Unsecured Debtholder will receive its pro rata share of (i) debt issued by Just Energy pursuant to the A&R Term Loan Agreement, which is described below, and (ii) 821,959 Common Shares, which represents approximately 5% of the post-Consolidation Common Shares, subject to the treatment of fractional interests in the CBCA Plan. Each Senior Unsecured Debtholder's pro rata share will be calculated with reference to the percentage that the principal amount of Senior Unsecured Debt held by a Senior Unsecured Debtholder bears to the aggregate principal amount of all Senior Unsecured Date immediately prior to the Effective Time.

111. In addition, the CBCA Plan provides that the compensation, the reasonable and documented fees, expenses and disbursements determined in accordance with the applicable Senior Unsecured Debt Documents shall be paid in full in cash by the Applicants pursuant to the applicable Senior Unsecured Debt Documents.

112. After giving effect to the above-noted steps, the Just Energy Group's obligations with respect to the Senior Unsecured Debt shall, and shall be deemed to, have been irrevocably and finally extinguished.

(b) Effect of the Arrangement on Convertible Debentureholders

113. The Convertible Debentures consist of the $160 Million Debentures and the $100 Million Debentures.

114. On the Effective Date, in accordance with the steps and sequence set forth in the CBCA Plan, (i) Just Energy will pay all accrued and unpaid interest on the $100 Million Convertible Debentures as of June 30, 2020, and (ii) each Convertible Debentureholder will receive its pro rata share of 9,339,379 Common Shares, which represents approximately 56.7% of the post-Consolidation Common Shares, subject to the treatment of fractional interests in the CBCA Plan.

115. In addition, the compensation, the reasonable and documented fees, expenses and disbursements determined in accordance with the applicable Convertible Debenture Documents shall be paid in full in cash by Just Energy pursuant to the applicable Convertible Debenture Documents.

116. After giving effect to the above-noted steps, the Just Energy Group's obligations with respect to the Convertible Debentures shall, and shall be deemed to, have been irrevocably and finally extinguished.

(c) Effect of the Arrangement on Existing Equity Holders

117. On the Effective Date, in accordance with the steps and sequence set forth in the CBCA Plan, among other things, the following shall occur in connection with all Common Shares and Preferred Shares that are issued and outstanding immediately prior to the Effective Time and all

options, warrants, rights or similar instruments derived from, relating to, or exercisable, convertible or exchangeable therefor (the "**Existing Equity**"):

(a) Each Existing Common Shareholder will retain its Existing Common Shares, which shall be subject to a 1-for-33 Consolidation and the treatment of fractional interests under the CBCA Plan. As a result of the Consolidation, holders of Existing Common Shares will retain 4,595,169 Common Shares, which represents approximately 28.8% of the post-Consolidation Common Shares.

(b) Each Existing Preferred Shareholder will receive its pro rata share of 1,556,563 Common Shares, which represents approximately 9.5% of the post-Consolidation Common Shares, subject to the treatment of fractional interests in the CBCA Plan, and the Existing Preferred Shares will be cancelled.

(c) Unless otherwise agreed by Just Energy in accordance with the Support Agreement and the Backstop Agreement, and subject to the treatment of the Existing Equity Class Action Claims as provided in the CBCA Plan, all of the Existing Equity other than the Existing Common Shares and the Existing Preferred Shares (the "**Affected Equity**") shall be terminated and cancelled, and shall be deemed to be terminated and cancelled without the need for any repayment of capital thereof or any other liability, payment or compensation. This includes certain such rights of the vendors under the Purchase Agreement dated September 10, 2018 among Just Energy and 8704104 Canada Inc., among others, through which Just Energy acquired all of the issued and outstanding shares of Filter Group.

(d) All equity claims as defined in section 2(1) of the CCAA in respect of the Just Energy Group, other than an Existing Equity Class Action Claims (the "**Affected Equity Claims**") shall constitute Released Claims under the CBCA Plan.

(d) New Equity Offering

118. As noted above, as part of the Recapitalization, any person that (i) is on the Record Date a Senior Unsecured Debtholder, Convertible Debentureholder or Common Shareholder, or (ii) a Holding Preferred Shareholder, and (iii) if such Person referred to in (i) or (ii) is resident outside of Canada or the United States, is qualified to participate in the New Equity Offering in accordance with the laws of its jurisdiction of residence and has provided evidence satisfactory to Just Energy to demonstrate such qualification (each such person, an "**Eligible Securityholder**") will have the right to subscribe for and receive Offered Shares in connection with the New Equity Offering.

119. The New Equity Offering will be allocated among the various types of Eligible Securityholders as follows:

(a) Senior Unsecured Debtholders will collectively be able to subscribe for up to approximately 5% of the Offered Shares;

(b) Convertible Debentureholders will collectively be able to subscribe for up to approximately 57.3% of the Offered Shares;

(c) Preferred Shareholders will collectively be able to subscribe for up to approximately 9.5% of the Offered Shares; and

(d) Common Shareholders will collectively be able to subscribe for up to approximately 28.2% of the Offered Shares.

120. Participating individual Eligible Securityholders will be able to subscribe for up to their pro rata share of the class entitlement to the Offered Shares for their holdings of Senior Unsecured Debt, Convertible Debentures, Common Shares or Preferred Shares, as applicable, in accordance with the allocations described above. Common Shares not acquired by any individual Eligible Securityholder will not be available for acquisition by other Eligible Securityholders. Any such Common Shares will instead be acquired by the Backstop Parties.

(e) Treatment of Backstoppers

121. On the Effective Date and in accordance with the steps and sequence set forth in the CBCA Plan, each Backstopper shall purchase and receive the Backstopped Shares and / or the Additional Subscription Shares (if applicable), and receive the Backstop Funding Fee, and the Backstop Commitment Fee, in each case in accordance with the terms of the Backstop Commitment Letter (described above), the Interim Order and the CBCA Plan.

(f) Unaffected Persons

122. The claims of all persons other than the Senior Unsecured Debtholders, the Convertible Debentureholders, the Existing Equity Holders, and the Backstoppers will be unaffected by the CBCA Plan.

(g) Treatment of Existing Equity Class Action Claims

123. As noted above, following the announcement of the customer enrolment and non-payment issues in Texas in July 2019, certain putative securities class actions were filed in New York, Texas and Ontario on behalf of investors that purchased Just Energy securities during various periods, ranging from November 9, 2017 through August 19, 2019.

124. The Existing Equity Class Actions filed in Ontario have been filed in the Ontario Superior Court of Justice, have not been certified, and are against Just Energy, certain current and former executive officers, and Just Energy's auditor during the relevant time. These claims allege that Just Energy failed to accurately represent or misstated its accounts receivable and allowance for doubtful accounts in its public disclosure. These Existing Equity Class Actions further allege that Just Energy's shareholders suffered a loss in the value of their shares after Just Energy issued a series of corrective disclosures between July 23 and August 15, 2019, and seek damages for alleged negligent misrepresentations and violations of Ontario's *Securities Act* and similar Canadian securities legislation.

125. The Existing Equity Class Actions filed in the United States were filed with the United States District Court for the Southern District of Texas and the United States District Court for the Southern District of New York, but all have been dismissed or consolidated into one case in Texas. The U.S. Existing Equity Class Actions have not been certified and are against Just Energy and certain current and former executive officers. These claims allege that Just Energy's public disclosures contained false or misleading statements, or failed to disclosure material adverse facts, in particular regarding customer enrollment and nonpayment issues, the reserves taken by Just Energy for its accounts receivables, and Just Energy's internal controls. These class actions also allege that Just Energy's shareholders suffered a loss in the value of their shares after Just Energy issued a series of corrective disclosures between July 23 and August 15, 2019 and seek damages for alleged violations of U.S. federal securities laws.

126. As part of the proposed Recapitalization, and as a key condition of the CBCA Plan, the Support Agreement and the Amendment and Consent Agreement, the parties require that the Existing Equity Claims Relief (as defined in the Term Sheet) be granted by an order of the Court

or that the Equity Claims relating to the period prior to the Effective Date otherwise be addressed in a satisfactory manner. In respect of the Existing Equity Class Actions, the CBCA Plan provides, among other things, that from and after the Effective Date any person having a claim in the Existing Equity Class Actions or a related claim for contribution or indemnity (the "**Equity Class Action Claims**") against Just Energy or any of its current or former officers and/or directors shall only be permitted to continue its Existing Equity Class Action Claim to the point of determination of liability, if any, and the recovery of any such person shall be limited to the proceeds under the insurance policies of Just Energy that are available to pay insured claims in respect of Just Energy or its current or former directors and officers, to the extent available in respect of any such Existing Equity Class Action Claims, without any additional rights of enforcement or recovery as against the Released Parties.

127. The Applicants expect to seek the Existing Equity Claims Relief as part of the Final Order.

128. In addition to the parties served with this motion for the Interim Order, if the Interim Order is granted, the Applicants will issue a press release detailing, among other things, the terms of the Recapitalization, the Meetings, voting (including shareholder approvals) and early consent matters. The proposed Interim Order also provides that following granting of the Interim Order, the Applicants shall (i) publish a notice concerning the granting of the Interim Order and the relief to be sought at the Final Order Application to in The Globe and Mail (National Edition) and the Wall Street Journal, and (ii) provide all counsel representing the plaintiffs in each of the Existing Equity Class Action Claims with a copy of, among other things, the Motion Record in respect of this Interim Order.

(h) Other Matters Relating to the Recapitalization

(i) A&R Credit Agreement

129. As noted above, on the Effective Date, the Credit Agreement will be amended in accordance with an A&R Credit Agreement. The Credit Facility Lenders consented to the terms of the A&R Credit Agreement, which are outlined in the refinancing term sheet attached to the Amendment and Consent Agreement signed by such lenders. The refinancing term sheet provides that the A&R Credit Agreement shall, among other things:

(a) extend the maturity date of the Credit Facility from September 1, 2020 to December 31, 2023;

(b) eliminate Just Energy's Clean-Down Repayment obligations;

(c) on the Effective Date, reduce the maximum availability under the Credit Facility by $35 million to $335 million;

(d) provide for further structured reductions of the maximum facility amount over the remainder of the term, as well as additional mandatory repayment events upon the occurrence of certain asset sales or other specified dates; and

(e) amend certain financial and other operational covenants in the Credit Agreement.

(ii) A&R Term Loan Agreement

130. The A&R Term Loan Agreement sets out the terms of the new debt to be issued to the Senior Unsecured Debtholders on the Effective Date. The A&R Term Loan Agreement is appended to the Term Sheet (which is attached to and forms part of the Support Agreement signed

by the Term Loan Lenders). The A&R Term Loan Agreement amends and restates the Term Loan Agreement and provides for the following revised terms:

(a) the Senior Unsecured Debt will be exchanged for a new U.S. $205.9 million senior unsecured term loan;

(b) the maturity date shall be extended from September 12, 2023 to March 31, 2024;

(c) the interest rate shall be increased from 8.75% to 10.25% on any interest paid in the form of a payment in kind and 9.75% on any interest paid in cash, and interest payments shall be capitalized until certain cash interest requirements are triggered (based on the satisfaction of certain financial covenants or upon the repayment in full of the amounts owing under the Credit Agreement);

(d) the prepayment fee shall be reduced to 5% and prepayments may be made at any time (as opposed to a make-whole premium or a prepayment fee of 8.75% from September 12, 2021 to September 12, 2022 and 5% from September 13, 2022 to maturity);

(e) the Term Loan shall be required to be repaid upon the occurrence of a change of control; and

(f) certain financial covenants shall be amended and additional restrictions on permitted asset dispositions, permitted acquisitions and permitted distributions shall be incorporated.

(iii) Conditions to Implementation

131. The Recapitalization and the Arrangement are subject to certain conditions precedent to be satisfied, completed or waived pursuant to the terms of the Support Agreement, the Amendment and Consent Agreement, and the CBCA Plan, including the following:

(a) the Court shall have granted the Final Order and the Final Order shall have become a final order, the implementation, operation or effect of which shall not have been stayed, varied in a manner not acceptable to the Applicants, vacated or subject to pending appeal and as to which order any appeal periods relating thereto shall have expired;

(b) all conditions set out in the Support Agreement shall have been satisfied or waived by the applicable parties pursuant to the terms of the Support Agreement; and

(c) all conditions set out in the Backstop Commitment Letter shall have been satisfied or waived by the applicable parties pursuant to the terms of the Backstop Commitment Letter.

(iv) Releases

132. The proposed CBCA Plan includes releases in connection with the implementation of the Recapitalization in favour of the (i) Just Energy Group, (ii) the Trustees and the Term Loan Agent, (iii) the Term Loan Debtholders, (iv) the Backstoppers, and (v) for each of the entities named in the foregoing clauses, each of their respective current and former directors, officers, managers, partners, employees, auditors, financial advisors, legal counsel and agents (collectively, the "**Released Parties**").

133. The CBCA Plan releases do not release any liabilities or claims attributable to any of such Released Parties' gross negligence, fraud, or wilful misconduct as determined by the final, non-appealable judgment of a court of competent jurisdiction, and the Released Parties shall not be released from any of their obligations under the CBCA Plan, the Support Agreement, the Backstop Commitment Letter, or the Amended & Restated Term Loan Agreement.

134. The proposed CBCA Plan also does not release the Existing Equity Class Action Claims. As discussed above, the proposed CBCA Plan would limit the recovery of any and all persons having an Existing Equity Class Action Claim solely to insurance proceeds.

G. Approval of the Recapitalization and the Arrangement by the Board

135. As noted above, the Board has concluded that Just Energy must proceed with the Recapitalization in light of Just Energy's current financial challenges. Just Energy is currently finalizing the Circular for the Arrangement, which is expected to be reviewed by the Board in the near future and approved for submission to the Senior Unsecured Debtholders, the Convertible Debentureholders, the Existing Shareholders and the Court for their respective approvals. The Applicants expect that they will serve a supplementary affidavit attaching the Circular approved by the Board and providing an update regarding the Board's decision before the hearing of this motion.

H. Reasons for Proceeding by way of a CBCA Plan of Arrangement

(a) Arrangement Within the Meaning of s. 192 of the CBCA

136. I am advised by Alex Gorka of Osler, Hoskin & Harcourt LLP ("**Osler**"), counsel for the Applicants, and believe that the Applicants are permitted to apply for an order under section 192 of the CBCA and that the anticipated Arrangement qualifies as an "arrangement" within the

meaning of subsection 192(1)(f) of the CBCA as it involves the exchange of securities for other securities.

(b) ArrangeCo is Solvent, and Just Energy will be Solvent After the Arrangement is Implemented

137. ArrangeCo has no liabilities and is solvent.

138. Notwithstanding that, as shown in Just Energy's most recent annual Financial Statements, the book value of Just Energy's assets as at March 31, 2020 is less than the book value of its liabilities, the Recapitalization is expected to improve Just Energy's capital structure by significantly reducing its debt and annual cash interest costs, raising new equity, and extending maturity dates. Following completion of the Recapitalization, it is expected that the realizable value of the Just Energy's assets will not be less than the aggregate value of its liabilities and stated capital, and that the Applicants will not be unable to meet its obligations as they become due.

(c) It is not Practicable to Proceed under Another Provision of the CBCA

139. The Arrangement includes a number of interrelated steps. For the reasons set out below, amongst others, and based on the advice of the Applicants' counsel, I believe that it is impracticable for the Arrangement to be effected under any other provision of the CBCA:

(a) The particular steps set forth in the Arrangement (including the specified sequence thereof) are required to achieve certain objectives that cannot practicably be achieved through other transaction structures under the CBCA with the degree of certainty required by the Applicants. The Arrangement will ensure that the Senior Unsecured Debt, the Convertible Debentures, and Preferred Shares will be dealt with finally and conclusively. Without that certainty, there can be no assurance that

the Applicants would be able to carry out the Recapitalization under the CBCA on terms comparable to those offered under the Arrangement.

(b) While it may be technically possible for certain steps of the Recapitalization set forth in the Arrangement to be effected otherwise than pursuant to an arrangement under Section 192 of the CBCA, no alternative structure within the CBCA affords the ability to execute the varied steps provided thereunder among and between multiple parties and in a pre-determined sequence without incurring significant uncertainty, commercial risk and logistical complication. Moreover, it is critical for the Applicants to complete the Recapitalization in a short period of time, which is only possible if the Recapitalization is effected through an Arrangement.

(c) The implementation of the Recapitalization by way of Arrangement allows for transactional efficiency through a Court-supervised single step transaction that avoids additional time and steps that would be required were the transaction to proceed in another manner.

140. I am informed by Rob Lando, a lawyer in the corporate department of Osler, that the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), provides, in Section 3(a)(10) thereof, an exemption from registration under the U.S. Securities Act for "any security which is issued in exchange for one or more bona fide outstanding securities, claims or property interests, or partly in such exchange and partly for cash, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange shall have the right to appear, by any court…expressly authorized by law to grant such approval".

141. I am also informed by Mr. Lando that the Applicants intend to use the Final Order of this Court approving the Arrangement, if granted, as the basis for an exemption from the registration requirements of the U.S. Securities Act, pursuant to Section 3(a)(10), together with exemptions provided under the applicable state securities laws in which Just Energy securityholders reside, with respect to the securities to be issued by Just Energy under the Arrangement, other than the Offered Shares to be issued pursuant to the New Equity Offering.

(d) Notice to the Director

142. I am advised by Waleed Malik of Osler and believe that, in accordance with s. 192(5) of the CBCA, the CBCA Director has been given notice of this application and the motion for the Interim Order. I am further advised by Mr. Malik and believe that on July 13, 2020, the CBCA Director was provided with a copy of the issued Noticed of Application and Preliminary Interim Order, and copies of the draft CBCA Plan, draft Interim Order, and a draft of this Affidavit by email.

I. The Interim Order

(a) The Meetings

143. Just Energy proposes to hold three separate meetings of the Senior Unsecured Debtholders, the Convertible Debentureholders, and the Shareholders on August 25, 2020 to consider and, if deemed advisable, to pass, with or without variation, resolutions to, among other things, approve the Arrangement (collectively, the "**Arrangement Resolutions**").

144. The Interim Order contemplates that for purposes of voting on the arrangement the $150 Million Convertible Bonds and the Term Loan Debtholders will form one class, that both series of Convertible Debentures will form one class, and that the Existing Preferred Shareholder and

Existing Common Shareholders will form one class. While Just Energy's articles provide the Existing Preferred Shareholders shall be entitled to vote separately as a class to "amend, alter or repeal any provisions of [Just Energy's] articles relating to the Series A Preferred Shares to affect materially and adversely the rights, privileges, restrictions or conditions of the Series A Preferred Shares", the Applicants believe it is fair and reasonable to place all equity holders in one class in light of their relative priority as equity claims and given the relative numbers (as at March 31, 2020, there were 151,614,238 Common Shares and 4,662,165 Preferred Shares issued and outstanding). The Applicants believe that this classification of the Shareholders and Debtholders is fair and reasonable.

145. The Interim Order includes directions for giving notice of the Meetings to the Senior Unsecured Debtholders, the Convertible Debentureholders, and the Existing Shareholders as follows:

(a) *Notice of the Senior Unsecured Debtholders' Meeting*: The Applicants will provide the Information Circular (including the Senior Unsecured Debtholders' Notice of Meeting, the Notice of Application, and the Interim Order) as well as the Senior Unsecured Debtholder proxy, the Senior Unsecured Debtholder Voting Information Form, and the Offered Shares Participation Form (collectively, the "**Senior Unsecured Debtholder Meeting Package**") to Kingsdale Advisors (the "**Proxy and Information Agent**") for distribution as follows:

(i) *Term Loan Debtholders*: The Interim Order provides that the Term Loan Agent shall provide the Proxy and Information Agent the names and contact information for all registered Term Loan Debtholders (the "**Term Loan**

Debtholders' List"). The Proxy and Information Agent shall then send a Senior Unsecured Debtholder Meeting Package to the Term Loan Agent and each Term Loan Debtholder on the Term Loan Debtholders' List by pre-paid ordinary or first-class mail, recognized courier service, e-mail, or such other means as the Applicants may determine.

(ii) *$150 Million Convertible Bonds*: The Interim Order that the Proxy and Information Agent shall send a Senior Unsecured Debtholder Meeting Package to Euroclear and Clearstream, which shall distribute the Unsecured Debtholder Meeting Package to participants holding the $150 Million Convertible Bonds in the applicable clearing, settlement and depositary systems (each, an "**Intermediary**"), which Intermediaries shall provide the Senior Unsecured Debtholder Meeting Package to each beneficial holder of $150 Million Convertible Bonds that has an account with each applicable Intermediary.

(b) *Notice of the Convertible Debentureholders' Meeting*: The Applicants will provide the Information Circular (including the Convertible Debentureholders' Notice of Meeting, the Notice of Application and this Interim Order), the Convertible Debentureholders' proxy, the Convertible Debentureholder Voting Information Form, and the Offered Shares Participation Form (collectively the "**Convertible Debentureholder Meeting Package**") to the Proxy and Information Agent for distribution as follows. The Interim Order provides that the $100 Million Debenture Trustee and the $160 Million Debenture Trustee shall provide the Proxy and Information Agent a list showing the names and addresses of all Intermediaries

holding the Convertible Debentures in the applicable clearing, settlement and depositary systems as of the Record Date (the "**Convertible Debenture Intermediaries Lists**"). The Proxy and Information Agent will then send a Convertible Debentureholder Meeting Package to each registered holders of the Convertible Debentures and shall, through the facilities of applicable proxy mailing service providers, provide one Convertible Debentureholder Meeting Package to each beneficial holder of Convertible Debentures.

(c) *Notice of the Shareholders' Meeting*: The Applicants will send the Information Circular (including the Notice of Application and this Interim Order), the Shareholders' Notice of Meeting, the form of proxy or the voting instruction form, the letter of transmittal, and the Offered Shares Participation Form, along with such amendments or additional documents as the Applicants may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Shareholder Meeting Package**") as follows:

(i) to the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Shareholders' Meeting, excluding the date of sending and the date of the Shareholders' Meeting, by one or more of (A) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of the Applicant, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of the Applicant; (B) delivery, in person or by recognized courier service or inter-office mail, to the address

specified in (A); or (C) by facsimile or electronic transmission to any Existing Shareholder, who is identified to the satisfaction of the Applicants, who requests such transmission in writing and, if required by the Applicants, who is required to pay the charges for such transmission;

(ii) to non-registered beneficial Shareholders by providing sufficient copies of the Shareholder Meeting Package to Intermediaries (or their agents) in a timely manner, in accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and

(iii) to the directors and auditors of the Applicants, and to the CBCA Director, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail, facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Shareholders' Meeting, excluding the date of sending and the date of the Shareholders' Meeting.

146. The proposed Interim Order provides that substantial compliance with the notice provisions in the Interim Order shall constitute good and sufficient notice of the Meetings and that the accidental omission or delay in giving notice, or the non-receipt of such notice, shall not invalidate any resolution passed or proceedings taken at the Meetings. However, if any such failure or omission is brought to the attention of the Applicants, then the Applicants will use their reasonable best efforts to rectify it by the method and in the time most practicable in the circumstances.

147. The Chair of the Meetings shall be determined by the Applicants and the quorum at each of the Meetings shall be satisfied if two or more persons entitled to vote at such Meeting are

present, in person or represented by proxy, at the outset of such Meeting. To be approved, the Arrangement Resolution presented at each meeting must be approved by an affirmative vote of at least two-thirds of the votes cast each meeting, whether in person or by proxy.

148. The proposed Interim Order also provides for the process and deadlines for submissions of Senior Unsecured Debtholders', Convertible Debentureholders, and Existing Shareholders' votes and proxies. The draft forms of proxy to be sent to the eligible Senior Unsecured Debtholders, Convertible Debentureholders, and Existing Shareholders are included in the Circular.

149. The Applicants intend to seek final approval of the Arrangement from this Court on September 2, 2020 pursuant to the Notice of Application.

(b) Amendment of Record Date

150. In the Preliminary Order, this Court set July 8, 2020 as the Record Date for the Meetings and Just Energy's Annual Meeting. After obtaining the Preliminary Interim Order, the Applicants discovered that the Record Date had to be changed for administrative reasons. As part of the Interim Order, the Applicants are seeking to modify the Record Date to July 23, 2020. The modified Record Date will apply in respect of the Meetings, the New Equity Offering, and the Annual Meeting. Just Energy released a press release announcing the modified Record Date on July 13, 2020.

(c) Foreign Proceedings

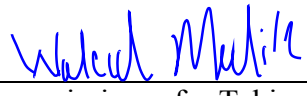
151. The Interim Order authorizes the Applicants to act as the foreign representative for the purpose of having these proceedings recognized and approved in a jurisdiction outside of Canada and to apply for foreign recognition and approval of these proceedings, as necessary, in any

jurisdiction outside of Canada, including in the United States pursuant to chapter 15 of title 11 of the United States Bankruptcy Code.

(d) Stay of Proceedings

152. As discussed above, the Preliminary Interim Order provides for a stay of proceedings in favour of Just Energy until August 7, 2020 or such later date as ordered by the Court (the "**Stay Period**"). The proposed Interim Order does not make any amendments to the scope of the stay of proceedings but extends the Stay Period until October 5, 2020. The extension of the Stay Period ensures the overall stability of Just Energy's business while it completes the finalize the Arrangement and the Recapitalization. Trade creditors, suppliers, customers, employees, and other parties whose interests are not being arranged as part of the Recapitalization will not be impacted by the Stay. Therefore, the Applicants believe there will be no prejudice to stakeholders as a result of the Stay that merely preserves the status quo.

SWORN BEFORE ME over video teleconference this 14th day of July, 2020. The affiant was located in the City of Houston, in the State of Texas while the Commissioner was located in the City Toronto, in the Province of Ontario. The affidavit was commissioned remotely as a result of COVID-19.



Commissioner for Taking Affidavits
Waleed Malik (LSO No. 67846O)

JAMES BROWN

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. C-44, AS AMENDED;
AND IN THE MATTER OF RULE 14.05(2) OF THE RULES OF CIVIL PROCEDURE;
AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF JUST ENERGY GROUP INC. AND 12175592 CANADA INC.

Court File No: CV-20-00643596-00CL

Applicants

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at: TORONTO

AFFIDAVIT OF JAMES BROWN

OSLER, HOSKIN & HARCOURT LLP
100 King Street West, 1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

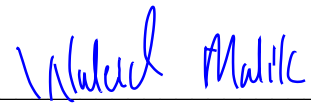
Marc Wasserman (LSO# 44066M)
Michael De Lellis (LSO# 48038U)
Craig Lockwood (LSO# 46668M)

Tel: (416) 362-2111
Fax: (416) 862-6666

Counsel for the Applicants, Just Energy Group Inc. and 12175592 Canada Inc.

TAB R

THIS IS EXHIBIT "R" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Court File No. CV-20-00643596-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED

AND IN THE MATTER OF RULE 14.05(2) OF THE RULES OF CIVIL PROCEDURE

AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF JUST ENERGY GROUP INC. AND 12175592 CANADA INC.

Applicants

AFFIDAVIT OF JAMES BROWN

I, James Brown, of the city of Houston, in the State of Texas, MAKE OATH AND SAY:

1. I am the Chief Financial Officer of Just Energy Group Inc. ("**Just Energy**") and have served in that role since April 2018. As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources for information, I have stated the source of my information and I believe such information to be true. Where I rely upon information provided to me by counsel, that information is not privileged. Just Energy does not, and does not intend to, waive privilege by any statement herein. In preparing this affidavit, I have reviewed Just Energy's records, press releases, and public filings, and have relied on various advisors of Just Energy and other members of senior management of Just Energy as necessary.

2. I swear this affidavit in support of an application by Just Energy and 12175592 Canada Inc. ("**ArrangeCo**" and, with Just Energy, the "**Applicants**") for a Final Order under section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the "**CBCA**") approving the proposed arrangement of the Applicants (the "**Arrangement**") pursuant to the amended plan of arrangement of the Applicants (the "**Amended CBCA Plan**"), a copy of which is attached as **Exhibit** "**A**".

3. This affidavit supplements the affidavits that I previously swore in this proceeding on July 14, 2020 (the "**Interim Order Affidavit**") and July 15, 2020. Copies of these prior affidavits are attached, without exhibits, as **Exhibits** "**B**" and "**C**", respectively.

4. All capitalized terms not otherwise defined in this affidavit have the meanings given to them in the Interim Order Affidavit or Just Energy's management information circular (the "**Circular**") prepared in connection with the Meetings (defined below), a copy of which is attached as **Exhibit** "**D**". All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

A. Overview

5. Just Energy and its subsidiaries (the "**Just Energy Group**") are retail energy providers specializing in electricity and natural gas commodities, energy efficiency solutions, and renewable energy options. The Just Energy Group currently serves over 1.1 million residential and commercial customers across the United States, Canada, and Germany.

6. The Applicants commenced this arrangement proceeding to effect a balance sheet recapitalization transaction (the "**Recapitalization**"). The Recapitalization is the culmination of a year-long strategic review (the "**Strategic Review**") in which Just Energy considered strategic

alternatives to address significant financial challenges (including high leverage levels and an unsustainable capital structure) and liquidity risks. Following the Strategic Review, and with the assistance of professional advisors, Just Energy concluded that the Recapitalization is the only viable option that provides a long-term solution for its challenges and ensures that Just Energy can continue as a going concern.

7. On July 8, 2020, after extensive discussions with the Term Loan Lenders and the Credit Facility Lenders, which represent the most senior positions in its capital structure, Just Energy entered into (i) a support agreement with the Term Loan Lenders (the "**Support Agreement**"), and (ii) an amendment and consent agreement with the Credit Facility Lenders (the "**Amendment and Consent Agreement**"). In these agreements, the Term Loan Lenders and the Credit Facility Lenders consented to the Recapitalization on terms set out in a term sheet appended to both agreements (the "**Term Sheet**").

8. Additionally, on July 8, 2020, the Applicants commenced these proceedings and obtained an order (the "**Preliminary Interim Order**") which provided a limited stay while Just Energy continued to advance the Recapitalization. A copy of the Preliminary Interim Order is attached as **Exhibit** "**E**".

9. Following the granting of the Preliminary Interim Order, Just Energy, with the assistance of its legal and financial advisors, continued discussions and negotiations with the Credit Facility Lenders and the Term Loan Lenders and their advisors. Just Energy also prepared a plan of arrangement (the "**Original CBCA Plan**") and the Circular in connection with the Arrangement.

10. On July 17, 2020, the Applicants obtained an Interim Order that authorized them to call three separate meetings (the "**Meetings**") of stakeholders voting on the Arrangement—the Senior

Unsecured Debtholders, the Convertible Debentureholders, and the Shareholders—on August 25, 2020 to vote on resolutions approving the Arrangement (the "**Arrangement Resolutions**"). The Interim Order provided that, to be approved, the Arrangement Resolution presented at each Meeting must be approved by an affirmative vote of at least two-thirds of the votes cast at each Meeting, whether in person or by proxy. A copy of the Interim Order and the related endorsement of Justice Hainey is attached as **Exhibit** "**F**".

11. On July 28, 2020, the Applicants' counsel was contacted by counsel for an ad hoc committee of Convertible Debentureholders (the "**Ad Hoc Committee**"), who advised that his clients held approximately 30% of the Convertible Debentures and had entered into an agreement to vote against the CBCA Recapitalization. Counsel for the Ad Hoc Committee also advised that he expected that additional Convertible Debentures might join the Ad Hoc Committee and that the Recapitalization could not be successful without the Ad Hoc Committee's support.

12. Just Energy and its advisors continued their discussions, and entered into negotiations, with the Ad Hoc Committee and its advisors regarding potential amendments to the CBCA Plan. Given the progress being made in these negotiations, Just Energy issued a press release on August 25, 2020 postponing the Meetings to allow additional time for discussions with its debtholders. A copy of the August 25 press release is attached as **Exhibit** "**G**".

13. On August 25, 2020, Just Energy and certain Convertible Debentureholders (the "**Supporting Convertible Debentureholders**") entered into a support agreement (the "**Convertible Debentureholders Support Agreement**"), a copy of which is attached as **Exhibit**

"**H**".[1] In the Convertible Debentureholders Support Agreement, the Supporting Convertible Debentureholders agreed to support the Recapitalization on the terms set forth in the Original CBCA Plan, as amended to reflect terms set out in a term sheet attached to the Convertible Debentureholders Support Agreement. These amendments are reflected in the Amended CBCA Plan.

14. On August 26, 2020, Just Energy entered into the (a) supplement to the Support Agreement (the "**Support Agreement Supplement**") with the Term Loan Lenders, a copy of which is attached as **Exhibit** "**I**", and (b) consent agreement (the "**Consent Agreement**") with the Credit Facility Lenders, a copy of which is attached as **Exhibit** "**J**". In these agreements, the Term Loan Lenders and the Credit Facility Lenders agreed to support the approval of the Amended CBCA Plan.

15. Also on August 26, 2020, Just Energy issued a press release announcing that it had entered into the Convertible Debentureholders Support Agreement and setting out the resulting amendments to the Recapitalization. The press release also stated that Just Energy had postponed the Meetings until August 27, 2020 to provide securityholders more time to consider the amendments and that the Proxy Deadline had been moved to 6 pm (Toronto time) on August 26, 2020. A copy of the August 26 press release is attached as **Exhibit** "**K**".

16. I am advised by Jonah Davids, EVP, General Counsel and Corporate Secretary of Just Energy, and believe that the Arrangement was approved by: (a) votes representing 99.35% of the Senior Unsecured Debt that was voted at the Senior Unsecured Debtholders' Meeting in person or

[1] All copies of agreements related to the Recapitalization that are attached as exhibits to this affidavit are versions that have been publicly filed on SEDAR and include redactions for confidential information.

by proxy; (b) votes representing 87.66% of the Convertible Debentures that were voted at the Convertible Debentureholders' Meeting in person or by proxy; and (c) 94.92% of the votes cast at the Shareholders' Meeting in person or by proxy.

17. The Applicants are now seeking a Final Order approving the Arrangement.

18. Just Energy's comprehensive Strategic Review of alternatives to realign its capital structure has culminated in the Recapitalization and, with professional advice, Just Energy concluded that the Recapitalization is in its best interest and the best interest of its stakeholders.

19. Just Energy expects that the Recapitalization will improve its capital structure by: (i) reducing its debt by approximately $260 million and reducing net debt and preferred shares by approximately $520 million; (ii) raising over $100 million of new equity; (iii) significantly reducing annual cash interest costs by approximately $45 million initially; and (iv) extending looming debt maturity dates. Moreover, Just Energy's revised loan agreements will provide increased flexibility to advance Just Energy's business strategy going forward.

20. Since announcing the Recapitalization, Just Energy has received positive feedback from many stakeholders. Most significantly, if successfully implemented, the Recapitalization will stabilize Just Energy's relationship with significant suppliers. Since August 2019, of Just Energy's eight key suppliers which have historically supplied more than 90% of Just Energy's delivered natural gas and electricity, seven had stopped entering into new material supply transactions with Just Energy because of credit risk concerns. Since the announcement of the Recapitalization, five of the suppliers that had ceased entering into supply transactions have expressed a desire to resume trading with Just Energy once the Recapitalization has been implemented. Just Energy has also

received positive feedback from other business partners such as bonding companies and foreign exchange traders.

21. If implemented, the Recapitalization will put Just Energy on a stronger financial footing and ensure that it can continue operating as a going concern and grow its business for the benefit of all stakeholders. Among other things, it will ensure that Just Energy can continue providing employment to nearly 900 employees across the world, continue supplying essential electricity and gas supplies for over a million consumer and commercial customers, maintain critical relationships with suppliers and other contractual counterparties, and increase enterprise value.

B. Overview of Proposed Arrangement and Recapitalization

22. The primary objective of the Recapitalization is to improve Just Energy's capital structure, which is described in detail in the Interim Order Affidavit at paragraph 43 to 67. In includes the following debt and equity that will be affected by the Recapitalization and is categorized by priority of payment in the table below:

	Type	**Borrower(s)**	**Maturity Date**	**Approximate Outstanding Amount as of March 31, 2020**
Secured Debt				
Credit Facility	Revolving credit facilities on borrowing base	Just Energy Ontario L.P. and Just Energy (U.S.) Corp.	December 1, 2020	$236.4 million in principal $72.5 million in letters of credit
Senior Unsecured Debt				
Term Loan	Non-revolving, multi-draw	Just Energy Group Inc.	September 12, 2023	$280.5 million

	senior unsecured term loan facility			
$150 Million Convertible Bonds	Senior convertible unsecured convertible bonds	Just Energy Group Inc.	December 31, 2020	$12.9 million
Convertible Debentures				
$100 Million Debentures	Convertible unsecured senior subordinated debentures	Just Energy Group Inc.	March 31, 2023	$100 million
$160 million Debentures	Convertible unsecured senior subordinated debentures	Just Energy Group Inc.	December 31, 2021	$160 million
Equity				
Common Shares	N/A			151,614,238 Common Shares
Preferred Shares	N/A			4,662,165 Preferred Shares

23. The Arrangement and Recapitalization are described in the Circular and Amended CBCA Plan. Key elements of the Recapitalization are set out below:

(a) *A&R Credit Agreement:* The Credit Agreement will be amended pursuant to a ninth amended and restated agreement, which shall be finalized prior to implementation of the Arrangement in accordance with a refinancing term sheet attached to the Amendment and Consent Agreement and the Term Sheet (the "**Refinancing Term Sheet**"). The amendment, which will become effective on implementation of the Arrangement, among other things: (i) extends the maturity date of the Credit

Facility to December 31, 2023; (ii) reduces the maximum availability under the Credit Facility by $35 million upon implementation of the Arrangement, with an agreed schedule of additional commitment reductions through the remainder of the term; and (iii) amends certain covenants in the Credit Agreement.

(b) *Exchange of Senior Unsecured Debt*: All obligations in respect of the $150 Million Convertible Bonds and the Term Loan (collectively, the "**Senior Unsecured Debt**") will be exchanged for debt issued by Just Energy under an amended and restated Term Loan Agreement in the form attached to the Term Sheet (the "**New Term Loan**") and approximately 10% of Just Energy's post-Consolidation (defined below) Common Shares.[2] This will result in: (i) a reduction of principal owed to the holders of Senior Unsecured Debt; (ii) deferred maturity dates for the Senior Unsecured Debt; (iii) reduced cash interest expenses for Just Energy; and (iv) amended covenants.

(c) *Exchange of Convertible Debentures*: In respect of the $160 Million Debentures and the $100 Million Debentures (collectively, the "**Convertible Debentures**"):

(i) Just Energy will pay all accrued and unpaid interest up to and including the Effective Date.

(ii) All remaining obligations will be exchanged for approximately 50.8% of the post-Consolidation Common Shares.

---

[2] All percentages for post-Consolidation Common Shares in this affidavit are calculated inclusive of securities in employee equity plans and after the Private Placement (defined below).

(iii) Each Convertible Debentureholder will receive its *pro rata* share of $15 million of subordinated notes (the "**New Subordinated Notes**") to be issued by Just Energy pursuant to the New Subordinated Notes Indenture. The New Subordinated Notes will have a 6-year maturity, an annual interest rate of 7% and be subordinated to the Credit Facility and the New Term Loan.

(d) *New Equity Offering*: Just Energy will provide Eligible Securityholders the right to participate in an offering (the "**New Equity Offering**") of $100 million of Common Shares (the "**Offered Shares**"), which offering will be backstopped under the backstop commitment letter executed on July 8, 2020 and various joinders thereto (collectively, the "**Backstop Agreement**"). The Backstop Agreement provides for a USD $73 million backstop commitment (equivalent to CAD $100 million at an exchange rate of USD $0.73 per CAD $1).

(e) *Private Placement*: The Term Loan Debtholders will purchase Common Shares in the aggregate amount of approximately $3.67 million pursuant to a private placement (the "**Private Placement Shares**"). The Private Placement Shares will be in addition to any Common Shares received by the Term Loan Lenders pursuant to the New Equity Offering or the Backstop Agreement. The proceeds of the Private Placement will help fund payment of the accrued and unpaid interest on the Convertible Debentures until closing of the Recapitalization.

(f) *Existing Equity Holders*: The following will occur in connection with all Common Shares and Preferred Shares outstanding immediately prior to the Effective Time

and all options, warrants, rights or similar instruments derived from, relating to, or exercisable, convertible or exchangeable therefor (the "**Existing Equity**"):

(i) Each existing Common Shareholder will retain its Common Shares, which shall be subject to a 1-for-33 consolidation (the "**Consolidation**") and the treatment of fractional interests under the Amended CBCA Plan. As a result, holders of Existing Common Shares will retain approximately 25.8% of the post-Consolidation Common Shares.

(ii) Each existing Preferred Shareholder will receive approximately 8.5% of the post-Consolidation Common Shares, subject to the treatment of fractional interests in the Amended CBCA Plan, and the existing Preferred Shares will be cancelled.

(iii) Unless otherwise agreed by Just Energy, in accordance with the Support Agreement (as amended by the Support Agreement Supplement) and the Backstop Agreement, and subject to the treatment of the Existing Equity Class Action Claims as provided in the CBCA Plan, all of the Existing Equity other than the existing Common Shares, the existing Preferred Shares, restricted share grants, performance-based grants, and deferred share grants (the "**Affected Equity**") will be terminated and cancelled without the need for any repayment of capital thereof or any other liability, payment or compensation.

(iv) All equity claims as defined in section 2(1) of the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended ("**CCAA**") in respect

of the Just Energy Group other than an Existing Equity Class Action Claims (the "**Affected Equity Claims**") will constitute Released Claims.

(g) *Treatment of Existing Equity Class Action Claims:* From and after the Effective Date, any person having a claim in the Existing Equity Class Actions or a related claim for contribution or indemnity (the "**Equity Class Action Claims**") against Just Energy or any of its current or former officers and/or directors would only be permitted to continue its Existing Equity Class Action Claim to the point of determination of liability, if any, and the recovery of any such person shall be limited to the proceeds under the insurance policies of Just Energy that are available to pay insured claims in respect of Just Energy or its current or former directors and officers, to the extent available in respect of any such Existing Equity Class Action Claims, without any additional rights of enforcement or recovery as against the Released Parties.

(h) *Unaffected Claims:* All priority claims, tax liabilities, trade debt, obligations of Just Energy under eligible financial contracts, and obligations of Just Energy to employees shall be unaffected by the Recapitalization (except, in the case of employee obligations, as may be otherwise provided for in the Support Agreement, as amended by the Support Agreement Supplement).

24. While Just Energy decided to implement the Recapitalization through an arrangement under the CBCA, both the Support Agreement and the Amendment and Consent agreement contemplate that, if the Recapitalization cannot be implemented under the CBCA for any reason, Just Energy will pursue an alternative recapitalization transaction. To that end, the motion

materials filed by Just Energy in this proceeding and the Circular clearly disclosed that if the Recapitalization is not implemented, Just Energy will pursue an alternative transaction, which could include proceedings under the CCAA (an "**Alternative Implementation Process**"), where the claims of the Shareholders and Convertible Debentureholders are extinguished for no consideration. If the Arrangement is not approved at the Final Order hearing or if the Recapitalization cannot be consummated for any reason, Just Energy expects it may have no choice but to pursue an Alternative Implementation Process.

C. Decision of the Board to Proceed with Arrangement and Recapitalization

25. As explained in greater detail in the Interim Order Affidavit, on June 6, 2019, Just Energy announced the Strategic Review to evaluate strategic alternatives for unlocking shareholder value with a view to the best interests of Just Energy and all its stakeholders. The Board of Directors of Just Energy (the "**Board**") appointed a committee comprised of independent directors (the "**Special Committee**") to oversee the Strategic Review.

26. During the Strategic Review, Just Energy continued previously-announced initiatives to optimize its business by refining its geographic footprint and cutting costs to maximize profitability. Just Energy also undertook a sales process for its business with the assistance of Guggenheim Securities, LLC and National Bank Financial Inc. The sales process is described in the Interim Order Affidavit. The sales process did not result in any executable transactions.

27. The Special Committee's mandate was expanded to include, among other things, consideration of a range of strategic alternatives in addition to a potential sale, including a potential financing, restructuring, or recapitalization. In March 2020, Just Energy retained BMO Capital Markets ("**BMO**") to provide financial advisory services to, among other things, assist in exploring

and evaluating potential transactional alternatives, including initiatives to optimize its capital structure. With the assistance of BMO and other professional advisors, Just Energy decided to proceed with the Recapitalization.

28. In particular, in May 2020, Just Energy concluded that it had to proceed with the Recapitalization as it was the only viable option that provided a long-term solution to its financial challenges. This conclusion was supported by, among others, the following:

(a) The sales process noted above, which lasted for nearly a year, had not resulted in any executable transaction.

(b) Just Energy had inadequate liquidity for over a year and had been obtaining ongoing waivers from its lenders under the Credit Facility and the Term Loan Agreement since June 2018.

(c) Just Energy was facing looming maturity dates for significant debt obligations, including the Credit Facility that was scheduled to mature on September 1, 2020 (the maturity date has since been extended to December 1, 2020 by an agreement with the Credit Facility Lenders).

(d) Just Energy's annual financial statements for the fiscal year ended March 31, 2020 (the "**Financial Statements**") contained a going concern note stating that Just Energy's ability to continue as a going concern was dependent on: (i) the continued availability of its credit facilities; (ii) Just Energy's ability to obtain waivers from its lenders for potential instances of non-compliance with covenants if necessary; (iii) Just Energy's ability to refinance or secure additional sources of financing if

necessary or the completion of the Recapitalization; (iv) the liquidation of available investments; and (v) the continued support of Just Energy's lenders and suppliers. The Financial Statements stated that these conditions indicated the existence of material uncertainties that raised substantial doubt about Just Energy's ability to continue as a going concern.

(e) Just Energy's business depends on relationships with various counterparties, including suppliers and sureties. Releasing the Financial Statements with the going concern note and without launching the Recapitalization would have risked undermining these critical relationships to the detriment of Just Energy's business and its stakeholders.

29. Before deciding to proceed with the Recapitalization, Just Energy, in consultation with BMO, considered various options, including a short-term extension of the Credit Facility. It concluded that a short-term Credit Facility extension was not as desirable as a more comprehensive Recapitalization for a number of reasons, including: (a) the terms of a short-term extension were not finalized; (b) a short-term extension would most likely just delay an inevitable recapitalization; (c) it was likely more favourable to pursue a recapitalization at the time in light of the position of the company's suppliers; (d) given that Just Energy had been fully marketed for nearly a year, trying to sell Just Energy again during the short-term extension seemed unlikely to succeed; and (e) in light of COVID-19, there likely was not sufficient time to meaningfully improve Just Energy's performance and financial condition during a short-term extension.

30. Following extensive discussions, the Special Committee unanimously approved recommending to the Board that Just Energy attempt to implement the Recapitalization presented by BMO.

31. Just Energy and representatives of BMO presented the Recapitalization to the Credit Facility Lenders in early June. In addition, Just Energy and representatives of BMO engaged with the Term Loan Lenders, who signed an NDA in late June, at which time they were presented with details of the proposed Recapitalization. From June 26, 2020 to July 7, 2020, Just Energy and its advisors engaged in extensive negotiations with the Term Loan Lenders and the Credit Facility Lenders. On July 8, 2020, Just Energy executed, among other documents: (a) the Support Agreement with the Term Loan Lenders; and (b) the Amendment and Consent Agreement with the Credit Facility Lenders. In these agreements, the Term Loan Lenders and the Credit Facility Lenders consented to the Recapitalization on the terms set out in the Term Sheet.

32. On July 7, 2020, the Special Committee met to receive financial and legal advice regarding the Recapitalization, to review and evaluate the terms of the Recapitalization, the terms of a draft of the Support Agreement, the Amendment and Consent Agreement, the Backstop Commitment Letter and a binding term sheet for an extended senior revolving credit agreement, and to determine what recommendation to make to the Board with respect to the Recapitalization. Among other things, the Special Committee considered BMO's verbal opinion (subsequently confirmed in writing) that the Recapitalization if implemented, was fair, from a financial point of view, to the holders of the $150 Million Bonds, the Convertible Debentures, the Preferred Shares, and the Common Shares. The Special Committee unanimously resolved to recommend the Recapitalization to the Board.

33. The Board then unanimously resolved: (i) that the Recapitalization was in the best interests of Just Energy; (ii) to approve the Recapitalization and the execution, delivery and performance of the Support Agreement, the Backstop Commitment Letter, the Amendment and Consent Agreement, and related transaction documents, and (iii) to recommend that holders of the Senior Unsecured Debt, Convertible Debentures and Shares vote in favour of the Arrangement. The Board, with the assistance of management and Just Energy's legal and financial advisors, carefully reviewed and considered, among other things: (i) Just Energy's current situation, including unsustainable debt levels, liquidity challenges and significant interest costs: (ii) Just Energy's extensive review of potential alternatives; (iii) the terms of the proposed Recapitalization; and (iv) Just Energy's goals of enhancing its capital structure to enable it to implement its long-term growth strategy, maintain stability, and preserve value for stakeholders.

34. After obtaining the Preliminary Interim Order, Just Energy finalized definitive documentation for the Arrangement, including the Original CBCA Plan and the Circular for distribution to stakeholders whose claims were being arranged. On July 13 and 14, 2020, following deliberations and careful consideration of the Recapitalization, including financial and legal advice from external advisors, the Board determined that the proposed Arrangement offered substantial benefits to and is in the best interests of Just Energy and its stakeholders, unanimously approved the Recapitalization and the Original CBCA Plan, and authorized the submission of the Original CBCA Plan to the Senior Unsecured Debtholders, the Convertible Debentureholders, the Existing Shareholders and the Court for their respective approvals.

35. In assessing the Recapitalization and the Original CBCA Plan, the Board considered, among other things, the written opinion delivered by BMO (the "**Fairness Opinion**"). The full text of the BMO Opinion is attached as Appendix "H" to the Circular.

36. In the Fairness Opinion, BMO stated that it would consider the Recapitalization to be fair, from a financial point of view, to the holders of the $150 Million Convertible Bonds, the Convertible Debentures, the Existing Preferred Shares, and the Existing Common Shares if: (i) the consideration offered in the Recapitalization was better than the likely known alternatives to the Recapitalization; and (ii) with respect to holders of the Convertible Debentures, the Existing Preferred Shares, and the Existing Common Shares (collectively, the "**Junior Stakeholders**"), if the allocation to and among the Junior Stakeholders of the aggregate consideration to be distributed to the Junior Stakeholders in the Recapitalization was reasonable given the nature and terms of the securities held by the Junior Stakeholders.

37. In its analysis, among other matters, BMO considered that the nature of Just Energy's business is such that, if Just Energy does not resolve its balance sheet issues, the likely alternatives (potentially including a liquidation) would negatively impact the value of the $150 Million Convertible Bonds and would likely result in little or no recovery for the holders of any of the Convertible Debentures, the Existing Preferred Shares, or the Existing Common Shares. The Fairness Opinion concluded that, based upon and subject to the various considerations set forth in the opinion, the Recapitalization, if implemented, is fair, from a financial point of view, to the holders of the $150 Million Convertible Bonds, the Convertible Debentures, the Existing Preferred Shares, and the Existing Common Shares.

D. Distribution of Meeting Materials

38. The Interim Order provided that the Applicants were obligated to distribute three sets of Meeting Materials:

(a) The *Senior Unsecured Debtholder Meeting Package*, which consists of the Information Circular (including the Senior Unsecured Debtholders' Notice of Meeting, the Notice of Application, and the Interim Order) as well as the Senior Unsecured Debtholder proxy, the Senior Unsecured Debtholder Voting Information Form, and the Offered Shares Participation Form.

(b) The *Convertible Debentureholder Meeting Package*, which consists of the Information Circular (including the Convertible Debentureholders' Notice of Meeting, the Notice of Application and this Interim Order), the Convertible Debentureholders' proxy, the Convertible Debentureholder Voting Information Form, and the Offered Shares Participation Form.

(c) The *Shareholder Meeting Package*, which consists of the Information Circular (including the Notice of Application and the Interim Order), the Shareholders' Notice of Meeting, the form of proxy or the voting instruction form, the letter of transmittal, and the Offered Shares Participation Form, along with such amendments or additional documents as the Applicants may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order.

39. I am advised by Mobeen Rahman, Director of Corporate Actions at Kingsdale Advisors (the "**Proxy and Information Agent**"), and believe that:

(a) Between July 22 and 30, 2020, pursuant to paragraph 19 of the Interim Order, the Proxy and Information Agent sent a copy of the Senior Unsecured Debtholder Meeting Package to the Term Loan Agent and each Term Loan Debtholder on the

Term Loan Debtholders' List provided by the Term Loan Agent by electronic transmission.

(b) Between July 22 and 28, 2020, pursuant to paragraph 20 of the Interim Order, the Proxy and Information Agent sent a Senior Unsecured Debtholder Meeting Package to Euroclear and Clearstream, to distribute the Package to participants (each an "**Intermediary**" and collectively, "**Intermediaries**") holding the $150 Million Convertible Bonds in the clearing, settlement and depositary systems operated by Euroclear and Clearstream, respectively.

(c) On July 29, 2020, pursuant to paragraph 20 of the Interim Order, the Applicants and the Proxy and Information Agent posted electronic copies of the Senior Unsecured Debtholder Meeting Package on their respective websites.

(d) On July 27, 2020, pursuant to paragraph 26 of the Interim Order, the Proxy and Information Agent sent a Convertible Debentureholder Meeting Package to each of DTC and CDS and, through the facilities of CDS, DTC, Broadridge and any other applicable proxy mailing service providers, provided one Convertible Debentureholder Meeting Package to each beneficial holder of Convertible Debentures (collectively, the "**Convertible Debenture Beneficial Holders**"), respectively, that had an account (directly or indirectly through an agent or custodian) with each applicable Intermediary.

(e) On July 29, 2020, pursuant to paragraph 29 of the Interim Order, the Applicants and the Proxy and Information Agent posted electronic copies of the Convertible Debentureholder Meeting Package on their respective websites.

40. Further, I am advised by Alexander Jutzi, Senior Analyst, Shareholder Advisory Group at the Proxy and Information Agent, and believe that, pursuant to paragraph 30 of the Interim Order: (a) on July 30, 2020, Computershare caused the Shareholder Meeting Package to be mailed to registered Shareholders; and (b) on July 31, 2020, Broadridge caused the Shareholder Meeting Package to be mailed to beneficial Shareholders.

41. I am also advised by Angel Chung, Account Executive at Computershare, and believe that copies of the Shareholder Meeting Package were mailed to the directors and auditors of Just Energy on July 30, 2020. Finally, I am also advised by Waleed Malik of Osler, Hoskin & Harcourt ("**Osler**"), counsel to the Applicants, and believe that copies of the Shareholder Meeting Package emailed to the CBCA Director on July 23, 2020.

42. The Original CBCA Plan and the Circular included in the Meeting Materials were substantially similar to the draft that was provided to the Court at the Interim Order hearing. However, as discussed in the following section, Just Energy prepared the Amended CBCA Plan as a result of negotiations with the Convertible Debentureholders and provided notice of the amendments before the Meetings took place by issuing a press release on August 26 as described below.

E. Additional Steps to Provide Notice of Final Order Hearing

43. In addition to distributing the Meeting Materials as described in the previous section, the Interim Order required that the Applicants take certain other steps to provide notice of this Application. As set out below, the Applicants have completed these steps.

(a) On July 17, 2020, pursuant to paragraph 53 of the Interim Order, the Applicants issued a press release concerning the granting of the Interim Order and a summary

of the proposed terms of the Arrangement and related relief to be sought at the Final Order Application. A copy of the press release is attached as **Exhibit** "**L**".

(b) On July 17, 2020, pursuant to paragraph 54 of the Interim Order, the Applicants caused a notice concerning the granting of the Interim Order and the relief to be sought at the Final Order Application to be published in The Globe and Mail (National Edition) and the Wall Street Journal. A copy of the notice as published in The Globe and Mail (National Edition) and the Wall Street Journal are attached as **Exhibit** "**M**" and **Exhibit** "**N**", respectively.

(c) I am advised by Mr. Malik of Osler and believe that, pursuant to paragraph 55 of the Interim Order, the Applicants provided notice of the Final Order Application to all counsel representing the plaintiffs in each of the Existing Equity Class Action Claims by mailing such persons a copy of the Notice of Application, the motion record in respect of this Interim Order and a copy of this Interim Order, and a copy of the Circular on July 24, 2020.

F. Development of Amended CBCA Plan

44. On July 28, 2020, counsel representing the Ad Hoc Committee advised Just Energy's counsel that he represented Convertible Debentureholders holding approximately 30% of the Convertible Debentures, that his clients had entered into an agreement to vote against the original CBCA Plan, and that his clients expected additional Convertible Debentureholders may sign onto the agreement.

45. Just Energy and its advisors continued their discussions, and entered into negotiations, with the Ad Hoc Committee and its advisors regarding potential amendments to the CBCA Plan. Given

the progress being made in these negotiations, Just Energy adjourned the Meetings to allow more time for negotiations with the Convertible Debentureholders. Just Energy issued a press release announcing the adjournment and advising that Just Energy anticipated providing an update later that day.

46. Following these negotiations, on August 25, 2020, Just Energy and the Supporting Convertible Debentureholders entered into the Convertible Debentureholders Support Agreement in which the Supporting Convertible Debentureholders agreed to support the Recapitalization on the terms set forth in the Amended CBCA Plan. The principal amendments set out in the Convertible Debentureholders Support Agreement are the following:

(a) Just Energy agreed to pay all accrued and unpaid interest on the Convertible Debentures up to and including the Effective Date. Previously, the Original CBCA Plan provided that Just Energy would pay all accrued and unpaid interest on the $100 Million Convertible Debentures as of June 30, 2020.

(b) In addition to the consideration already provided to the Convertible Debentureholders in Original CBCA Plan, each Convertible Debentureholder would also receive its *pro rata* share of the New Subordinated Notes.

(c) The “Released Parties” as defined in the Original CBCA Plan are amended to include the members of the Ad Hoc Committee of Convertible Debentureholders and their respective current and former directors, officers, managers, partners, employees, financial advisors, legal counsel and agents, each in their capacity as such.

47. On August 26, 2020, Just Energy and the Term Loan Lenders entered into the Support Agreement Supplement. In the Support Agreement Supplement, among other things, the Term Loan Lenders agreed to support the Amended CBCA Plan and, subject to satisfaction of conditions set out in the Support Agreement and the Amended CBCA Plan, to subscribe for Common Shares for an aggregate amount of approximately $3.67 million pursuant to the Private Placement. The proceeds of the private placement will help fund payment of the accrued and unpaid interest on the Convertible Subordinated Debentures until closing of the Arrangement.

48. Also on August 26, 2020, Just Energy entered into a Consent Agreement with the Credit Facility Lenders in which Credit Facility Lenders agreed to support the Amended CBCA Plan and to enter into a ninth amended and restated Credit Agreement (the "**Ninth ARCA**") substantially in the form attached to the Consent Agreement upon implementation of the Amended CBCA Plan. The Ninth ARCA is consistent with the Refinancing Term Sheet attached to the Term Sheet for the Original CBCA Plan.

49. These amendments (a) increased the Senior Unsecured Debtholders' share of the post-Consolidation Common Shares by 5%; (b) decreased the Convertible Debentureholders' share of the post-Consolidation Common Shares by 5.9%; and (c) decreased the Shareholders' share of the post-Consolidation Common Shares by 4%.

50. On August 25, 2020, Just Energy received an updated Fairness Opinion from BMO in connection with the Amended CBCA Plan. Like the original Fairness Opinion, the updated Fairness Opinion noted that in its analysis, among other matters, BMO considered that the nature of Just Energy's business is such that, if Just Energy does not resolve its balance sheet issues, the likely alternatives (potentially including a liquidation) would negatively impact the value of the

$150 Million Convertible Bonds and would likely result in little or no recovery for the holders of any of the Convertible Debentures, the Existing Preferred Shares, or the Existing Common Shares. The updated Fairness Opinion concluded that, based upon and subject to the various considerations set forth in the opinion, the amended Recapitalization, if implemented, is fair, from a financial point of view, to the holders of the $150 Million Convertible Bonds, the Convertible Debentures, the Existing Preferred Shares, and the Existing Common Shares. A copy of the updated Fairness Opinion is attached as **Exhibit** "**O**".

51. On August 25, 2020, the Special Committee considered the amended Recapitalization. It reviewed final or substantially final forms of, among other things, the Amended CBCA Plan, the Convertible Debentureholders Support Agreement, the Support Agreement Supplement, the Consent Agreement, and the updated Fairness Opinion. The Special Committee recommended that the Board approve these transaction documents setting out the amended Recapitalization.

52. Also on August 25, 2020, the Board met to consider the documents relating to the Recapitalization set out above. After careful consideration and based on a number of factors, including the amended Fairness Opinion and the Special Committee's recommendation, and after an extensive review of its alternatives, the Board determined, among other things, that: (i) the amended Recapitalization is fair to the holders of the $150 Million Convertible Bonds, the Convertible Debentures, the Existing Preferred Shares, and the Existing Common Shares; and (ii) it is advisable and in the best interests of Just Energy to proceed with the amended Recapitalization.

53. On August 26, 2020, Just Energy issued a press release announcing that it had entered into the Convertible Debentureholders Support Agreement and the related amendments to the Recapitalization. The press release also stated that Just Energy had postponed the Meetings until

August 27, 2020 to provide securityholders more time to consider the amendments before voting and that the Proxy Deadline had been moved to 6 pm (Toronto time) on August 26, 2020.

G. Other Developments Since Interim Order Hearing

(a) Additional Backstop Parties

54. In the Backstop Agreement, the Term Loan Lenders (in such capacities, the "**Initial Backstop Parties**") entered into a USD $73 million backstop commitment (equivalent to CAD $100 million at an exchange rate of USD $0.73 per CAD $1). The Backstop Agreement provides that the Backstop Parties will subscribe for and receive their *pro rata* share of any unsubscribed or unfunded shares to be issued in connection with the New Equity Offering. The Backstop Agreement provides that, until July 18, 2020, Just Energy was allowed to sell, transfer, negotiate and assign all (but not less than all) of the rights and obligations of the Initial Backstop Parties under the Backstop Agreement to one or more persons if such person has made a superior proposal to Just Energy in respect of the rights, obligations and commitments under the Backstop Agreement and agrees to be bound by the Backstop Agreement, provided that such a superior proposal is for a minimum commitment of at least $100,000,000. Until July 23, 2020, Just Energy could sell, transfer, negotiate and assign up to 50% of the backstop-related commitments of the Initial Backstop Parties under the Backstop Agreement, provided that such transferees agreed to be bound by the Backstop Agreement.

55. Since the Initial Order hearing, Just Energy, on behalf of the Initial Backstop Parties, has assigned part of the Initial Backstop Parties' commitments to certain Additional Backstop Parties. These Additional Backstop Parties have collectively agreed to backstop approximately USD $8.8 million of the backstop commitment.

(b) Communications with Certain Existing Equity Holders

56. The CBCA Plan provides that all Affected Equity will be terminated and cancelled without the need for any repayment of capital thereof or any other liability, payment or compensation. This includes certain rights of the vendors under the Purchase Agreement dated September 10, 2018 (the "**Filter Group Purchase Agreement**").

57. In the Filter Group Purchase Agreement, the then-shareholders of Filter Group agreed to sell all of the issued and outstanding shares of Filter Group to Just Energy. In exchange, among other things, the vendors received certain Class "A" Special Shares in 8704104 Canada Inc. The Filter Group Purchase Agreement provides that the Special Shares are exchangeable into Common Shares at the end of three annual exchange periods if Filter Group achieved certain performance milestones.

58. The vendors under the Filter Group Purchase Agreement included Daniel MacDonald, who was Filter Group's CEO and majority shareholder when the parties entered into the Filter Group Purchase Agreement. After the granting of the Preliminary Initial Order, Mr. MacDonald delivered to Just Energy a draft arbitration statement of claim (the "**MacDonald Claim**"), a copy of which is attached as **Exhibit** "**P**". The MacDonald Claim alleges, among other things, that: (a) Just Energy miscalculated the relevant financial metrics for the first exchange period and that this denied Mr. MacDonald an opportunity to redeem some of the Special Shares; and (b) the Filter Group business has been run in a manner that will prevent Filter Group from achieving the required financial milestones in the future. The MacDonald Claim seeks, among other things, damages for the lost opportunity to redeem his Special Shares or an award requiring Just Energy to exchange all of his Special Shares for Common Shares.

59. In addition to sending the MacDonald Claim, Mr. MacDonald also advised Just Energy that he would oppose approval of the Arrangement because it would release his claim against Just Energy. I understand that Mr. MacDonald has also submitted an affidavit sworn on August 19, 2020, which I have reviewed. Just Energy fundamentally disagrees with virtually everything in Mr. MacDonald's affidavit insofar as it relates to the merits of his claims. However, I understand that these issues are not properly subject to adjudication by this Court, and so I do not propose to comment further for the purposes of this proceeding.

60. Insofar as the nature of the underlying "loss" alleged by Mr. MacDonald arising from the compromise of his claims under the terms of the Arrangement is concerned, I note that Mr. MacDonald asserts that he would have sold any Common Shares of Just Energy in November 2019. Notably, Mr. MacDonald fails to mention in his affidavit that he was subject to a mandatory prohibition in trading at that time. As part of the executive team, Mr. MacDonald regularly received updates about matters that constituted material non-public information, or was present at meetings where such matters were discussed, including the Strategic Review and discussions concerning a potential extension of the Credit Facility. Accordingly, he was privy to material non-public information and would have been prohibited from selling any Common Shares pursuant to Just Energy's insider trading policy (which is acknowledged by every employee annually) and Just Energy's blackout policy. Among other things, Just Energy was involved in non-public negotiations with two different parties relating to a possible sale transaction from September 2019 to April 9, 2020. From April 1 to July 8, 2020, Just Energy's standard quarterly blackout policy was also in effect.

61. Mr. MacDonald's affidavit also seems to suggest that the Arrangement may somehow trigger the "change of control" provision in the Filter Group Purchase Agreement. This too is an

impossibility. For any transaction to constitute a "change of control" under the Filter Group Purchase Agreement, it would have to result in a holder acquiring "50% or more of the then issued and outstanding securities" of Just Energy. It is a mathematical impossibility for this to occur under the terms of the proposed Arrangement.

62. I am advised by Mr. Malik of Osler and believe that Mr. MacDonald was provided notice of the Interim Order hearing and attended that hearing, that Mr. MacDonald did not oppose the granting of the Interim Order, and that the parties agreed that Mr. MacDonald's non-opposition would not prejudice his ability to raise objections to the CBCA Plan.

63. Following the Interim Order hearing, I am advised by Mr. Malik and believe, Mr. MacDonald tried to schedule a motion to be heard in advance of the Meetings to challenge the proposed Arrangement. I am further advised by Mr. Malik and believe that the Applicants opposed Mr. MacDonald's request on the basis that the issues raised by Mr. MacDonald should be considered at the Final Order hearing and that Mr. MacDonald was trying to hijack the Arrangement transaction to Mr. MacDonald's personal benefit.

64. The parties attended a case conference on August 7, 2020. I am advised by Mr. Malik and believe that Justice Hainey agreed with the Applicants' position, refused Mr. MacDonald's request to schedule his proposed motion before the Meetings, and ordered that his objections should be considered at the Final Order hearing. A copy of Justice Hainey's endorsement from the August 7 case conference is attached as **Exhibit** "**Q**".

65. I am advised by Mr. Malik and believe that Mr. MacDonald, the Applicants, and certain other parties attended at a further case conference on August 12, 2020 to address scheduling issues for the Final Order hearing. A copy of Justice Conway's endorsement from the August 12 case

conference is attached as **Exhibit** "**R**". I am also advised by Mr. Malik and believe that the Applicants, Mr. MacDonald, and certain other parties attended a further case conference before Justice Hainey on August 26, 2020 that did not result in any changes to the procedural calendar.

66. I understand that certain other former shareholders of Filter Group have also expressed an intention to oppose the Arrangement and have delivered an affidavit sworn by Todd Burgess on August 20, 2020. I have reviewed Mr. Burgess' affidavit and disagree with it insofar as it relates to the merits of Mr. Burgess' or other former Filter Group shareholders' potential claims against Just Energy. However, I understand that the issues raised in Mr. Burgess' affidavit are also not properly subject to adjudication by this Court, and so I do not propose to comment further for the purposes of this proceeding.

(c) Communications with Equity Class Action Plaintiffs

67. As described in greater detail in the Interim Order Affidavit, following the announcement of the customer enrolment and non-payment issues in Texas in July 2019, certain putative securities class actions were filed in New York, Texas and Ontario on behalf of investors that purchased Just Energy securities during various periods, ranging from November 9, 2017 through August 19, 2019.

68. The Existing Equity Class Actions filed in Ontario were filed in the Ontario Superior Court of Justice, have not been certified, and are against Just Energy, certain current and former executive officers, and Just Energy's auditor during the relevant time. These claims allege that Just Energy failed to accurately represent or misstated its accounts receivable and allowance for doubtful accounts in its public disclosure. These Existing Equity Class Actions further allege that Just Energy's shareholders suffered a loss in the value of their shares after Just Energy issued a series

of corrective disclosures between July 23 and August 15, 2019, and seek damages for alleged negligent misrepresentations and violations of the *Securities Act*, RSO 1990, c. S.5, as amended, and similar Canadian securities legislation.

69. After the Recapitalization was announced, on August 18, 2020, the plaintiffs for one of the Existing Equity Class Actions filed in Ontario served an amended claim that purported to, among other things, extend the class period to July 7, 2020 and add claims in respect of restatements released by Just Energy on July 8, 2020 for its 2018 and 2019 fiscal years. A copy of the Amended Statement of Claim is attached as **Exhibit** "**S**". I am advised by Mr. Malik of Osler and believe that the other Existing Equity Class Actions filed in Ontario, *Saha v. Just Energy Group Inc., et al.* CV-19-630737-00CP, has been discontinued. A copy of the order discontinuing that action is attached as **Exhibit** "**T**".

70. The Existing Equity Class Actions filed in the United States were filed with the United States District Court for the Southern District of Texas and the United States District Court for the Southern District of New York, but all have been dismissed or consolidated into one case in Texas. The U.S. Existing Equity Class Actions have not been certified and are against Just Energy and certain current and former executive officers. These claims allege that Just Energy's public disclosures contained false or misleading statements, or failed to disclosure material adverse facts, in particular regarding customer enrollment and nonpayment issues, the reserves taken by Just Energy for its accounts receivables, and Just Energy's internal controls. These class actions also allege that Just Energy's shareholders suffered a loss in the value of their shares after Just Energy issued a series of corrective disclosures between July 23 and August 15, 2019 and seek damages for alleged violations of U.S. federal securities laws. A copy of the complaint in the consolidated Existing Equity Class Actions filed in the United States is attached as **Exhibit** "**U**".

71. As noted above, pursuant to paragraph 55 of the Interim Order, the Applicants provided notice of the Final Order Application to all counsel representing the plaintiffs in each of the Existing Equity Class Action Claims by providing such persons with a copy of the Notice of Application, the motion record in respect of this Interim Order and a copy of this Interim Order, and a copy of the Circular.

72. On August 11, 2020, Just Energy received a letter from counsel representing the representative plaintiff in a Canadian Existing Equity Class Action, a copy of which letter is attached as **Exhibit** "**V**". Among other things, counsel advised that they intended to oppose the CBCA Plan and, in particular, the relief it granted in relation to the Existing Equity Class Actions.

H. The Meetings

73. In the following sections, I describe the Meetings that were called pursuant to the Interim Order. I did not personally attend the Meetings. The description of the Meetings below is based on information I received from Mr. Davids, EVP, General Counsel and Corporate Secretary of Just Energy, who attended the Meetings, and my review of the reports setting out the results of the votes described below.

(a) Senior Unsecured Debtholders' Meeting

74. The Applicants held the Senior Unsecured Debtholders' Meeting on August 27, 2020, at Vantage Venues, 150 King Street West, 27th floor, Meeting Room L1, Toronto, Ontario M5H 1J9 ("**Vantage Venues**"). The Senior Unsecured Debtholders' Meeting was held and conducted in accordance with the Interim Order.

75. Mr. Davids was the Chair of the Senior Unsecured Debtholders' Meeting and Grant Hughes and Mobeen Rahman of the Proxy and Information Advisor were duly appointed to act as

scrutineer for the Senior Unsecured Debtholders' Meeting and prepared the scrutineer's report (the "**Senior Unsecured Debtholders' Scrutineer's Report**"). A copy of the Senior Unsecured Debtholders' Scrutineer's Report is attached as **Exhibit** "**W**".

76. A quorum was present at the Senior Unsecured Debtholders' Meeting, in accordance with paragraph 11 of the Interim Order. 216,000 votes were cast in person or by proxy at the Senior Unsecured Debtholders' Meeting (representing approximately 99.91% of the principal amount of the Senior Unsecured Debt). 99.35% of the votes were in favour of the Senior Unsecured Debtholders' Arrangement Resolution.

(b) Convertible Debentureholders Meeting

77. The Applicants held the Convertible Debentureholders' Meeting on August 27, 2020, at Vantage Venues. The Convertible Debentureholders' Meeting was held and conducted in accordance with the Interim Order.

78. Mr. Davids was the Chair of the Senior Unsecured Debtholders' Meeting and Mr. Hughes and Mr. Rahman were duly appointed to act as scrutineer for the Convertible Debentureholders' Meeting and prepared the scrutineer's report (the "**Convertible Debentureholders' Scrutineer's Report**"). A copy of the Convertible Debentureholders' Scrutineer's Report is attached as **Exhibit** "**X**".

79. A quorum was present at the Convertible Debentureholders' Meeting, in accordance with paragraph 11 of the Interim Order. 129,046 votes were cast in person or by proxy at the Convertible Debentureholders' Meeting (representing approximately 49.63% of the principal amount of the Convertible Debentures). 87.66% of the votes were cast in favour of the Senior Convertible Debentureholders' Arrangement Resolution.

(c) Shareholders' Meeting

80. The Applicants held the Shareholders' Meeting on August 27, 2020, at Vantage Venues. The Shareholders' Meeting was held and conducted in accordance with the Interim Order.

81. Mr. Davids was the Chair of the Shareholders' Meeting and Patty Sigiannis of Computershare Investor Services Inc. was duly appointed to act as scrutineer for the Shareholders' Meeting and prepared the scrutineer's report (the "**Shareholders' Scrutineer's Report**"). A copy of the Shareholders' Scrutineer's Report is attached as **Exhibit** "**Y**".

82. A quorum was present at the Shareholders' Meeting, in accordance with paragraph 11 of the Interim Order. 116 votes were cast in person or by proxy at the Shareholders' Meeting (representing approximately 32.63% of the Existing Shares). 94.92% of the votes were cast in favour of the Shareholders' Arrangement Resolution. The Applicants obtained a breakdown of the vote for Common Shareholders and Preferred Shareholders as well: 96.06% of the votes cast by Common Shareholders and 69.43% of the votes cast by Preferred Shareholders were in favour of the Arrangement.

I. Treatment of Existing Equity Claims

83. As part of the proposed Recapitalization, and as a key condition of the Amended CBCA Plan, the Term Sheet requires that the Amended CBCA Plan must be approved by a Final Order that grants the Existing Equity Claims Relief (as defined in the Term Sheet) or addresses Equity Claims relating to the period prior to the Effective Date in a manner satisfactory to Just Energy and the Term Loan Debtholders.

84. To give effect to that requirement, among other things, the Amended CBCA Plan provides, among other things, that from and after the Effective Date any person having a claim in the Existing

Equity Class Actions or a related claim for contribution or indemnity (the "**Equity Class Action Claims**") against Just Energy or any of its current or former officers and/or directors shall only be permitted to continue its Existing Equity Class Action Claim to the point of determination of liability, if any, and the recovery of any such person shall be limited to the proceeds under the insurance policies of Just Energy that are available to pay insured claims in respect of Just Energy or its current or former directors and officers, to the extent available in respect of any such Existing Equity Class Action Claims, without any additional rights of enforcement or recovery as against the Released Parties. I am advised by Amir Andani, Chief Risk Officer at Just Energy, and believe that the total value of available insurance coverage is approximately USD $70 million for insurance policies for the year ending March 1, 2020 and USD $38.5 million for insurance policies for the year April 1, 2020 to April 1, 2021.

85. In addition, as noted above, the Amended CBCA Plan provides that the Affected Equity (which consists of all of the Existing Equity other than the existing Common Shares, the existing Preferred Shares, restricted share grants, performance-based grants, and deferred share grants) will be terminated and cancelled without the need for any repayment of capital thereof or any other liability, payment or compensation. Further, the Amended CBCA Plan provides that all Affected Equity Claims will be released.

86. The Existing Equity Claims Relief is an important element of the overall Recapitalization and is explicitly required by the Term Sheet, which was the subject of significant and complex negotiations with the Term Loan Lenders. The Term Loan Lenders have recently reiterated that they require a release from Affected Equity Claims and the Existing Equity Class Action Claims as part of the Final Order as a condition to their capital investment in Just Energy. The Support Agreement specifically contemplates this precondition for the investment.

J. Reasons for Proceeding by way of a CBCA Plan of Arrangement

(a) Arrangement Within the Meaning of Section 192 of the CBCA

87. I am advised by Alex Gorka of Osler and believe that the Applicants are permitted to apply for an order under section 192 of the CBCA and that the anticipated Arrangement qualifies as an "arrangement" within the meaning of subsection 192(1)(f) of the CBCA as it involves the exchange of securities for other securities and subsection 192(1)(a) of the CBCA as it involves an amendment to the articles of ArrangeCo.

(b) ArrangeCo is Solvent, and Just Energy will be Solvent After the Arrangement is Implemented

88. ArrangeCo has no liabilities and is solvent. In particular: (i) ArrangeCo is able to pay its liabilities as they become due; and (ii) the realizable value of its assets is not less than the aggregate of its liabilities and stated capital of all classes of its shares.

89. Notwithstanding that, as shown in Just Energy's most recent annual Financial Statements, the book value of Just Energy's assets as at March 31, 2020 is less than the book value of its liabilities, the Recapitalization is expected to improve Just Energy's capital structure by significantly reducing its debt and annual cash interest costs, raising new equity, and extending maturity dates. Following completion of the Recapitalization, it is expected that the realizable value of the Just Energy's assets will not be less than the aggregate value of its liabilities and stated capital, and that the Applicants will not be unable to meet its obligations as they become due.

(c) It is not Practicable to Proceed under Another Provision of the CBCA

90. I am advised by Mr. Gorka of Osler and believe that the Arrangement includes a number of interrelated steps and that, for the reasons set out below, amongst others, it is impracticable for the Arrangement to be effected under any other provision of the CBCA:

(a) The particular steps set forth in the Arrangement (including the specified sequence thereof) are required to achieve certain objectives that cannot practicably be achieved through other transaction structures under the CBCA with the degree of certainty required by the Applicants. The Arrangement will ensure that the Senior Unsecured Debt, the Convertible Debentures, and Preferred Shares will be dealt with finally and conclusively. Without that certainty, there can be no assurance that the Applicants would be able to carry out the Recapitalization under the CBCA on terms comparable to those offered under the Arrangement.

(b) While it may be technically possible for certain steps of the Recapitalization set forth in the Arrangement to be effected other than pursuant to an arrangement under Section 192 of the CBCA, no alternative structure within the CBCA affords the ability to execute the varied steps provided thereunder among and between multiple parties and in a pre-determined sequence without incurring significant uncertainty, commercial risk and logistical complication. Moreover, it is critical for the Applicants to complete the Recapitalization in a short period of time, which is only possible if the Recapitalization is effected through an Arrangement.

(c) The implementation of the Recapitalization by way of Arrangement allows for transactional efficiency through a Court-supervised single step transaction which avoids additional time and steps that would be required were the transaction to proceed in another manner.

91. I am informed by Jie Chai of Osler and believe that the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), provides, in section 3(a)(10) thereof, an exemption

from registration under the U.S. Securities Act for "any security which is issued in exchange for one or more bona fide outstanding securities, claims or property interests, or partly in such exchange and partly for cash, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange shall have the right to appear, by any court…expressly authorized by law to grant such approval".

92. I am also informed by Mr. Chai and believe that the Applicants intend to use the Final Order of this Court approving the Arrangement, if granted, as the basis for an exemption from the registration requirements of the U.S. Securities Act, pursuant to section 3(a)(10), together with exemptions provided under the applicable state securities laws in which Just Energy securityholders reside, with respect to the securities to be issued by Just Energy under the Arrangement, other than the Offered Shares to be issued pursuant to the New Equity Offering, the Common Shares to be issued pursuant to the Private Placement, and the New Subordinated Notes.

(d) Notice to the Director

93. I am advised by Mr. Malik of Osler and believe that, in accordance with section 192(5) of the CBCA, the CBCA Director has been given notice of this application. I am further advised by

Mr. Malik and believe that on July 13, 2020, the CBCA Director was provided with a copy of the issued Noticed of Application and Preliminary Interim Order.

SWORN BEFORE ME over video teleconference this 27th day of August, 2020. The affiant was located in the City of Houston, in the State of Texas while the Commissioner was located in the City Toronto, in the Province of Ontario. The affidavit was commissioned remotely as a result of COVID-19.

Waleed Malik

Commissioner for Taking Affidavits
Waleed Malik (LSO No. 67846O)

JAMES BROWN

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. C-44, AS AMENDED;
AND IN THE MATTER OF RULE 14.05(2) OF THE RULES OF CIVIL PROCEDURE;
AND IN THE MATTER OF A PROPOSED ARRANGEMENT OF JUST ENERGY GROUP INC. AND 12175592 CANADA INC.

Court File No: CV-20-00643596-00CL

Applicants

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at: TORONTO

AFFIDAVIT OF JAMES BROWN

OSLER, HOSKIN & HARCOURT LLP
100 King Street West, 1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Michael De Lellis (LSO# 48038U)
Craig Lockwood (LSO# 46668M)

Tel: (416) 362-2111
Fax: (416) 862-6666

Counsel for the Applicants, Just Energy Group Inc. and 12175592 Canada Inc.

TAB S

THIS IS EXHIBIT "S" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

Just Energy Group Inc. Announces Delay in Filing Financial Statements and Application for Management Cease Trade Order

February 16, 2021

TORONTO, Feb. 16, 2021 (GLOBE NEWSWIRE) -- Just Energy Group Inc. (TSX:JE; NYSE:JE) ("**Just Energy**" or the " **Company**"), a retail energy provider specializing in electricity and natural gas commodities, renewable energy options and carbon offsets, announced today that it will miss its filing deadline of February 16, 2021 to file its unaudited interim condensed consolidated financial statements for the three and nine months ended December 31, 2020 (the "**Interim Financial Statements**"), its management discussion and analysis on the Interim Financial Statements, and the CEO and CFO certificates in respect of the Interim Financial Statements (collectively, the "**Reporting Documents**") as required by applicable Canadian securities laws.

The extreme cold temperatures throughout the State of Texas commencing on or about February 13, 2021, continuing through the past few days and forecast to continue throughout the upcoming week, have caused increases in power demand and rolling blackouts (the "**Weather Event**"). The increased demand and rolling blackouts resulting from the Weather Event has caused the Company to have to balance power supply at very high clearing prices through the Electric Reliability Council of Texas (ERCOT), the independent system operator which manages the flow of electric power to most of the State. The impact of the Weather Event may result in a positive or negative financial impact to the Company, which could be substantial. Management is currently assessing the impact of the Weather Event on the Company, and cannot finalize the Reporting Documents until its review and understanding of the Weather Event and its impact on the Company's financial condition can be reasonably estimated. As a result of the foregoing, the Company will not be able to file the Reporting Documents on or before the deadline for such filings of February 16, 2021. In addition, due to the uncertainty, the Company is withdrawing its previously provided guidance for Base EBITDA and unlevered free cash flow for Fiscal 2021 because the Weather Event may result in a positive or negative financial impact to the Company.

The Company has filed an application with the Ontario Securities Commission, its principal regulator, for a management cease trade order, in accordance with National Policy 12-203 - Management Cease Trade Orders ("**NP 12-203**"). If approved, this application would give the Company extra time of up to one month after February 16, 2021 to file the Reporting Documents. There can be no certainty that a management cease trade order will be granted. The applicable regulatory authorities may instead determine to issue a full cease trade order against the Company. The Company intends to file the Reporting Documents on or about February 22, 2021 following the anticipated completion of the Weather Event.

The Company has established a blackout on trading of the Company's securities by directors and officers, and intends to continue the blackout until such time as the Reporting Documents have been filed.

The Company confirms that it intends to satisfy the provisions of the alternative information guidelines found in Section 9 and 10 of NP 12-203 for so long as it is delayed in filing the Reporting Documents.

ABOUT JUST ENERGY

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States and Canada, Just Energy serves residential and commercial customers. Just Energy is the parent company of Amigo Energy, Filter Group Inc., Hudson Energy, Interactive Energy Group, Tara Energy, and terrapass. Visit https://investors.justenergy.com/ to learn more.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements, including with respect to the duration and financial impact of the Weather Event and the timing by which the Company will file the Reporting Documents. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks with respect to the impact of the Weather Event in the State of Texas commencing on or about February 13, 2021; the impact of the evolving COVID-19 pandemic on the Company's business, operations and sales; reliance on suppliers; uncertainties relating to the ultimate spread, severity and duration of COVID-19 and related adverse effects on the economies and financial markets of countries in which the Company operates; the ability of the Company to successfully implement its business continuity plans with respect to the COVID-19 pandemic; the Company's ability to access sufficient capital to provide liquidity to manage its cash flow requirements; general economic, business and market conditions; the ability of management to execute its business plan; levels of customer natural gas and electricity consumption; extreme weather conditions; rates of customer additions and renewals; customer credit risk; rates of customer attrition; fluctuations in natural gas and electricity prices; interest and exchange rates; actions taken by governmental authorities including energy marketing regulation; increases in taxes and changes in government regulations and incentive programs; changes in regulatory regimes; results of litigation and decisions by regulatory authorities; competition; dependence on certain suppliers. Additional information on these and other factors that could affect Just Energy's operations or financial results are included in Just Energy's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com on the U.S. Securities and Exchange Commission's website at www.sec.gov or through Just Energy's website at www.justenergygroup.com.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

FOR FURTHER INFORMATION PLEASE CONTACT:

Michael Carter
Chief Financial Officer
Just Energy
mcarter@justenergy.com

or

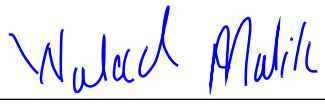
Investors
Michael Cummings
Alpha IR
Phone: (617) 982-0475
JE@alpha-ir.com

Media
Boyd Erman
Longview Communications
Phone: 416-523-5885
berman@longviewcomms.ca

Source: Just Energy Group Inc

TAB T

THIS IS EXHIBIT "T" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Just Energy Group Inc. Announces Substantial Financial Impact of Texas Weather Event and Delay in Filing its Third Quarter Financial Statements to February 26, 2021

February 22, 2021

TORONTO, Feb. 22, 2021 (GLOBE NEWSWIRE) -- Just Energy Group Inc. (TSX:JE; NYSE:JE) ("**Just Energy**" or the " **Company**"), a retail energy provider specializing in electricity and natural gas commodities, renewable energy options and carbon offsets, updated its previous announcement that management is continuing to assess the impact of the extreme cold temperatures throughout the State of Texas (the "**Weather Event**") on the Company, and cannot finalize its unaudited interim condensed consolidated financial statements for the three and nine months ended December 31, 2020, its management discussion and analysis on the Interim Financial Statements, and the CEO and CFO certificates in respect of the Interim Financial Statement (collectively the "**Reporting Documents**") until its review and understanding of the Weather Event and its impact on the Company's financial condition can be reasonably estimated. Accordingly, it now intends to file the Reporting Documents on or about February 26, 2021.

The financial impact of the Weather Event is not currently known due to challenges the Company is experiencing in obtaining accurate information regarding customers' usage from the applicable utilities. However, unless there is corrective action by the Texas government, because of, among other things, the sustained high prices from February 13, 2021 through February 19, 2021, during which real time market prices were artificially set at USD $9,000/MWh for much of the week, it is likely that the Weather Event has resulted in a substantial negative financial impact to the Company. Based on current information available to the Company as of the time of this press release, the Company estimates that the financial impact of the Weather Event on the Company could be a loss of approximately USD $250 million (approximately CAD $315 million), but the financial impact could change as additional information becomes available to the Company. Accordingly, the financial impact of the Weather Event on the Company once known, could be materially adverse to the Company's liquidity and its ability to continue as a going concern. The Company is in discussions with its key stakeholders regarding the impact of the Weather Event and will provide an update as appropriate.

Further to the Company's application to the Ontario Securities Commission, its principal regulator, the Company has received a management cease trade order in accordance with National Policy 12-203 - Management Cease Trade Orders ("**NP 12-203**").

The Company has established a blackout on trading of the Company's securities by directors and officers and intends to continue the blackout until such time as the Reporting Documents have been filed.

The Company confirms that it intends to satisfy the provisions of the alternative information guidelines found in Sections 9 and 10 of NP 12-203 for so long as it is delayed in filing the Reporting Documents.

ABOUT JUST ENERGY

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States and Canada, Just Energy serves residential and commercial customers. Just Energy is the parent company of Amigo Energy, Filter Group Inc., Hudson Energy, Interactive Energy Group, Tara Energy, and terrapass. Visit https://investors.justenergy.com/ to learn more.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements, including with respect to the duration and financial impact of the Weather Event on the Company, the potential for government corrective action, the quantum of the financial loss to the Company from the Weather Event and its impact on the Company's liquidity and its ability to continue as a going concern, the Company's discussions with key stakeholders regarding the Weather Event and the outcome thereof, and the timing by which the Company will file the Reporting Documents. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks with respect to the impact of the Weather Event in the State of Texas commencing on or about February 13, 2021 and any intervention and/or corrective action by the Texas Government; the impact of the evolving COVID-19 pandemic on the Company's business, operations and sales; reliance on suppliers; uncertainties relating to the ultimate spread, severity and duration of COVID-19 and related adverse effects on the economies and financial markets of countries in which the Company operates; the ability of the Company to successfully implement its business continuity plans with respect to the COVID-19 pandemic; the Company's ability to access sufficient capital to provide liquidity to manage its cash flow requirements; general economic, business and market conditions; the ability of management to execute its business plan; levels of customer natural gas and electricity consumption; extreme weather conditions; rates of customer additions and renewals; customer credit risk; rates of customer attrition; fluctuations in natural gas and electricity prices; interest and exchange rates; actions taken by governmental authorities including energy marketing regulation; increases in taxes and changes in government regulations and incentive programs; changes in regulatory regimes; results of litigation and decisions by regulatory authorities; competition; and dependence on certain suppliers. Additional information on these and other factors that could affect Just Energy's operations or financial results are included in Just Energy's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com on the U.S. Securities and Exchange Commission's website at www.sec.gov or through Just Energy's website at www.justenergygroup.com.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

FOR FURTHER INFORMATION PLEASE CONTACT:

Michael Carter
Chief Financial Officer
Just Energy
mcarter@justenergy.com

or

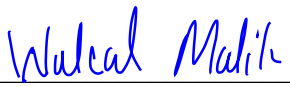
Investors
Michael Cummings
Alpha IR
Phone: (617) 982-0475
JE@alpha-ir.com

Media
Boyd Erman
Longview Communications
Phone: 416-523-5885
berman@longviewcomms.ca

Source: Just Energy Group Inc.

TAB U

THIS IS EXHIBIT "U" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Just Energy Group Inc. Reassures Texas Residential Electricity Customers That They Are Protected From Storm-Related Price Surges

February 23, 2021

Just Energy, Amigo Energy and Tara Energy Residential Customers Will See No Change to Their Electricity Rates on February Bills

TORONTO, Feb. 23, 2021 (GLOBE NEWSWIRE) -- Just Energy Group Inc. (TSX:JE; NYSE:JE) ("**Just Energy**" or the " **Company**"), a retail energy provider specializing in electricity and natural gas commodities, renewable energy options and carbon offsets, today made the following statement to reassure its residential customers in Texas that they are protected from higher energy rates on their February bills as a result of recent extreme weather (the "**Weather Event**"):

"Whether customers know us as Just Energy, Amigo Energy or Tara Energy, we have been a proud part of Texas communities for many years, providing residential energy to hundreds of thousands of customers across the state," said Scott Gahn, Just Energy's President and Chief Executive Officer. "Just Energy, Amigo Energy and Tara Energy have supported Texans through multiple natural disasters, and we are committed to doing all we can to be there for our customers in this extraordinary time."

If you have a residential fixed rate plan, you can rest assured that your energy rate is locked in for the duration of your contracted term. Variable rate (month-to-month) residential customers will also not see a rate increase on their February bill. However, your total energy cost for the month of February may be impacted by higher usage due to the Weather Event.

Just Energy has set up dedicated web pages for customers, where you will find the most up to date information possible, including answers to frequently asked questions and information on payment assistance programs. You will also find contact information if you have questions or wish to lock in a fixed electricity rate.

See: https://justenergy.com/texaswinteremergency/, https://amigoenergy.com/texaswinteremergency/, or https://taraenergy.com/texaswinteremergency/, as applicable.

"Our number one priority right now is the wellbeing of our customers, our employees, and all Texans," Mr. Gahn added. "As a Houston resident, I have seen the people of Texas pull together time and again to get through difficult times, and I know this will be no different. From all of us at Just Energy Group, please be safe and look after one another."

ABOUT JUST ENERGY

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States and Canada, Just Energy serves residential and commercial customers. Just Energy is the parent company of Amigo Energy, Filter Group Inc., Hudson Energy, Interactive Energy Group, Tara Energy, and terrapass. Visit https://investors.justenergy.com/ to learn more.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

Source: Just Energy Group Inc.

je@alpha-ir.com

TAB V

THIS IS EXHIBIT "V" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

Just Energy Reports Fiscal Third Quarter 2021 Results

February 26, 2021

Continues to Assess Impact of the Texas Extreme Cold Weather Event

TORONTO, Feb. 26, 2021 (GLOBE NEWSWIRE) -- Just Energy Group Inc. ("Just Energy" or the "Company") (TSX:JE; NYSE:JE), a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers and carbon offsets, announced its third quarter results for fiscal year 2021 and updated its previous announcement advising that management is continuing to assess the impact of the extreme cold weather experienced in the State of Texas commencing on or about February 13, 2021 continuing through February 19, 2021 (the "Weather Event").

The Weather Event resulted in the Company having to balance its power supply through the Electric Reliability Council of Texas (ERCOT) at artificially mandated high electricity prices and significantly increased ancillary service costs as described in the Company's Management Discussion and Analysis filed today. As at February 22, 2021, the Company reviewed the available information regarding the Company's customer load for the Weather Event and estimated that the Company may have incurred a loss of CAD $315 million (approximately USD $250 million). This week, the Company received initial settlement statements from ERCOT, which are subject to resettlements, that may be material, showing lower customer load. The initial statements from ERCOT, without any resettlement, would result in significantly lowering the Company's exposure to approximately CAD $50 million (approximately USD $40 million). Given the material differences between the load information, the Company continues to investigate the differences in load information. Under normal ERCOT protocols resettlements occur 55 days after the operating day. However, ERCOT has indicated that it may resettle earlier. The total financial impact may materially change due to ERCOT final settlement data as it becomes available, any government or regulatory actions or potential litigation with respect thereto, failure of other parties to pay amounts owing to ERCOT and the impact of customer credit losses.

"Regardless of uncertainty created by the Weather Event, our customers of Just Energy, Amigo Energy, Hudson Energy and Tara Energy can be certain that we are committed to doing all we can to be there for them in this extraordinary time. If you have a residential or small business fixed rate plan, our customers can rest assured that your fixed energy rate is locked in for the duration of your contracted term. Variable rate (month-to-month) residential customers will not see their rates impacted by the high settlement prices of the Weather Event," said Scott Gahn, Just Energy's President and Chief Executive Officer. Mr. Gahn added, "We are also focused on supporting our partners and dedicated employees through this extraordinary event."

Third Quarter Developments

- Base EBITDA increased by 47% to $55.8 million in the third quarter of fiscal year 2021 compared to $38.0 million in the year ago period, primarily driven by lower bad debt and lower expenses offsetting the lower Base gross margin and increased investment in digital marketing.
- Base gross margin was $131.6 million in the third quarter of fiscal year 2021, an 8% decrease as compared to $142.5 million in the year ago period.
- Bad debt expense decreased by 83% to $3.4 million in the third quarter of fiscal year 2021 compared to $20.0 million in the year ago period, with lower expenses in all areas.
- The Company ended the quarter with $91.2 million of total liquidity available, comprised of cash and cash equivalents of $66.6 million and available borrowing capacity of $24.6 million under the senior secured credit facility.
- Loss from continuing operations of $52.3 million in the third quarter, inclusive of $71.6 million of unrealized losses of derivative instruments and other.

Fiscal Third Quarter Financial Highlights:

As of December 31, 2020

$ in thousands, except customer data	Fiscal 2021	Fiscal 2020	Change
Sales	$ 540,067	$ 658,521	-18%
Base gross margin[1]	$ 131,608	$ 142,484	-8%
Base EBITDA[2]	$ 55,785	$ 37,950	47%
Unlevered free cash flow (Year to date)	$ 27,813	$ 49,892	-44%
Total liquidity	$ 91,200	$ 56,960	60%
Total net consumer (RCE) additions	(18,000)	(33,000)	NMF[3]

Total net commercial (RCE) additions	(105,000)	48,000	NMF[3]

[1] "Base gross margin" represents gross margin adjusted to include the effect of applying IFRS Interpretation Committee Agenda Decision 11, Physical Settlement of Contracts to Buy or Sell a Non-Financial Item, for realized gains (losses) on derivative instruments and other. Base gross margin is a key measure used by management to assess performance and allocate resources. Management believes that these realized gains (losses) on derivative instruments reflect the long-term financial performance of Just Energy and thus has included them in the Base gross margin calculation.

[2] See "Non-IFRS financial measures"

[3] Not a meaningful figure.

- **Sales**: Decrease due to the smaller customer base resulting from the shift in focus to the Company's strategy to increase the credit quality of customers and to onboard higher quality customers; a reduction in customers in Ontario, New York and California due to regulatory restrictions; selling constraints posed by the COVID-19 pandemic; as well as prior competitive pressures on pricing in the United States.

- **Base gross margin:** Decrease was primarily driven by a decline in the customer base, partially offset by higher realized margins across several markets.

- **Base EBITDA:** Increase was primarily driven by a reduction in bad debt expense and lower expenses, partially offset by lower Base gross margin and increased investment in digital marketing.

- **Unlevered free cash flow:** Decrease was primarily driven by the additional transaction costs incurred for the Recapitalization and payments to decrease commodity and supplier payables.

Expense Detail:

($ thousands)	Fiscal 2021	Fiscal 2020	Change
Administrative expenses[1]	$ 30,408	$ 39,616	-23%
Selling commission expenses	$ 30,485	$ 36,698	-17%
Selling non-commission and marketing expense	$ 11,784	$ 14,572	-19%
Bad debt expense	$ 3,358	$ 19,996	-83%

[1] Includes $1.6 million and $4.2 million of Strategic Review costs for the third quarter of fiscal 2021 and 2020, respectively.

- **Administrative expenses:** Decline was primarily driven by savings from the Canadian emergency wage subsidy and a reduction of expense related to the Strategic Review. Excluding expenses related to the Strategic Review, Administrative expenses decreased by 19% to $28.8 million for the three months ended December 31, 2020 compared to $35.4 million for the three months ended December 31, 2019 due to savings from the Canadian emergency wage subsidy and savings from cost containment efforts.

- **Selling commission expenses:** Decrease was driven by lower commission expenses from lower sales from direct in-person channels driven by the impact of the COVID-19 pandemic and lower customer additions in prior periods.

- **Selling non-commission and marketing expenses:** Decline was a result of cost reductions from the shut-down of the internal door-to-door sales channel and continued focus on cost containment, partially offset by increased investment in digital marketing.

- **Bad debt expense:** Decrease was a result of enhanced operating controls and operational processes implemented in the summer of 2019 and release of previous credit reserves as the Company continues to see consistent payment trends and minimal impact from the COVID-19 pandemic.

Consumer Segment Performance

Consumer Operating Highlights:

	Fiscal 2021	Fiscal 2020	Change
Consumer gross margin on added/renewed	$303/RCE	$273/RCE	11%
Embedded gross margin[1] (*$ millions*)	$1,023	$1,271	-20%
Total gross (RCE) additions	42,000	55,000	-24%
Attrition (trailing 12 months)	23%	25%	-8%
Renewals (trailing 12 months)	80%	72%	11%

[1] See "Non-IFRS financial measures"

- **Average Consumer gross margin per RCE for the customers added or renewed:** The increase in the average gross margin on Consumer customers added and renewed was a result of the Company's increased focus on profitable

customer growth.

- **Consumer embedded gross margin:** The decline resulted from the decrease in the Consumer customer base and unfavourable exchange rate fluctuations.
- **Consumer RCE additions:** The decrease in customer additions was driven by selling constraints posed by the COVID-19 pandemic in the direct in-person channels offset by increases in digital sales channel. However, Consumer RCE additions increased by 24% from the three months ended September 30, 2020 due to increases in the digital and continued improvement in the retail sales channel.
- **Consumer attrition rate:** The improvements in attrition reflect the benefits of focus on sales to higher quality customers and increased focus on the customer experience.
- **Consumer renewal rate:** The increase was driven by improved retention offerings and increased focus on the customer experience.

Consumer RCE Summary:

CONSUMER	10/1/2020	Additions	Attrition	Failed to renew	12/31/2020	Change	12/31/2019	Change
Gas	285,000	1,000	-8,000	-3,000	**275,000**	-4%	343,000	-20%
Electricity	820,000	41,000	-36,000	-13,000	**812,000**	-1%	896,000	-9%
Total Consumer RCEs	1,105,000	42,000	-44,000	-16,000	**1,087,000**	-2%	1,239,000	-12%

Commercial Segment Performance

Commercial Operating Highlights:

	Fiscal 2021	Fiscal 2020	Change
Commercial gross margin on added/renewed	$70/RCE	$65/RCE	8%
Embedded gross margin[1](*$ millions*)	$360	$569	-37%
Total gross commercial (RCE) additions	41,000	165,000	-75%
Attrition (trailing 12 months)	11%	9%	22%
Renewals (trailing 12 months)	49%	54%	-9%

[1]See “Non-IFRS financial measures

- **Average Commercial gross margin per RCE for the customers added or renewed:** The increase was due to adding and renewing a larger proportion of lower usage, higher margin Commercial customers.
- **Commercial embedded gross margin:** The decline resulted from the decrease in the Commercial customer base and unfavourable exchange rate fluctuations.
- **Commercial RCE additions:** The decrease is primarily due to the selling constraints posed by the COVID-19 pandemic and the prior competitive pressures on pricing in the U.S. market. Commercial RCE additions increased by 46% from a low of 28,000 RCE additions for the three months ended June 30, 2020.
- **Commercial attrition rate:** The increase reflects a very competitive pricing market for commercial customers.
- **Commercial renewal rate:** The decrease reflects a competitive market with competitors pricing aggressively and Just Energy’s focus on retaining longer-term, profitable customers rather than pursuing low margin sales.

Commercial RCE Summary:

COMMERCIAL	10/1/2020	Additions	Attrition	Failed to renew	12/31/2020	Change	12/31/2019	Change
Gas	407,000	-	-11,000	-10,000	**386,000**	-5%	448,000	-14%
Electricity	1,574,000	41,000	-62,000	-63,000	**1,490,000**	-5%	1,828,000	-18%
Total Commercial RCEs	1,981,000	41,000	-73,000	-73,000	**1,876,000**	-5%	2,276,000	-18%

Outlook

As previously announced, the Company is withdrawing its Base EBITDA and unlevered free cash flow guidance for fiscal 2021 and is continuing to assess the financial impact of the Weather Event. As of the time of this press release, the Company estimates that the financial impact of the Weather Event on the Company could be a loss of between $50 million and $315 million. The total financial impact may materially change due to ERCOT final settlement data as it becomes available, any government or regulatory actions or potential litigation with respect thereto, failure of other parties to pay

amounts owing to ERCOT and impacts of customer credit losses. The estimated substantial losses could be materially adverse to the Company's liquidity and its ability to continue as a going concern. The Company is in discussions with its key stakeholders regarding the impact of the Weather Event and will provide an update as appropriate.

About Just Energy Group Inc.

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States and Canada, Just Energy serves residential and commercial customers. Just Energy is the parent company of Amigo Energy, Filter Group Inc., Hudson Energy, Interactive Energy Group, Tara Energy, and terrapass. Visit https://investors.justenergy.com/ to learn more.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks with respect to the financial impact of the Weather Event on the Company, the potential for government or regulatory action or litigation, the quantum of the financial loss to the Company from the Weather Event and its impact on the Company's liquidity, the Company's ability to continue as a going concern, the Company's discussions with key stakeholders regarding the Weather Event and the outcome thereof, the impact of the evolving COVID-19 pandemic on the Company's business, operations and sales; reliance on suppliers; uncertainties relating to the ultimate spread, severity and duration of COVID-19 and related adverse effects on the economies and financial markets of countries in which the Company operates; the ability of the Company to successfully implement its business continuity plans with respect to the COVID-19 pandemic; the Company's ability to access sufficient capital to provide liquidity to manage its cash flow requirements; general economic, business and market conditions; the ability of management to execute its business plan; levels of customer natural gas and electricity consumption; extreme weather conditions; rates of customer additions and renewals; customer credit risk; rates of customer attrition; fluctuations in natural gas and electricity prices; interest and exchange rates; actions taken by governmental authorities including energy marketing regulation; increases in taxes and changes in government regulations and incentive programs; changes in regulatory regimes; results of litigation and decisions by regulatory authorities; competition; dependence on certain suppliers. Additional information on these and other factors that could affect Just Energy's operations or financial results are included in Just Energy's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com on the U.S. Securities and Exchange Commission's website at www.sec.gov or through Just Energy's website at www.justenergygroup.com.

NON-IFRS MEASURES

The financial measures such as "EBITDA", "Base EBITDA, "Base gross margin", "Free cash flow" "Unlevered free cash flow" and "Embedded gross margin" do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other companies. This financial measure should not be considered as an alternative to, or more meaningful than, net income (loss), cash flow from operating activities and other measures of financial performance as determined in accordance with IFRS, but the Company believes that these measures are useful in providing relative operational profitability of the Company's business. Please refer to "Key Terms" in the Just Energy Q3 Fiscal 2021's Management's Discussion and Analysis for the Company's definition of "EBITDA" and other non-IFRS measures.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

FOR FURTHER INFORMATION PLEASE CONTACT:

Michael Carter
Chief Financial Officer
Just Energy
mcarter@justenergy.com

or

Investors
Michael Cummings
Alpha IR
Phone: (617) 982-0475
JE@alpha-ir.com

Media
Boyd Erman
Longview Communications
Phone: 416-523-5885
berman@longviewcomms.ca

Source: Just Energy Group Inc.

Supplemental Tables:

Financial and operating highlights

For the three months ended December 31.

(thousands of dollars, except where indicated and per share amounts)

	Fiscal 2021	Change	Fiscal 2020
Sales	**$ 540,067**	**(18)%**	$ 658,521
Base gross margin[1]	**131,608**	**(8)%**	142,484
Administrative expenses[2]	**30,408**	**(23)%**	39,616

Selling commission expenses	**30,485**	**(17)%**	36,698
Selling non-commission and marketing expense	**11,784**	**(19)%**	14,572
Bad debt expense	**3,358**	**(83)%**	19,996
Finance costs	**17,677**	**(37)%**	28,178
Profit (loss) from continuing operations	**(52,327)**	**NMF [3]**	20,601
Base EBITDA[1]	**55,785**	**47%**	37,950
Total gross consumer (RCE) additions	**42,000**	**(24)%**	55,000
Total gross commercial (RCE) additions	**41,000**	**(75)%**	165,000
Total net consumer (RCE) additions	**(18,000)**	**NMF [3]**	(33,000)
Total net commercial (RCE) additions	**(105,000)**	**NMF [3]**	48,000

See “Non-IFRS financial measures” on page 6 of the MD&A.

2 Includes $1.6 million and $4.2 million of Strategic Review costs for the third quarter of fiscal 2021 and 2020, respectively.

3 Not a meaningful figure.

4 Profit (loss) includes the impact of unrealized gains (losses), which represents the mark to market of future commodity supply acquired to cover future customer demand as well as weather hedge contracts entered into as part of the Company’s risk management practice. The supply has been sold to customers at fixed prices, minimizing any realizable impact of mark to market gains and losses.

Balance sheet

(thousands of dollars)

	As at 12/31/2020	As at 3/31/2020	As at 12/31/2019
Assets:			
Cash	**$ 66,635**	$ 26,093	$ 17,988
Trade and other receivables, net	**344,080**	403,907	404,124
Total fair value of derivative financial assets	**49,267**	65,145	121,363
Other current assets	**143,145**	203,270	140,923
Total assets	**1,069,042**	1,215,833	1,294,205
Liabilities:			
Trade payables and other	**$ 472,763**	$ 685,665	$ 523,650
Total fair value of derivative financial liabilities	**246,495**	189,706	199,731
Total long-term debt	**518,768**	782,003	774,600
Total liabilities	**1,284,778**	1,711,121	1,559,955

Summary of Cash Flows

For the nine months ended December 31.

(thousands of dollars)

	Fiscal 2021	Fiscal 2020
Operating activities	**$ (11,030)**	$ 8,135
Investing activities	**(3,353)**	(17,065)
Financing activities, excluding dividends	**61,820**	42,570
Effect of foreign currency translation	**(6,895)**	(244)
Increase in cash before dividends	**40,542**	33,396
Dividends (cash payments)	**-**	(25,335)
Increase (decrease) in cash	**40,542**	8,061
Cash and cash equivalents – beginning of period	**26,093**	9,927
Cash and cash equivalents – end of period	**$ 66,635**	$ 17,988

TAB W

THIS IS EXHIBIT "W" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Waleed Malik

Commissioner for taking affidavits

Waleed Malik

Just Energy Files Petition with the Public Utility Commission of Texas for Relief from ERCOT Settlements Related to the Texas Extreme Weather Event

March 3, 2021

TORONTO, March 03, 2021 (GLOBE NEWSWIRE) -- Just Energy Group Inc. ("Just Energy" or the "Company") (TSX:JE; NYSE:JE), a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers and carbon offsets, announced today that it has filed a petition with the Public Utility Commission (the "Commission") requesting an order that the Electric Reliability Council of Texas ("ERCOT") deviate from the deadlines and timing in its Protocols and Market Guides related to settlements, collateral obligations, and invoice payments and suspend the execution or issuance of invoices or settlements for intervals during the dates of February 14, 2021 through February 19, 2021, until issues related to the catastrophic winter event of February 2021 raised by executive and legislative branches of the Texas authorities are investigated, addressed, and resolved. Alternatively, Just Energy requested that the Commission grant a waiver of certain ERCOT Protocols to allow Just Energy to delay payment of certain invoices related to the Weather Event (as defined below) while exercising its rights under the ERCOT Protocols to dispute the invoiced payment amounts.

As previously announced by the Company, the extreme cold weather experienced in the State of Texas commencing on or about February 13, 2021 continuing through February 19, 2021 (the "Weather Event") resulted in the Company having to balance its power supply through ERCOT at artificially mandated high electricity prices and significantly increased ancillary service costs. Just Energy has initiated the dispute process with ERCOT regarding certain charges being invoiced, including the application of the $9,000/ MWh System Wide Offer Cap to any time period after the ERCOT grid ceased shedding load at 1:05 a.m. on February 18, 2021, as applying the System Wide Offer Cap after that time contravened the Commission's February 15th and February 16th orders. In addition, as the recent comments of the Independent Market Monitor of ERCOT have made clear, the Company has concerns, as do other market participants, regarding how ancillary services charges were calculated and assessed during the Weather Event and is disputing certain ancillary services charges. The requested order and waiver do not require that the Commission make a determination as to whether Just Energy should be relieved of its payment obligations, as Just Energy intends to address these disputes with ERCOT through the dispute resolution procedures set out in the ERCOT Nodal Protocols.

Just Energy's petition can be located at https://www.puc.texas.gov/.

About Just Energy Group Inc.

Just Energy is a retail energy provider specializing in electricity and natural gas commodities and bringing energy efficient solutions and renewable energy options to customers. Currently operating in the United States and Canada, Just Energy serves residential and commercial customers. Just Energy is the parent company of Amigo Energy, Filter Group Inc., Hudson Energy, Interactive Energy Group, Tara Energy, and terrapass. Visit https://investors.justenergy.com/ to learn more.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements, including with respect to obtaining an order or waiver from the Commission respecting the ERCOT protocols and market guides related to settlements, collateral obligations and invoice payments and obtaining relief to delay payment of certain ERCOT settlement invoices. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks with respect to: the financial impact of the Weather Event on the Company, the potential for government or regulatory action or litigation, the quantum of the financial loss to the Company from the Weather Event and its impact on the Company's liquidity; the Company's ability to continue as a going concern; the Company's discussions with key stakeholders regarding the Weather Event and the outcome thereof; the impact of the evolving COVID-19 pandemic on the Company's business, operations and sales; reliance on suppliers; uncertainties relating to the ultimate spread, severity and duration of COVID-19 and related adverse effects on the economies and financial markets of countries in which the Company operates; the ability of the Company to successfully implement its business continuity plans with respect to the COVID-19 pandemic; the Company's ability to access sufficient capital to provide liquidity to manage its cash flow requirements; general economic, business and market conditions; the ability of management to execute its business plan; levels of customer natural gas and electricity consumption; extreme weather conditions; rates of customer additions and renewals; customer credit risk; rates of customer attrition; fluctuations in natural gas and electricity prices; interest and exchange rates; actions taken by governmental authorities including energy marketing regulation; increases in taxes and changes in government regulations and incentive programs; changes in regulatory regimes; results of litigation and decisions by regulatory authorities; competition; dependence on certain suppliers. Additional information on these and other factors that could affect Just Energy's operations or financial results are included in Just Energy's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com on the U.S. Securities and Exchange Commission's website at www.sec.gov or through Just Energy's website at www.justenergygroup.com.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

FOR FURTHER INFORMATION PLEASE CONTACT:

Michael Carter
Chief Financial Officer
Just Energy
mcarter@justenergy.com

or

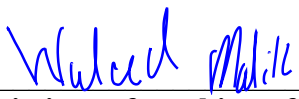
Investors
Michael Cummings
Alpha IR
Phone: (617) 982-0475
JE@alpha-ir.com

Media
Boyd Erman
Longview Communications
Phone: 416-523-5885
berman@longviewcomms.ca

Source: Just Energy Group Inc.

TAB X

THIS IS EXHIBIT "X" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Amid Blackouts, Texas Scrapped Its Power Market and Raised Prices. It Didn't Work. The Texas Public Utility Commission hoped its move would spur generation. Retail providers say all it did was generate billions in added bills.

The Wall Street Journal Online

February 26, 2021

THE WALL STREET JOURNAL.

Section: US; U.S. News

Length: 1298 words

Byline: By Russell Gold and Katherine Blunt

Body

Hours into *widespread blackouts in Texas* last week, the state's power regulator took an unusual step: It stopped relying on *the deregulated market* to set electricity prices and did so itself.

The Texas Public Utility Commission said it raised prices to a market cap of $9,000 per megawatt hour during a six-minute emergency meeting Feb. 15, up from recent prices as low as $1,200 a megawatt hour, because the computer that was supposed to help match supply and demand on the power grid wasn't working properly, and it needed to intervene to relieve a growing crisis.

But the higher prices didn't result in additional power production, because many generators were dealing with *frozen equipment or fuel shortages*, and were unable to deliver more megawatts, no matter the price. Some electric-market participants now say the commission's action turned an energy crisis into a financial catastrophe for many electricity buyers, *who were left paying billions of dollars more* for the same limited supply of electricity as before.

The role of the PUC, a three-member panel appointed by Texas Gov. Greg Abbott, in last week's power fiasco is poised to garner more attention as state *lawmakers review what went wrong*. Up to now, most attention has focused on the Electric Reliability Council of Texas, or Ercot, the state's nonprofit grid operator, but the PUC is the state's chief electric regulator, and took key actions during the crisis.

State hearings examining the causes of the power collapse began Thursday.

PUC officials told The Wall Street Journal that, while *Ercot had begun ordering blackouts* as power supplies fell short last week, its computer that ran the market was apparently confused by what was happening. Ercot was trying to stabilize the grid by building up reserves of available generation. The computer was "misinterpreting those

reserves as abundance and turning off the more expensive natural gas plants," exacerbating power supply problems, said PUC spokesman Andrew Barlow.

Ercot spokeswoman Leslie Sopko disputed that the computer was turning off gas plants.

At the time, the situation left the PUC members dumbfounded. Chairman DeAnn Walker described herself during the Feb. 15 meeting as surprised by the market's prices, which were hovering around $1,200 a megawatt hour at the time. Commissioner Arthur D'Andrea added: "We are not calculating prices correctly."

Texas Power Crisis

* *Texas Electric Bills Were $28 Billion Higher Under Deregulation* (Feb. 24)

* *Texas Power Grid Was Minutes From Collapse During Freeze, Operator Says* (Feb. 24)

* *Texas Grapples With Crushing Power Bills After Freeze* (Feb. 23)

* *The Texas Freeze: Why the Power Grid Failed* (Feb. 19)

* *Inside One Texas City's Struggle to Keep Power and Water Running* (Feb. 17)

The commission moved to set prices at the $9,000 cap, concluding that the prices at that time were "inconsistent with the fundamental design of the Ercot market. Energy prices should reflect scarcity of the supply." That was intended to encourage power generation to come back online and allow Ercot to end the blackouts, which had plunged millions of homes into the dark in subfreezing temperatures, *triggering a humanitarian crisis* in the nation's second-largest state.

But the Monday order didn't immediately have the intended effect. At the time of the order, there was about 50,000 megawatts offline-out of 107,500 megawatts. This would remain the case through midday last Wednesday, according to a presentation by Ercot this week.

While the Ercot computer glitch may have turned off some plants, many more were shut down because of *freezing conditions, fluctuations on the power grid* and natural gas shortages.

The heads of two of Texas' largest power generation companies, Vistra Corp. and NRG Energy Inc., told members of the Texas House of Representatives on Thursday that the promise of high prices couldn't help resurrect power plants that had difficulty operating in extreme cold or securing gas supplies.

Vistra Chief Executive Curt Morgan said gas supply constraints were one of the company's biggest challenges, forcing it to take plants offline or run them at lower capacity levels.

"We had power plants ready to produce power that could not produce any," he said. "The gas system, in my opinion, did not work in tandem with the electric system."

As a result of the PUC's decision, power prices remained at elevated levels until Friday morning, when the PUC rescinded its order, after Ercot said the grid was again stable. Typically, the Ercot grid hits peak prices for a few hours, at most.

Many residential, commercial and industrial customers as well as retail providers and municipal power companies had to pay extraordinary prices for several days, and some have complained to the PUC that its action had raised prices without improving the supply situation, with devastating financial consequences.

Griddy Energy LLC, a small retailer that gives customers access to wholesale power prices in exchange for a flat monthly charge, has faced the most criticism of any retailer as its customers face enormous bills.

Griddy CEO Michael Fallquist said in an interview that the company lost roughly two-thirds of 30,000 customers last week, giving it a fraction of 1% of the Ercot market. Those who remain collectively owe millions of dollars. Mr. Fallquist said believes the total would have been substantially less if the PUC hadn't moved to elevate prices. "The material impact on our customers would have been so different," he said.

Others said the high prices did little to encourage generators to quickly come back online.

"Generation could not magically appear, and the price signals did not stabilize the situation," wrote Patrick Woodson, chief executive of Green Energy Exchange, a retail electricity provider in Texas. "Quite the opposite, the imposition of price caps during these extraordinary times is creating instability in the markets."

In an interview, Mr. Woodson added that retail providers were hurt by the PUC's decision to keep prices high all week, which essentially transferred money from consumers to power generators and gas providers.

"You want to penalize people? Great. But don't penalize the people who didn't cause the crisis," he said.

NRG Chief Executive Mauricio Gutierrez told lawmakers that his company, which offers fixed-price retail contracts, would have to eat the higher wholesale costs. He advocated for eliminating contracts tied to wholesale prices because it may be difficult for customers to understand the risk of extreme market swings.

"We don't offer any of those products," he said. "We believe they shouldn't be available to customers in our market."

The Texas governor promised in a statewide address on Wednesday to find answers to what went wrong and ensure state lawmakers enact fixes. "You deserve answers. You will get those answers," said Mr. Abbott, a Republican.

Rob Cantrell, the chief executive of retail electricity provider Pulse Power LLC, said that while generators unable to deliver were the cause of the crisis, it is retailers and customers who are set to pay the price. He estimates Pulse will lose up to $2,000 for each of its 100,000 customers, even though many of them were without power.

In a filing to the PUC, Mr. Cantrell suggested replacing the $9,000 pricing with fines "for generators that a postmortem reveals...were not following the minimum reliability protocols." Those fines could be used to help cover exorbitant power bills, he added.

Power generators "should not benefit as an industry from their failure, to the detriment of Texas retail choice and consumers alike," he wrote.

Write to Russell Gold at *russell.gold@wsj.com* and Katherine Blunt at *Katherine.Blunt@wsj.com*

Amid Blackouts, Texas Scrapped Its Power Market and Raised Prices. It Didn't Work.

Notes

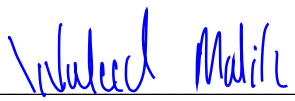
PUBLISHER: Dow Jones & Company, Inc.

Load-Date: February 26, 2021

End of Document

TAB Y

THIS IS EXHIBIT "Y" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

PROJECT NO. 51812

ISSUES RELATED TO THE STATE OF DISASTER FOR THE FEBRUARY 2021 WINTER WEATHER EVENT	**§ § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

ORDER DIRECTING ERCOT TO TAKE ACTION AND GRANTING EXCEPTION TO ERCOT PROTOCOLS

Through this Order the Commission directs the Electric Reliability Council of Texas (ERCOT) to take certain actions and grants exception to provisions of the ERCOT Nodal Protocols and Operating Guides.

In an attempt to protect the overall integrity of the financial electric market in the ERCOT region, the Commission concludes it is necessary to authorize ERCOT to use its sole discretion in taking actions under the ERCOT Nodal Protocols to resolve financial obligations between a market participant and ERCOT. It is appropriate that ERCOT's discretion include, but not be limited to, ERCOT's ability to take the following actions:

- Deviate from protocol deadlines and timing related to settlements, collateral obligations, and invoice payments;
- Utilize available funds, such as undistributed congestion revenue right auction revenues, to cover short-paying invoice recipients;
- Relax credit requirements and releasing cash or other collateral to provide short-term market-participant liquidity;
- Deviate from protocol requirements regarding the maximum amount of default uplift invoices;
- Suspend breach notifications to certain market participants for failure to make payment or provide financial security; and
- Produce reconciliation settlements following market stabilization.

PURA § 39.151(d)[1] gives the Commission complete authority over ERCOT, the independent organization certified by the Commission under PURA § 39.151. In addition, ERCOT is required to "administer settlement and billing for services provided by ERCOT, including assessing creditworthiness of market participants and establishing and enforcing

[1] Public Utility Regulatory Act, Tex. Util. Code §§11.001–66.016.

reasonable security requirements in relation to their responsibilities under ERCOT rules."[2] Further, ERCOT must perform any additional duties required by commission order.[3]

This order does not relieve market participants of payment or financial security obligations with ERCOT. Moreover, market participants remain liable for all charges associated with any activity related to its relationship with ERCOT and any expenses arising from the consequences of termination of a market participant's agreements with ERCOT or revocation of the market participant's rights to conduct activities with ERCOT.

I. Orders

For the reasons discussed above, the Commission issues the following orders:

1. ERCOT must exercise its sole discretion to resolve financial obligations between a market participant and ERCOT as provided by this Order.
2. Any and all provision of the ERCOT Nodal Protocols are waived to the degree necessary to allow ERCOT to take the actions ordered herein.
3. ERCOT must report to the Commission twice each day, beginning February 22, 2021, of the the actions it has taken in response to this Order.
4. ERCOT must direct any questions regarding its obligations under this Order to the Commission's Deputy Executive Director or her designee..

[2] 16 Tex. Admin. Code § 25.361 (b)(2).

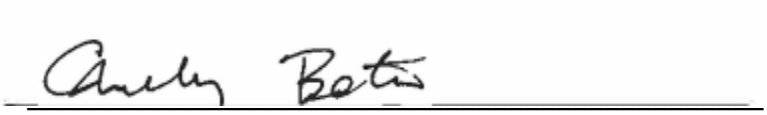
[3] *Id.* § 25.361(b)(16).

Signed at Austin, Texas the 21st day of February 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

DEANN T. WALKER, CHAIRMAN

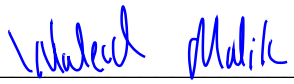
ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER

TAB Z

THIS IS EXHIBIT "Z" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

To: Credit; Operations; Settlements

Sent: Mon, Feb 22, 2021 10:27 AM

Subject: M-A022221-01 ERCOT is temporarily deviating from Protocol deadlines and timing related to settlements, collateral obligations, and Invoice payments

---

NOTICE DATE: February 22, 2021

NOTICE TYPE: M-A022221-01 General

SHORT DESCRIPTION: ERCOT is temporarily deviating from Protocol deadlines and timing related to settlements, collateral obligations, and Invoice payments

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: February 22, 2021

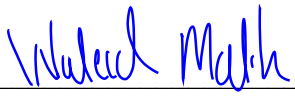
LONG DESCRIPTION: ERCOT is temporarily deviating from Protocol deadlines and timing related to settlements, collateral obligations, and Invoice payments while prices are under review. Invoices or settlements will not be executed until issues are finalized by State leaders considering solutions to the financial challenges caused by the winter event, which is anticipated to occur this week.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

dl

TAB AA

THIS IS EXHIBIT "AA" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

To: Credit; Operations; Settlements

Sent: Tue, Feb 23, 2021 07:50 AM

Subject: M-A022221-02 ERCOT has ended its temporary deviation from Protocol deadlines and timing related to settlements, collateral obligations, and invoice payments

---

NOTICE DATE: February 23, 2021

NOTICE TYPE: M-A022221-02 General

SHORT DESCRIPTION: ERCOT has ended its temporary deviation from Protocol deadlines and timing related to settlements, collateral obligations, and invoice payments

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: February 23, 2021

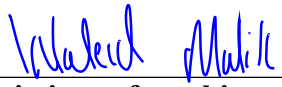
LONG DESCRIPTION: ERCOT has ended its temporary deviation from protocol deadlines and timing related to settlements, collateral obligations, and invoice payments. Invoices and settlement will be executed in accordance with Protocol language.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

dl

TAB BB

THIS IS EXHIBIT "BB" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

BPTX (SQ5) HUDSON (Participant ID 6252757552301) disputes (i) all ancillary service related charges for from the 14th to the 20th; and (ii) energy charges from 1:05 a.m. on February 18th to 9 a.m. on February 19th and (iii) the "LA Reliability Deployment AS Imbalance Revenue Neutrality Amt" charges identified on the Real Time Market Statements (initial invoices) received for Operating Days 17th, 18th and 19th February 2021.

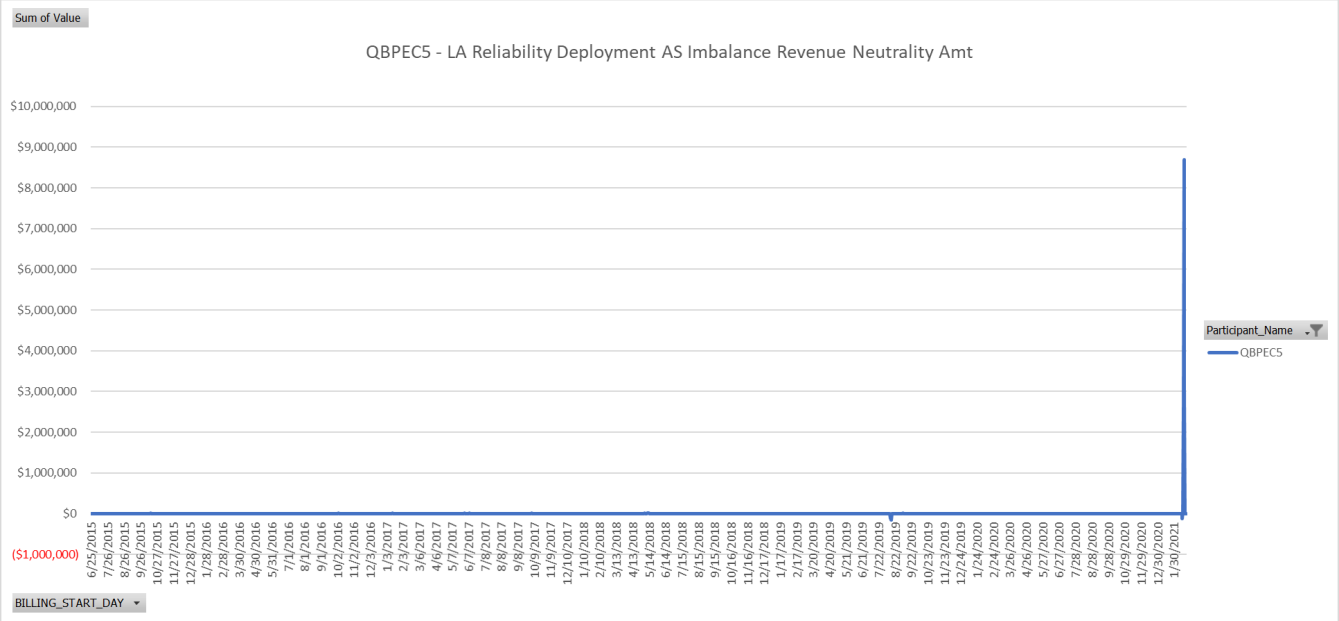
On February 15, 2021, the Public Utility Commission of Texas ("PUC" or "Commission") adopted an Order instructing ERCOT to set the Real Time Settlement Point Price at the high offer cap (HCAP) when there was firm load-shedding on the grid. ERCOT rescinded all load shed instructions at 1:05 a.m. on February 18, 2021; however, it failed to simultaneously return to scarcity pricing mechanisms as required by the Commission's order and ERCOT Nodal Protocols. Just Energy therefore requests that ERCOT comply with the Commission's Order and remove the administrative price adders that set prices to $9,000/MWh from 1:05 a.m. on February 18, 2021 forward. Removing the administrative price adders will directly impact energy charges and indirectly impact ancillary service charges for operating days in question.

Further, LA Reliability Deployment AS Imbalance Revenue Neutrality Amt charges are exponentially higher than those assessed for any historical period, to a degree that is not accounted for simply by the scarcity conditions or high real-time prices experienced on the identified operating days.

For example, the aggregate amount assessed to Market Participant QBPEC5 for the period of June 2015 through February 16th, 2021, was a charge of $216,729. The total for the same market participant for the three settlement dates in question, on the other hand, is $14,219,564, **a 5-day total that is 66 higher than almost 5 years of charges combined**. The attached, five-year chart illustrates the lack of reason behind this departure from past practices.

On March 1, 2021, we had a teleconference with ERCOT personnel to discuss these charges. Participating ERCOT personnel were unable to explain the dramatic departure from historical charges, other than it was protocol driven. We therefore dispute these charges, as we cannot conceive of any justification other than that the prices are erroneous and therefore invalid.

We also dispute the identified charges to the extent that they are artificially set, do not reflect true scarcity conditions, and are therefore invalid. It is our understanding that the identified charge is a load-based allocation for incremental revenue provided to online generation during a period of scarcity. The charge is assessed based on online generation capacity net of generating volume and net of generation procured for ancillary service multiplied by real time ORDC adders. The ORDC adders for Operating Day 18th and 19th, however, do not reflect available capacity on the system ERCOT imposed a forced cap despite having rescinded all load shed instructions. These charges, if maintained, would pay generating assets a reliability revenue when there was no scarcity on the grid. This incorrect application of price adders contradicts the principles underlying pricing of these products under the ERCOT Nodal Protocols and should not be included in the reliability revenue calculations.


Sum of Value
QBPEC5 - LA Reliability Deployment AS Imbalance Revenue Neutrality Amt
$10,000,000
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
($1,000,000)
6/25/2015
7/26/2015
8/26/2015
9/26/2015
10/27/2015
11/27/2015
12/28/2015
1/28/2016
2/28/2016
3/30/2016
4/30/2016
5/31/2016
7/1/2016
8/1/2016
9/1/2016
10/2/2016
11/2/2016
12/3/2016
1/3/2017
2/3/2017
3/6/2017
4/6/2017
5/7/2017
6/7/2017
7/8/2017
8/8/2017
9/8/2017
10/9/2017
11/9/2017
12/10/2017
1/10/2018
2/10/2018
3/13/2018
4/13/2018
5/14/2018
6/14/2018
7/15/2018
8/15/2018
9/15/2018
10/16/2018
11/16/2018
12/17/2018
1/17/2019
2/17/2019
3/20/2019
4/20/2019
5/21/2019
6/21/2019
7/22/2019
8/22/2019
9/22/2019
10/23/2019
11/23/2019
12/24/2019
1/24/2020
2/24/2020
3/26/2020
4/26/2020
5/27/2020
6/27/2020
7/28/2020
8/28/2020
9/28/2020
10/29/2020
11/29/2020
12/30/2020
1/30/2021
BILLING_START_DAY
Participant_Name
QBPEC5

Just Energy Texas LP (QSE) (Participant ID 1105699982000) disputes (i) all ancillary service related charges for from the 14th to the 20th; and (ii) energy charges from 1:05 a.m. on February 18th to 9 a.m. on February 19th and (iii) the "LA Reliability Deployment AS Imbalance Revenue Neutrality Amt" charges identified on the Real Time Market Statements (initial invoices) received for Operating Days 17th, 18th and 19th February 2021.

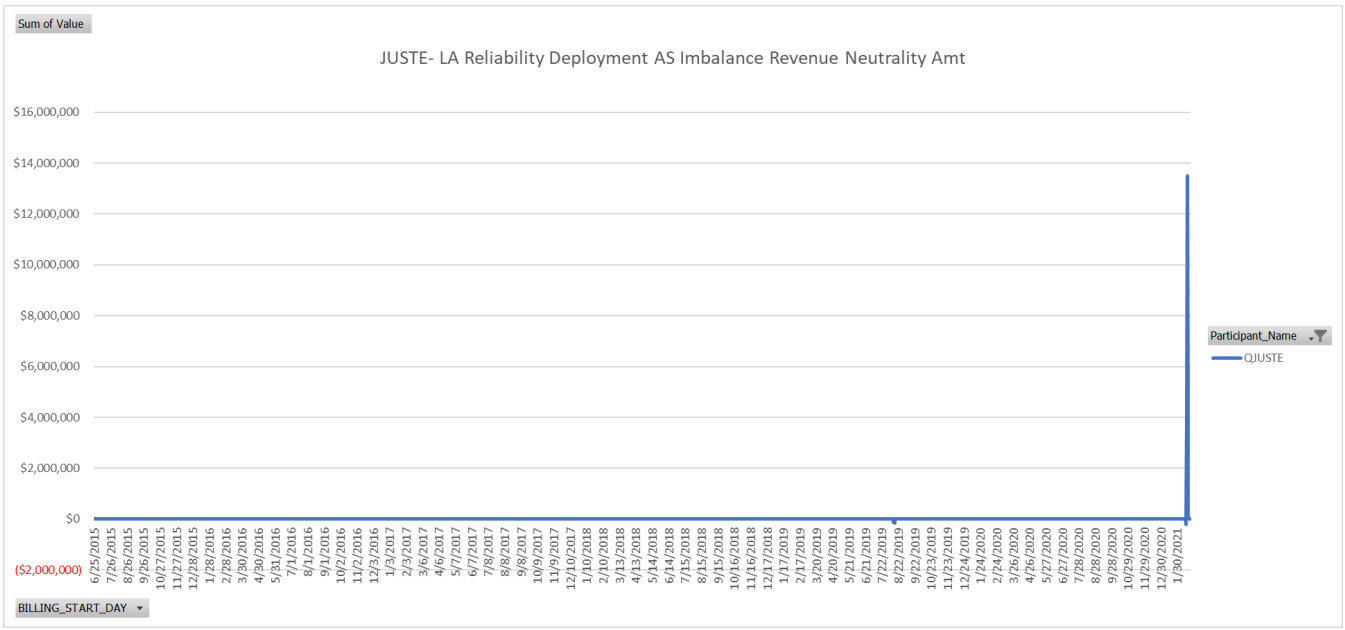
On February 15, 2021, the Public Utility Commission of Texas ("PUC" or "Commission") adopted an Order instructing ERCOT to set the Real Time Settlement Point Price at the high offer cap (HCAP) when there was firm load-shedding on the grid. ERCOT rescinded all load shed instructions at 1:05 a.m. on February 18, 2021; however, it failed to simultaneously return to scarcity pricing mechanisms as required by the Commission's order and ERCOT Nodal Protocols. Just Energy therefore requests that ERCOT comply with the Commission's Order and remove the administrative price adders that set prices to $9,000/MWh from 1:05 a.m. on February 18, 2021 forward. Removing the administrative price adders will directly impact energy charges and indirectly impact ancillary service charges for operating days in question.

Further, LA Reliability Deployment AS Imbalance Revenue Neutrality Amt charges are exponentially higher than those assessed for any historical period, to a degree that is not accounted for simply by the scarcity conditions or high real-time prices experienced on the identified operating days.

For example, the aggregate amount assessed to Market Participant JUSTE for the period of June 2015 through February 16th, 2021, is a total of $127,045. The total for the same market participant for the three settlement dates in question, on the other hand, is $22,236,406, **a 3-day total that is 175 times higher than almost 5 years of charges combined**. The attached, five-year chart illustrates the lack of reason behind this departure from past practices.

On March 1, 2021, we had a teleconference with ERCOT personnel to discuss these charges. Participating ERCOT personnel were unable to explain the dramatic departure from historical charges, other than it was protocol driven. We therefore dispute these charges, as we cannot conceive of any justification other than that the prices are erroneous and therefore invalid.

We also dispute the identified charges to the extent that they are artificially set, do not reflect true scarcity conditions, and are therefore invalid. It is our understanding that the identified charge is a load-based allocation for incremental revenue provided to online generation during a period of scarcity. The charge is assessed based on online generation capacity net of generating volume and net of generation procured for ancillary service multiplied by real time ORDC adders. The ORDC adders for Operating Day 18th and 19th, however, do not reflect available capacity on the system ERCOT imposed a forced cap despite having rescinded all load shed instructions. These charges, if maintained, would pay generating assets a reliability revenue when there was no scarcity on the grid. This incorrect application of price adders contradicts the principles underlying pricing of these products under the ERCOT Nodal Protocols and should not be included in the reliability revenue calculations."


Sum of Value
JUSTE- LA Reliability Deployment AS Imbalance Revenue Neutrality Amt
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$0
($2,000,000)
6/25/2015
7/26/2015
8/26/2015
9/26/2015
10/27/2015
11/27/2015
12/28/2015
1/28/2016
2/28/2016
3/30/2016
4/30/2016
5/31/2016
7/1/2016
8/1/2016
9/1/2016
10/2/2016
11/2/2016
12/3/2016
1/3/2017
2/3/2017
3/6/2017
4/6/2017
5/7/2017
6/7/2017
7/8/2017
8/8/2017
9/8/2017
10/9/2017
11/9/2017
12/10/2017
1/10/2018
2/10/2018
3/13/2018
4/13/2018
5/14/2018
6/14/2018
7/15/2018
8/15/2018
9/15/2018
10/16/2018
11/16/2018
12/17/2018
1/17/2019
2/17/2019
3/20/2019
4/20/2019
5/21/2019
6/21/2019
7/22/2019
8/22/2019
9/22/2019
10/23/2019
11/23/2019
12/24/2019
1/24/2020
2/24/2020
3/26/2020
4/26/2020
5/27/2020
6/27/2020
7/28/2020
8/28/2020
9/28/2020
10/29/2020
11/29/2020
12/30/2020
1/30/2021
BILLING_START_DAY
Participant_Name
QJUSTE

JUST ENERGY TEXAS LP (SQ1) (Participant ID 1105699982100) disputes (i) all ancillary service related charges for from the 14th to the 20th; and (ii) energy charges from 1:05 a.m. on February 18th to 9 a.m. on February 19th and (iii) the "LA Reliability Deployment AS Imbalance Revenue Neutrality Amt" charges identified on the Real Time Market Statements (initial invoices) received for Operating Days 17th, 18th and 19th February 2021.

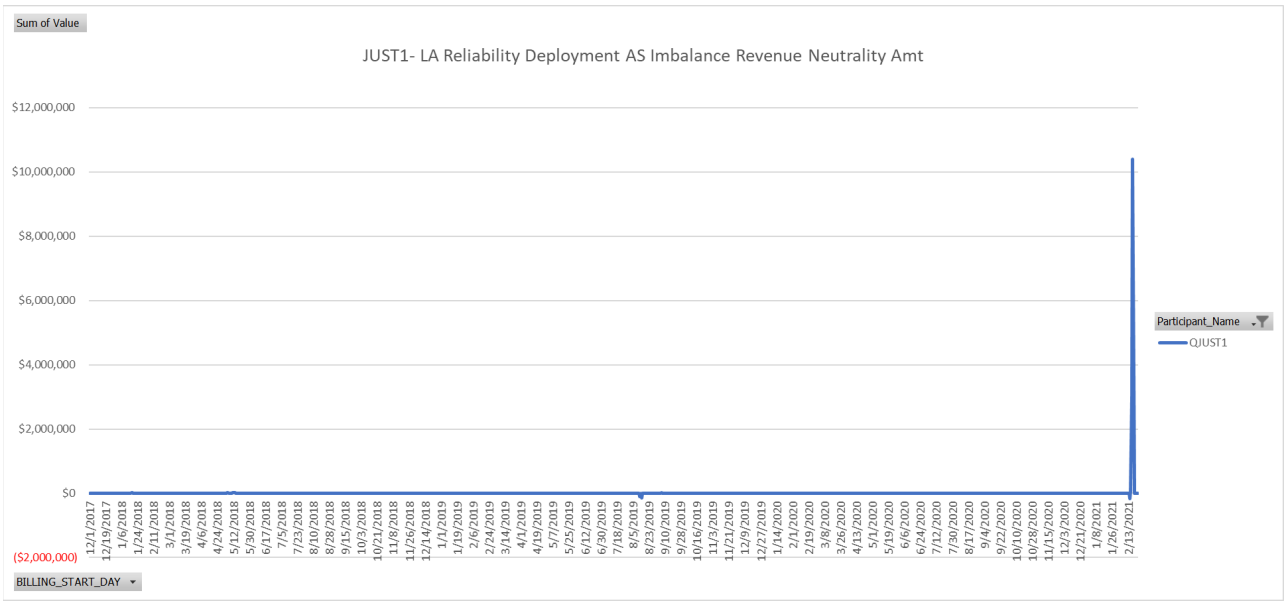
On February 15, 2021, the Public Utility Commission of Texas ("PUC" or "Commission") adopted an Order instructing ERCOT to set the Real Time Settlement Point Price at the high offer cap (HCAP) when there was firm load-shedding on the grid. ERCOT rescinded all load shed instructions at 1:05 a.m. on February 18, 2021; however, it failed to simultaneously return to scarcity pricing mechanisms as required by the Commission's order and ERCOT Nodal Protocols. Just Energy therefore requests that ERCOT comply with the Commission's Order and remove the administrative price adders that set prices to $9,000/MWh from 1:05 a.m. on February 18, 2021 forward. Removing the administrative price adders will directly impact energy charges and indirectly impact ancillary service charges for operating days in question.

Further, LA Reliability Deployment AS Imbalance Revenue Neutrality Amt charges are exponentially higher than those assessed for any historical period, to a degree that is not accounted for simply by the scarcity conditions or high real-time prices experienced on the identified operating days.

For example, the aggregate amount assessed to Market Participant JUST1 for the period of December 2017 through February 16th, 2021, was a credit of $27,710. The total for the same market participant for the three settlement dates in question, on the other hand, is $16,967,355, **a 3-day total that is astronomically higher than almost 3 years of charges combined**. The attached, three-year chart illustrates the lack of reason behind this departure from past practices.

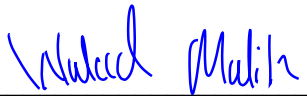
On March 1, 2021, we had a teleconference with ERCOT personnel to discuss these charges. Participating ERCOT personnel were unable to explain the dramatic departure from historical charges, other than it was protocol driven. We therefore dispute these charges, as we cannot conceive of any justification other than that the prices are erroneous and therefore invalid.

We also dispute the identified charges to the extent that they are artificially set, do not reflect true scarcity conditions, and are therefore invalid. It is our understanding that the identified charge is a load-based allocation for incremental revenue provided to online generation during a period of scarcity. The charge is assessed based on online generation capacity net of generating volume and net of generation procured for ancillary service multiplied by real time ORDC adders. The ORDC adders for Operating Day 18th and 19th, however, do not reflect available capacity on the system ERCOT imposed a forced cap despite having rescinded all load shed instructions. These charges, if maintained, would pay generating assets a reliability revenue when there was no scarcity on the grid. This incorrect application of price adders contradicts the principles underlying pricing of these products under the ERCOT Nodal Protocols and should not be included in the reliability revenue calculations.


Sum of Value
JUST1- LA Reliability Deployment AS Imbalance Revenue Neutrality Amt
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$0
($2,000,000)
12/1/2017
12/19/2017
1/6/2018
1/24/2018
2/11/2018
3/1/2018
3/19/2018
4/6/2018
4/24/2018
5/12/2018
5/30/2018
6/17/2018
7/5/2018
7/23/2018
8/10/2018
8/28/2018
9/15/2018
10/3/2018
10/21/2018
11/8/2018
11/26/2018
12/14/2018
1/1/2019
1/19/2019
2/6/2019
2/24/2019
3/14/2019
4/1/2019
4/19/2019
5/7/2019
5/25/2019
6/12/2019
6/30/2019
7/18/2019
8/5/2019
8/23/2019
9/10/2019
9/28/2019
10/16/2019
11/3/2019
11/21/2019
12/9/2019
12/27/2019
1/14/2020
2/1/2020
2/19/2020
3/8/2020
3/26/2020
4/13/2020
5/1/2020
5/19/2020
6/6/2020
6/24/2020
7/12/2020
7/30/2020
8/17/2020
9/4/2020
9/22/2020
10/10/2020
10/28/2020
11/15/2020
12/3/2020
12/21/2020
1/8/2021
1/26/2021
2/13/2021
BILLING_START_DAY
Participant_Name
QJUST1

TAB CC

THIS IS EXHIBIT "CC" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

PROJECT NO. 51812

ISSUES RELATED TO THE STATE OF DISASTER FOR THE FEBRUARY 2021 WINTER WEATHER EVENT	**§ § § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

PETITION FOR EMERGENCY RELIEF

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Just Energy Texas LP, Fulcrum Retail Energy, LLC and Hudson Energy Services LLC (collectively "Just Energy") request that the Public Utility Commission (the "Commission") order the Electric Reliability Council of Texas, Inc. ("ERCOT") to deviate from the deadlines and timing in its Protocols and Market Guides related to settlements, collateral obligations, and invoice payments and suspend the execution or issuance of invoices or settlements for intervals during the dates of February 14, 2021 through February 19, 2021 until issues related to the catastrophic winter event of February 2021 raised by Texas authorities from the executive and legislative branches (collectively, "State Authorities") are investigated, addressed, and resolved. Alternatively, Just Energy requests that the Commission grant a waiver of Section 9.6(2) of the ERCOT Protocols to allow Just Energy to delay payment of certain ERCOT Settlement Invoices while it fully exercises its rights under the ERCOT Protocols to dispute the invoiced payment amounts.

In support, Just Energy shows as follows:

I. BACKGROUND

Just Energy is the largest independent REP licensed by ERCOT. As the Commission is aware, beginning on or about February 13, 2021, the state of Texas experienced an unprecedented and catastrophic energy crisis when a powerful winter storm moved over and blanketed the entire state, resulting in temperatures well below 20°F in a state where many homes and businesses rely on electricity for heating. Price shocks in Texas were felt as early as February 12 when natural gas prices jumped from $3 to over $150/MMBtu in anticipation of short gas supply. Customer demand for power grew from February 13 and throughout the day on February 14, pushing Texas's power grid to a new winter peak demand record, topping 69 gigawatts between 6:00 p.m. and 7:00 p.m.—more than 3,200 megawatts higher than the previous winter peak set in January 2018. At the same time, demand for gas for heating grew.

In the early hours of February 15, ERCOT declared an Energy Emergency Alert Level 1, urging consumers to conserve power. Within an hour, ERCOT elevated to an Energy Emergency Alert Level 2, and only 13 minutes later, at 1:25 a.m., ERCOT elevated to an Energy Emergency Alert Level 3. With the grid stressed to within minutes of a catastrophic failure, ERCOT ordered transmission operators to implement deep cuts in load in the form of rotating outages to reduce the strain and avoid a complete collapse. While demand soared, supply plummeted as power plants tripped offline and demand threatened to exceed supply. Natural gas prices spiked in response to falling supply as lines froze up; as a result, the cost to produce electricity from gas-fueled power plants increased dramatically.

On February 15 (and amended on the 16th), the Commission directed ERCOT to adjust prices "to ensure that firm load that is being shed in [Energy Emergency Alert 3] is accounted for in ERCOT's scarcity pricing signals . . ." noting that, "[i]f customer load is being shed, scarcity is at its maximum, and the market price to serve that load should also be at its highest[.]"[1] Based on this order, ERCOT set prices at the System Wide Offer Cap ($9,000 per MWh). Although load stopped being shed as of 1:05 a.m. on the morning of February 18, 2021, ERCOT continued to set prices at the System Wide Offer Cap until 9:00 a.m. on February 19, 2021.

The February winter event caused the ERCOT wholesale market to incur charges of $55 billion over a seven-day period—an amount equal to what it ordinarily incurs over four years. In recognition of this fact, on February 21, 2021, the Commission issued an "Order Directing ERCOT to Take Action and Granting Exception to ERCOT Protocols" (the "February 21 Order") which explained:

> In an attempt to protect the overall integrity of the financial electric market in the ERCOT region, the Commission concludes it is necessary to authorize ERCOT to use its sole discretion in taking actions under the ERCOT Nodal Protocols to resolve financial obligations between a market participant and ERCOT. It is appropriate that ERCOT's discretion include, but not be limited to, ERCOT's ability to take the following actions:
>
> - Deviate from protocol deadlines and timing related to settlements, collateral obligations, and invoice payments;
> - Utilize available funds, such as undistributed congestion revenue right auction revenues, to cover short-paying invoice recipients;

[1] *Oversight of the Electric Reliability Council of Texas, Project No. 51617,* Second Order Directing ERCOT to Take Action and Granting Exception to Commission Rules (Feb. 16, 2021).

- Relax credit requirements and releasing cash or other collateral to provide short-term market-participant liquidity;
- Deviate from protocol requirements regarding the maximum amount of default uplift invoices;
- Suspend breach notifications to certain market participants for failure to make payment or provide financial security; and
- Produce reconciliation settlements following market stabilization.

In Response to the Order, ERCOT issued this notice on February 22, 2021:

> ERCOT is temporarily deviating from Protocol deadlines and timing related to settlements, collateral obligations, and Invoice payments while prices are under review. Invoices or settlements will not be executed until issues are finalized by State leaders considering solutions to the financial challenges caused by the winter event, which is anticipated to occur this week.

Then one day later and without explanation, ERCOT issued a second notice saying that "ERCOT has ended its temporary deviation from protocol deadlines and timing related to settlements, collateral obligations, and invoice payments. Invoices and settlement will be executed in accordance with Protocol language."

This action by ERCOT does not provide opportunity to State Authorities to implement solutions necessary to preserve the Texas competitive electricity market. Many REPs including Just Energy, electric cooperatives, municipalities, and their customers will suffer severe and irreparable injury without emergency Commission action. The extreme costs of energy and ancillary services that will be passed on to REPs and potentially some of their customers for the dates of the winter weather event will likely drive many participants from the market, thereby dramatically decreasing consumer choice. This has the potential to devastate the competitive electricity market that has been a model since implementation and provided untold benefits to consumers.

Furthermore, ERCOT's processes do not provide any opportunity for market participants or policymakers to consider action to preserve the Texas competitive electricity market, nor does it provide sufficient opportunity for suppliers to adequately address their concerns about settlement invoices issued for February 14, 2021 through 19, 2021. The requirement to pay the invoices immediately while disputing the charges through a comparatively lengthy process is inadequate and payment would cause irreparable harm. During a meeting open to the public held on February 24, 2021 as well as legislative hearings on February 25, 2021, senior ERCOT executives provided

no assurances regarding these issues or any indication that they would temporarily suspend their invoice process.

II. DISCUSSION

The Commission has broad powers, especially during an emergency, and the Commission continues to exercise this authority in issuing orders related to the February winter weather event. The Commission's February 21 Order noted that PURA §39.151(d) gives the Commission complete authority over ERCOT. The Commission also has the authority to grant exceptions to any requirement in its rules for good cause.[2] The Commission should exercise this authority in these extraordinary circumstances to take all necessary action to preserve the competitive electricity market while State Authorities determine the proper policy solutions to resolve the market issues for February 14 to February 19, 2021.

Just Energy requests the Commission to order ERCOT to deviate from the deadlines and timing in its Protocols and Market Guides related to settlements, collateral obligations, and invoice payments and suspend the execution or issuance of invoices or settlements for intervals during the dates of February 14, 2021 to February 19, 2021, until State Authorities consider and implement solutions to the immense financial challenges caused by the 2021 Texas winter event.

Granting the requested relief is within the jurisdiction of the Commission. PURA §39.151(d) gives the Commission complete authority over ERCOT, and the Commission has the authority to suspend its own rules for good cause.[3]

As this week's bankruptcy filing by Brazos River Electric Cooperative[4] demonstrates all too saliently, ERCOT's actions—requiring Market Participants such as Just Energy to pay full invoices in accordance with the rigid ERCOT settlement schedule, even while there are ongoing discussions regarding substantial resettlements and uncertainty regarding data, with billions of dollars in issue—has and will continue to drive Market Participants out of business. ERCOT's actions have essentially negated the benefit that the Commission sought to provide through the

---

[2] PUC Subt. R. § 22.5(b).

[3] PUC Subt. R. § 22.5(b).

[4] *See* Voluntary Petition for Non-Individuals Filing for Bankruptcy, *In re Brazos Electric Power Cooperative, Inc.*, Case No. 21-30725 filed on March 1, 2021 in the United States Bankruptcy Court for the Southern District of Texas.

February 21, 2021 Order. Granting the requested relief will help ensure that no Market Participant is forced out of the market as a result of the current chaos just because ERCOT's calculations have not yet properly resettled, or because it is unable to raise the extraordinary amounts of capital required to meet these unprecedented invoices and collateral calls on mere days' notice.

Alternatively, Just Energy requests that the Commission grant a waiver of Section 9.6(2) of the ERCOT Nodal Protocols to allow Just Energy to delay payment of certain ERCOT Settlement Invoices while it fully exercises its rights under the ERCOT Nodal Protocols to dispute the invoiced payment amounts. Additionally, Just Energy requests that the Commission grant this waiver to require any invoiced amounts that Just Energy has already paid to be refunded. For settlement invoices Just Energy has received but that remain unpaid, settlement invoices not yet received by Just Energy, and potential resettlement invoices that Just Energy anticipates receiving, Just Energy requests this waiver in order to be excused from the requirement for immediate payment until all billing dispute rights are exhausted under the ERCOT protocols.

Just Energy has initiated and has a good faith basis for disputing the charges being invoiced. As an initial matter, Just Energy disputes the application of the $9,000 MWh System Wide Offer Cap to any time period after the ERCOT grid ceased shedding load at 1:05 a.m. on February 18, 2021, as applying the System Wide Offer Cap after that time contravenes the language of the Commission's February 15 and February 16 orders.[5] In addition, as the pleadings of other parties and the recent comments of the Independent Market Monitor[6] have made clear, there are significant concerns regarding how Ancillary Services charges were calculated and assessed during the winter weather event.

Further, Just Energy's invoices include Ancillary Services charges that Just Energy believes may have been either erroneously calculated or are an unreasonable application of ERCOT's Protocols. For example, for three settlement days during the week of February 14th, the charge for Reliability Deployment Ancillary Service Imbalance Revenue Neutrality, which usually ranges from $0-$1,000 per invoice, is approximately 185 times higher than the last 5 years of charges combined. Just Energy understands that this charge is a load-based allocation for

[5] Just Energy supports the Emergency Request to Enforce Commission Order filed by the Texas Energy Association for Marketers in Project No. 51812 on February 19, 2021, and urges the Commission to grant the relief requested therein.

[6] Comments of the Independent Market Monitor, Project No. 51812 (Mar. 1, 2021).

incremental revenue provided to online generation during a period of scarcity, which is then paid out based on online generation capacity net of generating volume and net of generation procured for ancillary service multiplied by real time Operating Reserve Demand Curve ("ORDC") adders. The ORDC adders for Operating Day February 18th and 19th, 2021, in particular, were artificially set and do not reflect available capacity on the system. As such, strict application of the ERCOT Protocols would mean that generators would receive a reliability revenue when there was no scarcity. Just Energy estimates that Market Participants were paying approximately $1.9 billion for this charge when there was no scarcity. Just Energy has been able to discern no reasonable basis for the exponential increase in this charge, and ERCOT has provided no data in support of this determination.

The requested waiver is limited in scope and addresses an immediate, concrete problem related to emergency circumstances. The waiver does not require that the Commission make a determination as to whether Just Energy should be relieved of its payment obligations. Just Energy intends to address these disputes with ERCOT, including its claims with respect to payment obligations, through the dispute resolution procedures set out in the ERCOT Nodal Protocols. Accordingly, if the Commission does not grant the relief requested above, Just Energy respectfully requests that the Commission waive the requirements of Section 9.6(2) such that its payment obligations may be delayed until the dispute with ERCOT is resolved. With respect to invoices already paid, Just Energy requests that the amounts paid be refunded by ERCOT.

III. REQUEST FOR RELIEF

PURA §39.151(d) gives the Commission complete authority over ERCOT. The Commission also may grant exceptions to any requirement in its rules for good cause.[7] Given the extraordinary circumstances facing the ERCOT market, the Commission should exercise its authority to take all necessary action to preserve the competitive electric market. Additionally, PUC Subt. R. § 25.501(a) provides that ERCOT determines market clearing prices of energy and other ancillary services in the ERCOT market unless otherwise directed by the Commission. PURA § 39.151(d-4) also provides that the Commission may "resolve disputes between an

[7] PUC Subt. R. § 22.5(b).

affected person and an independent organization and adopt procedures for the efficient resolution of such disputes."

Therefore, based on the Commission's authority under Texas law, Just Energy requests that that the Commission immediately restore the deviation to ERCOT Protocols as was originally issued by ERCOT on February 22, 2021. In the alternative, Just Energy requests the Commission grant a temporary waiver of section 9.6(2) of ERCOT protocols to give Just Energy the additional opportunity to resolve its settlement dispute in accordance with ERCOT's dispute resolution protocol without inflicting undue financial harm upon Just Energy. Just Energy further requests that the Commission grant such other relief to which it is entitled.

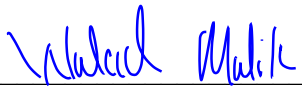
Respectfully submitted,

Michael Carter
Chief Financial Officer
Just Energy
5251 Westheimer Road
Suite 1000
Houston, TX 77056
(214)724-8662
mcarter@justenergy.com

Dated: March 3, 2021

TAB DD

THIS IS EXHIBIT "DD" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

CCAA INTERIM DEBTOR-IN-POSSESSION FINANCING TERM SHEET

Dated as of March 9, 2021

WHEREAS, Just Energy Group Inc. and Just Energy (U.S.) Corp., and the other parties listed on Schedule A hereto (collectively, the "**Applicants**") intend to make an application to the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") pursuant to the Companies' Creditors Arrangement Act (Canada) (the "CCAA", and the proceedings of the Applicants thereunder, the "CCAA Proceedings") for an initial order (as may be amended and restated from time to time, the "**Initial Order**") granting, among other things, protection to the Loan Parties (as defined below).

WHEREAS, the Borrowers (as defined below) and the Guarantors (as defined below) intend to commence ancillary insolvency proceedings under chapter 15 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas (the **"U.S. Court"**) to recognize the CCAA Proceedings (the "**Chapter 15 Proceedings**").

WHEREAS, prior to the date hereof, financing was provided to the Borrowers pursuant to that certain Ninth Amended and Restated Credit Agreement, dated as of September 28, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified prior to the Filing Date, the "**Original Senior Credit Agreement**"), by and among the Borrowers, the lenders from time to time party thereto (the "**Original Senior Lenders**"), National Bank of Canada, in its capacity as administrative agent for the Original Senior Lenders (in such capacity, the "**Original Senior Agent**").

WHEREAS, the Loan Parties (as defined below) have requested that the Lenders (as defined below) provide interim financing during the CCAA Proceedings and the Lenders have agreed to do so on the terms and subject to the conditions set out in this term sheet (which, together with the Schedules, is referred to as this "**Term Sheet**"), which upon execution by the Loan Parties shall become an enforceable agreement, subject to the satisfaction of the conditions precedent herein and the approval of the Canadian Court:

NOW THEREFORE, the mutual agreements contained in this Term Sheet, the Loan Parties hereby agree with the Lenders as follows:

1. **Borrowers:**	Just Energy Ontario L.P. and Just Energy Group Inc. (collectively the "**Canadian Borrower**") and Just Energy (U.S.) Corp. (the "**U.S. Borrower**", and together with the Canadian Borrower, collectively, the "**Borrowers**").
2. **Guarantors:**	Each of the Persons listed on **Schedule A** hereto including any other Person that may become an Applicant in the *CCAA* Proceedings (collectively, the "**Guarantors**").
3. **Lender:**	LVS III SPE XV LP, a Delaware limited partnership, TOCU XVII LLC, a Delaware limited liability company, HVS XVI LLC, a Delaware limited liability company, and OC II LVS XIV LP, a Delaware limited partnership, (collectively, and together with successors and permitted assigns, the "**Lender**" or the "**Lenders**").
4. **Defined Terms:**	Capitalized words and phrases used in this Term Sheet have the meanings given thereto in **Schedule B**. Capitalized terms not defined in this Term Sheet shall have the meanings given to such terms in the Original Senior

	Credit Agreement. Unless otherwise noted, all references to currency, "dollars" or "$" shall refer to U.S. dollars.
5. **DIP Agent**	Alter Domus (US) LLC as administrative agent and collateral agent for the Lenders (together with its successors and assigns, in such capacities, the "**DIP Agent**").
6. **DIP Facility:**	A first lien super-priority debtor-in-possession delayed-draw term loan credit facility (the "**DIP Facility**") in favor of the Borrowers is created by the DIP Financing Order (as defined below), this Term Sheet and the Security Documents during the Term for the purposes set out in Section 13, under which the Lenders make available to the Borrowers, severally and not jointly, principal advances up to $125,000,000 (such amount being the "**Commitment**"). The maximum principal amount available to the Borrowers shall at no time exceed $125,000,000 (the "**Maximum Amount**"), which availability is subject to the continuing satisfaction of the Funding Conditions at the time of each drawing. During the Term, the Borrowers may not re-borrow amounts under the DIP Facility that are repaid.
7. **Term of DIP Facility:**	The DIP Facility shall become effective upon the satisfaction or waiver of the Initial Conditions and shall be available, subject to the satisfaction or waiver of the Funding Conditions, until the earlier of (such date being the "**Termination Date**" and the period between the DIP Facility becoming effective and the Termination Date, the "**Term**"): (a) December 31, 2021; (b) the *CCAA* Plan Implementation Date; (c) the expiry of the *CCAA* Stay; (d) the termination of the *CCAA* Proceedings; or (e) the acceleration of the DIP Facility in accordance with Section 26 herein upon the occurrence and during the continuation of an Event of Default (as defined below). The Borrowers may, at any time and from time to time prior to the Termination Date, prepay the Obligations in whole or in part without premium or penalty. Effective on the Termination Date, the DIP Facility and the Commitment shall terminate and the Obligations (including all accrued and unpaid interest) shall become immediately due and payable in cash in full without any further notice or actions by the Lender.
8. **Advances:**	So long as the Funding Conditions have been satisfied or waived, the Borrowers shall be permitted to obtain one or more advances (each an "**Advance**") under the DIP Facility, provided that: (a) the initial Advance shall be for a minimum aggregate amount of $100,000,000; (b) the final Advance shall be for a minimum aggregate amount equal to the lesser of (i) $25,000,000 and (ii) the Maximum Amount less the aggregate amount of the initial Advance; (c) the aggregate of all Advances shall at no time exceed the Maximum Amount; and (d) the Borrowers shall provide the DIP Agent with five (5) Business Days (or such shorter period as the Lenders may agree in their sole discretion) (by 11:00 am (Toronto time)) prior written notice requesting an Advance,

	substantially in the form of the advance request set out on **Schedule D** (an "**Advance Request**"), setting out the amount of the Advance being requested, the proposed date of the Advance and certifying that (i) no Event of Default then exists and is continuing or would result therefrom, (ii) that the use of proceeds of such Advance will comply with the Cash Flow Statements, (iii) that the representations and warranties of the Loan Parties are accurate in all material respects; provided, that any such representation that is qualified as to "materiality" or "Material Adverse Effect" shall be accurate in all respects, (iv) a flow of funds, and (v) the other matters provided for in the Advance Request. DIP Agent shall promptly notify each Lender of its respective pro rata share of such Advance. (e) Each Lender shall make its pro rata share of such Advance available to the DIP Agent at the account specified by the DIP Agent in writing, in same day funds, by not later than 1:00 p.m. Toronto time on the Business Day specified in the Advance Request and upon satisfaction of all Advance Conditions for any Advance and receipt by the DIP Agent of all requested funds, the DIP Agent shall make all funds so received available to the Borrower in like funds by wire transer of such funds in accordance with the Advance Request. Notwithstanding anything else contained in this "Advances" section, the maximum amount of the Advance which can be made by the Lenders prior to the Canadian Court hearing the Comeback Motion (as defined below) or such earlier date as may be ordered by the Canadian Court is $100,000,000.
9. **Interest:**	The Borrowers shall pay interest on the principal amounts outstanding under the DIP Facility during such period at a rate equal to 13.0% per annum, calculated and payable quarterly in cash in arrears on the last Business Day of each calendar quarter (commencing with the calendar quarter ending on June 30, 2021) by not later than 12:00 noon Toronto time to the account designated by the DIP Agent in writing to the Borrowers from time to time until the Obligations are repaid in full and the DIP Facility is terminated. All accrued interest shall be due and payable in cash on the Termination Date. Notwithstanding anything to the contrary set forth herein, if a court of competent jurisdiction determines in a final order that the rate of interest payable hereunder exceeds the highest rate of interest permissible under law (the "**Maximum Lawful Rate**"), then so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable hereunder shall be equal to the Maximum Lawful Rate.
10. **Default Interest:**	After the occurrence of any Event of Default, the applicable interest rate hereunder will automatically increase by an additional 2.0% per annum on all Obligations until indefeasibly paid in full in cash. Interest at this higher rate shall be payable on demand.
11. **Fees**:	The Lenders shall be entitled to a commitment fee (the "**Commitment Fee**") as consideration for making the DIP Facility available to the Borrowers in an amount equal to 1.0% of the Maximum Amount, which

	Commitment Fee shall be fully earned and payable in cash on the Closing Date. The Lenders shall be entitled to an origination fee (the "**Origination Fee**") as consideration for the origination of the DIP Facility in an amount equal to 1.0% of the Maximum Amount, which Origination Fee shall be fully earned and payable in cash on the Closing Date. The DIP Agent shall be entitled to the fees set forth in the DIP Agent Fee Letter, which fees shall be fully earned and payable in cash in accordance with the terms and conditions of the DIP Agent Fee Letter.
12. **Costs and Expenses**:	The Borrowers will reimburse, without duplication, the DIP Agent and the Lenders, as applicable, for all reasonable and documented out-of-pocket expenses, including (x) the reasonable and documented fees and expenses of the DIP Agent, including reasonable and documented legal expenses of legal counsel of the DIP Agent in connection with the *CCAA* Proceedings, the *CCAA* Plan, the Chapter 15 Proceedings, the DIP Facility, this Term Sheet and the on-going monitoring, administration and enforcement of the DIP Facility, (y) reasonable and documented legal expenses of the legal counsel for the Lenders in connection with the *CCAA* Proceedings, the *CCAA* Plan, the Chapter 15 Proceedings, the DIP Facility, this Term Sheet and the on-going monitoring, administration and enforcement of the DIP Facility and (z) the reasonable and documented expenses of such other additional advisors as the Lenders shall determine are necessary (each, an "**Other Advisor**"); provided, that, in respect of legal fees for (i) the DIP Agent, expense reimbursement shall be limtied ot the fees of one primary U.S. counsel (originally Holland & Knight LLP), and one local counsel in each reasonably necessary jurisdiction and (ii) the Lenders, expense reimbursement shall be limited to the fees of one primary Canadian counsel (originally Cassels Brock & Blackwell LLP), one primary U.S. counsel (originally Akin Gump Strauss Hauer & Feld LLP), and one local counsel in each reasonably necessary jurisdiction for all Lenders, taken as a whole and, in respect of Other Advisor fees for the Lenders, expense reimbursement shall be limited to the fees of one (1) such Other Advisor for all Lenders, taken as a whole.
13. **Purpose and Permitted Payments:**	The Borrowers shall use Advances under the DIP Facility solely for the following purposes, in each case in accordance with the *CCAA* Orders and the Cash Flow Statements, subject to the Permitted Variance: (a) to pay the reasonable and documented legal fees and expenses of the Loan Parties during the *CCAA* Proceedings and Chapter 15 Proceedings and the reasonable and documented fees and expenses of any other advisors retained by the Loan Parties during the *CCAA* Proceedings and the Chapter 15 Proceedings; (b) to pay the reasonable and documented fees and expenses of the Monitor and its legal counsel;

	(c) to pay the fees and expenses owing (x) to the DIP Agent, the Lenders and their respective legal counsel and (y) Other Advisors, in each case, under this Term Sheet and the other Loan Documents; (d) to fund the general corporate and working capital requirements of the Borrowers and Guarantors in a manner that is consistent with the Cash Flow Statements (subject to Permitted Variances) and this Term Sheet; provided that, on or prior to the entry into the Hungarian Security Agreement (as defined below), the Borrowers shall only be permitted to disburse the Advances to any Loan Party that is formed under the laws of Hungary (or a political subdivision thereof) (the "**Hungarian Subsidiaries**") to fund the intercompany arrangement with each Hungarian Subsidiary as disclosed to the Lenders prior to the Closing Date and the Borrowers shall not use any portion of the Advances to fund the general corporate and working capital requirements of any Subsidiary that is not formed under the laws of the United States, Canada or Hungary (or, in each case, a political subdivision thereof); (e) to pay pre-filing obligations to the extent any such payment is permitted by the Initial Order, is consistent with the Cash Flow Statements (subject to Permitted Variances) and is not contrary to this Term Sheet; and (f) to pay any other amount as approved by the Majority Lenders in their sole discretion.
14. **Security:**	The Obligations shall be secured by a super-priority charge against and attaching to the Property that secures the obligations arising under the Senior Credit Agreement, created by Order of the Canadian Court and the US Court in form and substance acceptable to the Lenders, in favor of the DIP Agent securing the Obligations (the "**DIP Facility Charge**"). The DIP Facility Charge shall rank first in priority as against the Property (other than the Hungarian Subsidiaries) to any other Lien now or hereafter against or attaching to the Property, (a) subject only to Permitted Priority Liens and (b) the DIP Facility Charge will be *pari passu* with the Priority Commodity/ISO Charge. The Loan Parties shall furnish to the Lenders at the request in writing of the Majority Lenders, debentures and other security agreements granting Liens in favor of the Lenders as security for the Obligations, in form and substance reasonably acceptable to the Majority Lenders (all such security documents being collectively referred to as the "**Security Documents**"). It is contemplated that the Loan Parties formed under the laws of the United States (or a state thereof) shall enter into a general security agreement governed by the laws of the State of New York and the Loan Parties formed under the laws of Canada (or a province thereof) shall enter into a general security agreement governed by the laws of the Province of Ontario, in each case, as of the Closing Date. The Hungarian Subsidiaries shall enter into a general security agreement (or equivalent thereof) governed by the laws of Hungary (the "**Hungarian Security Agreement**") within sixty (60) days of the Closing Date (as defined

	below) (or such other date as may be agreed to by the Majority Lenders in their sole discretion).
15. **Initial Conditions:**	The Commitment and the DIP Facility shall become effective upon the satisfaction or waiver by the Lenders of each of the following conditions precedent (collectively, the "**Initial Conditions**" and the date of such effectiveness, the "**Closing Date**"): (a) the Loan Parties shall have fully executed and delivered this Term Sheet and all other Loan Documents (other than the Hungarian Security Agreement); (b) The side letter agreements with BP Energy Company (or its applicable subsidiaries and affiliates) ("**BP**") and Royal Dutch Shell plc (or its applicable subsidiaries and affiliates) ("**Shell**") shall be in form and substance acceptable to the Lenders in their sole discretion (it being agreed and understood that the executed side letters delivered to advisors to the Lenders on or prior to the date hereof are acceptable to the Lenders); (c) the DIP Agent shall have received the fully executed DIP Agent Fee Letter; (d) each Canadian Issuing Lender (as defined in the Original Senior Credit Agreement), US Issuing Lender (as defined in the Original Senior Credit Agreement), and LC Lender (as defined in the Original Senior Credit Agreement) shall continue to be permitted to issue Letters of Credit in accordance with the terms of the Original Senior Credit Agreement (pursuant to the Initial Order, any other CCAA Order or otherwise, other than the satisfaction of any condition precedent to the issuance of Letters of Credit that, as a consequence of the CCAA Proceedings, the Chapter 15 Proceedings, or the entry into and performance of this Term Sheet, cannot be satisfied); (e) the Lender and DIP Agent shall have had a reasonable opportunity to review advance copies of, and shall be reasonably satisfied with, all materials to be filed in respect of the CCAA Proceedings; (f) the Canadian Court shall have issued the Initial Order on or before March 9, 2021, in the the form attached hereto as **Schedule E** to this Term Sheet; (g) the Lender and DIP Agent shall be satisfied that (i) the Loan Parties are in compliance in all material respects with all Applicable Laws, in relation to their businesses other than as may be permitted under a CCAA Order or as to which any enforcement in respect of non-compliance is stayed by a CCAA Order, (ii) the entering into of this Term Sheet, the granting of the DIP Facility Charge, the consummation of the transactions contemplated hereby and the performance hereof shall not violate any Applicable Laws, (iii) each of the Applicants has obtained all corporate, governmental, regulatory and third party approvals as may be required in any relevant jurisdiction to enable and permit the entering into of this Term Sheet, the granting of the DIP Facility Charge, the consummation

	of the transactions contemplated hereby and the performance thereof and (iv) service has been effected on each holder of a Lien listed on the service list agreed between the Loan Parties and the Lender (or their respective counsel) as confirmed in the Initial Order; (h) the U.S. Bankruptcy Court shall enter an order pursuant to §1519 of the U.S. Bankruptcy Code (the "**US Initial Order**"); (i) the Lenders and DIP Agent shall be satisfied in their sole discretion with all motion and application materials to be filed by the Loan Parties in connection with the Initial Order and the US Initial Order; (j) perfected liens in the Collateral (other than any Collateral owned by Hungarian Subsidiaries) with the priorities described herein pursuant to the Initial Order and US Initial Order, together with the execution and delivery of all guarantees from all Loan Parties (other than any Hungarian Subsidiaries) and personal property security documentation from all Loan Parties (other than any Hungarian Subsidiaries) and applicable PPSA and UCC perfection filings from the Loan Parties where practicable within one (1) Business Day of the Closing Date; (k) delivery of the initial Cash Flow Statement in form and substance acceptable to the Lenders in their sole discretion (it being agreed and understood that the initial Cash Flow Statement delivered to counsel for the Lenders at 9:11 p.m. Houston time on March 8, 2021 is acceptable to the Lenders); (l) the DIP Agent and the Lenders, as applicable, shall have received all fees and expenses required to be paid on the Closing Date, including the Commitment Fee, Origination Fee and the fees due the DIP Agent pursuant to the DIP Agent Fee Lettter, which fees shall be paid by the Borrowers by reducing the portion of the aggregate initial Advance payable to the Borrowers by the quantum of such fees; (m) each Loan Party shall have executed and delivered to the DIP Agent and the Lenders an officer's certificate regarding standard corporate matters with copies of the organizational documents, authorizing resolutions and incumbency certificate as schedules, in form and substance satisfactory to the DIP Agent and the Lenders acting reasonably; and (n) no Default or Event of Default shall have occurred.
16. **Advance Conditions:**	The Lender's obligation to fund any Advance to the Borrowers is subject to the satisfaction of each of the following conditions precedent (the "**Advance Conditions**" and together with the Initial Conditions, collectively, the "**Funding Conditions**"): (a) the Initial Conditions shall have been satisfied or waived by the DIP Agent (at the direction of the Lenders in their sole discretion);

	(b) the aggregate of the outstanding Advances shall not exceed the Maximum Amount and the provision of the Advance shall not result in the Maximum Amount being exceeded; (c) the DIP Agent shall have received a duly executed Advance Request within the time frame required by this Term Sheet; (d) no Default or Event of Default shall have occurred or will occur as a result of an Advance; (e) the representations and warranties of the Loan Parties in this Term Sheet shall be true and correct in all material respects; (f) with respect to any advance to be made on or after March 9, 2021, all reasonable and documented expenses of the DIP Agent and the Lenders have been paid in full to the extent required under Section 12 (to the extent invoiced to the Borrower at least two (2) Business Days prior to drawing); (g) neither the Initial Order nor any other *CCAA* Order shall be the subject of any leave for appeal, appeal or stay application, and neither the Initial Order nor any other *CCAA* Order shall have been appealed (including without limitation pursuant to a leave for appeal application), terminated, stayed, amended, vacated or otherwise revised in a manner that is in any way adverse to the Lenders except to the extent consented to by the Majority Lenders in their sole discretion, and each of such Initial Order and other CCAA Orders are and shall continue to be in full force and effect; (h) there shall not have occurred a Material Adverse Effect since the Closing Date and no Material Adverse Effect shall result from the Advance; (i) in connection with the initial Advance, the Canadian Court shall have issued a CCAA Order in form and substance satisfactory to the Lenders in their sole discretion granting a DIP Facility Charge securing an amount not less than the aggregate amount of the initial Advance (without giving effect to any reduction in the net amount of the initial Advance payable to the Borrowers in accordance with Section 15(l)); (j) since the commencement of the CCAA Proceedings, there shall not have occurred any payment, prepayment, redemption, purchase or exchange of any prepetition funded indebtedness or equity, or amendment or modification of any of the terms thereof, except as expressly permitted by the terms of the Initial Order or any other CCAA Order; (k) with respect to any advance to be made after March 9, 2021, the Applicants' application materials in connection with its CCAA comeback motion for the Initial Order (the "**Comeback Motion**") shall be satisfactory to the Lenders; (l) with respect to any advance to be made after March 9, 2021: on or before March 19, 2021, the Canadian Court shall have heard the Comeback

	Motion and the Initial Order shall not have been amended, restated, supplemented or otherwise modified as a result of the Comeback Motion or otherwise in a manner adverse to the Lenders without the written consent of the Majority Lenders; provided that the Canadian Court shall have issued an order amending, restating, supplementing or otherwise modifying the Initial Order, in form and substance acceptable to the Lenders (such order, together with the Initial Order, the US Initial Order and the US Final Recognition Order, the "**DIP Financing Order**") as necessary to (i) approve service and/or substitute service on all holders of Liens likely to be affected by the DIP Facility Charge and on all other necessary or appropriate parties as agreed between the Loan Parties and the Lenders; (ii) approve the Maximum Amount of the DIP Facility on the terms of this Term Sheet; and (iii) provide that the DIP Facility Charge (1) shall have priority over all Liens of the CCAA Applicants, other than the Permitted Priority Liens and the Priority Commodity/ISO Charge (as defined in the Initial Order) and (2) shall be *pari passu* with the Priority Commodity/ISO Charge; (m) with respect to any advance to be made after March 9, 2021, on or before April 8, 2021, the U.S. Bankruptcy Court shall recognize the amended and restated Initial Order of the Canadian Court (as amended, extended or replaced from time to time, the "**US Final Recognition Order**"); (n) the DIP Financing Order shall not have been stayed, vacated or otherwise amended, restated or modified in a manner that impacts the rights and interests of the Lenders, without the written consent of the Lenders in their sole discretion; and (o) there shall be no Liens ranking in priority to the DIP Facility Charge over the Property, other than the Permitted Priority Liens.
17. **Waiver of Funding Conditions:**	The Funding Conditions are for the sole benefit of the DIP Agent and the Lenders and may be waived by the Majority Lenders in whole or in part with or without terms or conditions, in respect of all or any portion of an Advance, without affecting the right of the Lenders to assert such terms and conditions in whole or in part in respect of any other Advance.
18. **Cash Flow Statements and Variance Reporting:**	Attached as **Schedule C** is a copy of the consolidated statement setting out the weekly projected cash flow forecasts of cash disbursements of the Borrowers for a 13-week period from the date of this Term Sheet (the "**Initial Cash Flow Statements**"), which each Lender acknowledges is in form and substance satisfactory to such Lender. Once every 4 weeks, the Borrowers shall deliver (i) a new consolidated statement setting out the weekly projected cash flow forecasts of cash disbursements of the Borrowers for a 13-week period from the date of delivery thereof, which new statement shall replace the immediately preceding statement of cash flow forecasts in its entirety upon the Majority Lenders' approval thereof, and (ii) a variance report setting out actual versus projected cash disbursements since the date of the Initial Order on an individual and aggregate basis (excluding disbursements related to (a) professional advisory

	fees and (b) ERCOT related settlements in connection with the "black swan" weather events that occurred in the State of Texas in February 2021 of the type that have been previously approved by the Majority Lenders in their sole discretion (collectively, the "**Excluded Disbursements**")), with explanations for such variances (with the Initial Cash Flow Statements and each subsequent statements being the "**Cash Flow Statements**"), which subsequent Cash Flow Statements shall be delivered to the Lenders every Thursday following the last Business Day of every fourth week during the Term and so long as the Obligations remain outstanding and shall be in form and substance satisfactory to the Majority Lenders, acting reasonably. The Majority Lenders shall have the right to approve any Cash Flow Statements (other than the Initial Cash Flow Statements) in their reasonable discretion; *provided*, that if the Majority Lenders have not approved or denied a proposed Cash Flow Statement within three (3) Business Days of the Borrowers providing such Cash Flow Statements to the Lender, then such Cash Flow Statements shall be deemed approved. If the Majority Lenders refuse to approve any Cash Flow Statement, the most recently approved Cash Flow Statement shall continue to be effective and any future variance reports shall reference such Cash Flow Statement until such time as the Majority Lenders approve a replacement Cash Flow Statement.
19. **Voluntary Prepayments:**	The Borrowers may prepay, upon advance writtten notice to the DIP Agent not later than 12:00 noon Toronto time one (1) Business Day prior to such voluntary prepayment date, any Obligations outstanding under the DIP Facility without premium or penalty at any time prior to the Termination Date; provided that any prepayment shall be in a minimum amount of $25,000,000 or in multiples of $1,000,000 in excess thereof. Any payments made under the DIP Facility shall be applied ***first*** towards unpaid fees and expenses of the DIP Agent, ***second*** towards accrued and unpaid interest and fees, ***third*** to unpaid expenses of the Lenders (including the Lender's counsel and Other Advisor), and ***fourth*** towards principal of amounts outstanding.
20. **Mandatory Prepayments:**	Unless otherwise consented to in writing by the Majority Lenders, the Borrowers shall prepay, upon advance writtten notice to the DIP Agent not later than 12:00 noon Toronto time one (1) Business Day prior to such mandatory prepayment date, the Obligations in an amount equal to (i) 100% of the net cash proceeds, including insurance proceeds and condemnation and similar awards, of the sale, transfer, disposition, loss, destruction, damage, condemnation, seizure, taking, confiscation, requisition of any of the Loan Parties' Property outside the ordinary course of business, in each case, to the extent such net cash proceeds are in excess of $1,000,000 in respect of any individual event of series of related events) and (ii) 100% of the gross proceeds of the sale or issuance of any indebtedness (other than indebtedness permitted under this Term Sheet).
21. **Currency:**	If any payment is received by the DIP Agent in a currency other than dollars, or, if for the purposes of obtaining judgment in any court it is necessary to

	convert a sum due in one currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the Loan Parties agree that the rate of exchange used shall be the rate at which the DIP Agent is able to purchase the Original Currency with the Other Currency after any premium and costs of exchange on the Business Day preceding that on which such payment is to be made or final judgment is given.
22. **Representations and Warranties:**	See attached **Schedule G**.
23. **Affirmative Covenants:**	See attached **Schedule H**.
24. **Negative Covenants:**	See attached **Schedule I**.
25. **Events of Default:**	The occurrence of any one or more of the following events shall constitute an event of default (each an "**Event of Default**") under this Term Sheet: (a) failure by a Loan Party to make any payment of the Obligations upon such payment becoming due under this Term Sheet (subject to a three (3) Business Day cure period in the case of interest, fees and any other amounts (other than principal amounts) due hereunder); (b) failure by a Loan Party to (i) comply with the terms of any *CCAA* Order, (ii) deliver any Cash Flow Statement by the date set out therefor in Section 18 or, (iii) perform or comply with any of the other covenants set out herein; (c) if the Loan Parties fail to complete any action or step required to be completed by the following *CCAA* Plan Milestone Dates (unless extended by the Majority Lenders): (i) the Comeback Motion shall have been heard by the Canadian Court and the amended and restated Initial Order shall have been granted by the Canadian Court in a form acceptable to the Lenders within ten (10) days of the of the commencement of the CCAA Proceedings (the "**Filing Date**") (ii) the U.S. Bankruptcy Court shall entered the US Final Recognition Order within 30 days of the Filing Date; (iii) the Hungarian Subsidiaries shall enter into the Hungarian Security Agreement within sixty (60) days of the Closing Date (or such other date as may be agreed to by the Majority Lenders in their sole discretion); (iv) delivery of a business plan reasonably acceptable to the Lenders within ninety (90) days of the Filing Date;

	(v) (a) delivery to the Lenders of a term sheet ("**Recapitalization Term Sheet**") for a recapitalization transaction ("**Recapitalization Plan**") reasonably acceptable to the Lenders within 120 days of the Filing Date and (b) compliance with all milestones contained in the Recapitalization Term Sheet; (vi) if applicable, an order of the Canadian Court approving a meeting for a vote on the Recapitalization Plan (and approving all materials in connection therewith) (the "**CCAA Meetings Order**") shall have been entered within 160 days of the Filing Date; (vii) if applicable, the meeting materials in respect of the Recapitalization Plan shall have been mailed to all relevant stakeholders within 165 days of the Filing Date; (viii) if applicable, an order of the U.S. Court recognizing the CCAA Meetings Order shall have been entered within 180 days of the Filing Date; (ix) if applicable, a meeting for a vote on the Recapitalization Plan shall have been held within 190 days of the Filing Date; (x) if applicable, an order of the Canadian Court approving Recapitalization Plan (the "**CCAA Plan Approval Order**") shall have been entered within 200 days of the Filing Date; and (xi) if applicable, an order of the U.S. Court recognizing the CCAA Plan Approval Order shall have been entered within 215 days of the Filing Date. (d) any representation or warranty of the Loan Parties made in this Term Sheet or any other Loan Document is incorrect or misleading in any material respect as of the date made; (e) non-compliance under (i) any affirmative covenants, (other than the affirmative covenants in Section 23(6) and Section 23(29)(b)) subject to a grace period of (x) five (5) days with respect to the affirmative covenants in Section 23(2), 23(3), 23(12), 23(13), 23(14), 23(16), 23(17), 23(19), 23(20), 23(28) and 23(30)(h) through (n), or otherwise (y) three (3) days, in each case measured from the date of knowledge by any Loan Party or notice by the DIP Agent (at the direction of the Majority Lenders) to the Borrowers, (ii) the affirmative covenants in Section 23(6) and Section 23(29)(b), or (iii) any negative covenants; (f) termination of any material Hedging Agreement, Applicable Commodity Supply Agreement or other agreements with BP and Shell Energy Entities; (g) issuance of an order (i) dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against any Loan Party or the Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the

	making of a bankruptcy order or receiving order against or in respect of any Loan Party, in each case which order is not stayed pending appeal thereof, and other than in respect of a non-material asset not required for the operations of any Loan Party's business and which is subject to a Permitted Priority Lien; (ii) granting any other Lien in respect of the Collateral that is in priority to or pari passu with the DIP Facility Charge other than as expressly permitted pursuant to this Term Sheet; (iii) staying, reversing, vacating or otherwise modifying this Term Sheet or any Loan Document, any CCAA Order without the prior written consent of the Lenders, (x) in its sole discretion in respect of any CCAA Order or amendment thereto relating to the DIP Facility or any other matter that affects the Lenders adversely in any material respect and (y) acting reasonably in respect of any other amendment; or (iv) by the Canadian Court or the U.S. Court which in any way adversely affects the rights or interests of the Lenders in any material respect and that is not acceptable to the Lenders in their sole discretion; (h) unless consented to by the Majority Lenders, the expiry without further extension of the *CCAA* Stay; (i) unless consented to by the Majority Lenders, the Canadian Court shall enter an order or orders allowing one or more creditors to execute upon or enforce Liens on any Property of the Loan Parties which has a fair market value in excess of $1,000,000 in the aggregate; (j) the DIP Facility Charge shall cease to be a valid, perfected and enforceable super-priority Lien that ranks in priority to all other Liens against the Property other than Permitted Priority Liens and the Priority Commodity/ISO Charge (which shall be *pari passu* with the DIP Facility Charge); (k) the making of any payments in respect of prepetition obligations other than as permitted by this Term Sheet or the Initial Order or any other CCAA Order; (l) the denial or repudiation by any Loan Party of the legality, validity, binding nature or enforceability of any Loan Document, the DIP Facility Charge or any Lien created by a Loan Document; (m) any employees subject to the KERP or any directors of the Loan Parties shall have been terminated or removed without the consent of the Lender; (n) unless the Lenders have consented thereto in writing, the filing by any of the Loan Parties of any motion or proceeding which (i) is not consistent with any provision of this Term Sheet, the Loan Documents, the Initial Order, or the DIP Financing Order, as applicable, (iii) could otherwise reasonably be expected to adversely affect the interests of the Lender, (iv) seeks an order which, if granted, could reasonably be expected to result in a Material Adverse Effect, (v) seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court or (vi) seeks to initiate

	any restructuring proceedings other than the CCAA Proceedings or the Chapter 15 Proceedings in any court or jurisdiction; and (o) the U.S. Bankruptcy Court refusing to recognize any order made under the CCAA which the Majority Lenders determine in their sole discretion is material.
26. **Remedies:**	Upon the occurrence and during the continuance of an Event of Default, subject to the DIP Financing Order, the Majority Lenders or the DIP Agent (acting at the direction of the Majority Lenders) may: (a) immediately terminate the Commitment and the DIP Facility; (b) declare the Obligations to be immediately due and payable; (c) subject to the Canadian Court's order (which may only be sought on five days' notice to the Borrowers and the service list in the CCAA Proceeding), to exercise any and all of the rights and remedies of the Lenders or the DIP Agent against the Loan Parties or the Property under or pursuant to this Term Sheet, the other Loan Documents and the DIP Facility Charge, including without limitation for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against one or more of the Loan Parties and for the appointment of a trustee in bankruptcy of one or more of the Loan Parties (provided that all such remedies shall be directed by the Majority Lenders); (d) set-off or consolidate any amounts then owing by the Lenders to a Loan Party against the Obligations; and (e) subject to the Canadian Court's order (which may only be sought on five days' notice to the Borrowers and the service list in the CCAA Proceeding), exercise all such other rights and remedies under Applicable Law (provided, that, other than as provided in clause (b) above, all such rights and remedies shall be directed by the Majority Lenders). The rights, powers and remedies under this Term Sheet, the other Loan Documents and the DIP Facility Charge are cumulative and are in addition to and not in substitution for any other rights, powers and remedies available at law or in equity or otherwise (provided that all such rights, powers and remedies shall be directed by the Majority Lenders, except as otherwise expressly set forth above). No single or partial exercise by the Lenders of any right, power or remedy precludes or otherwise affects the exercise of any other right, power or remedy to which the Lenders may be entitled.
27. **Indemnity and Release:**	The Loan Parties agree to indemnify and hold harmless the DIP Agent and each of the Lenders, solely in their capacity as Lenders under the DIP Facility, and the DIP Agent, solely in its capacity as DIP Agent under the DIP Facility, and each of their respective directors, officers, employees, advisors and agents (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages and liabilities of any kind or nature whatsoever (excluding

	indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person, solely in their capacity as Lenders or DIP Agent under the DIP Facility, as applicable, as a result of or arising out of or in any way related to the CCAA Proceedings, the Chapter 15 Proceedings, the DIP Facility or any Loan Document and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Loan Party shall not be obligated to indemnify any Indemnified Person against any loss, claim, damage, expense or liability (x) to the extent it resulted from the gross negligence or willful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction, or (y) to the extent arising from any dispute solely among Indemnified Persons (except for any dispute between the DIP Agent, in its capacities as administrative agent and collateral agent, and any other Indmenified Person) other than any claims arising out of any act or omission on the part of the Loan Party. No party hereto shall be responsible or liable to any other party hereto or any other person for consequential damages, loss of profits or punitive damages.
28. **Borrowers' and Lender's Approvals:**	Any consent, agreement, amendment, approval, waiver or instruction of the Borrowers, DIP Agent or Lenders to be delivered hereunder, may be delivered by any written instrument, including by way of electronic mail, by the Borrowers, DIP Agent or Lenders (or Majority Lenders, as the case may be) or their respective counsels on their behalf.
29. **Further Assurances:**	The Loan Parties shall, at their expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents and things as the DIP Agent (at the direction of the Majority Lenders) may reasonably request for the purpose of giving effect to this Term Sheet, any other Loan Document and the DIP Facility Charge.
30. **Interest Act Compliance:**	All interest and fees shall be computed on the basis of a year of 365 days, provided that whenever a rate of interest or fee hereunder is calculated on the basis of a year (the "deemed year") that contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or fee rate shall be expressed as a yearly rate by multiplying such rate of interest or fee by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.
31. **Entire Agreement; Conflict:**	This Term Sheet and the other Loan Documents constitute the entire agreement between the parties pertaining to the subject matter thereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements between the parties in connection with the subject matter thereof except as specifically set out herein and therein. None of the Loan Parties have been induced to enter into this Term Sheet or any other Loan Document in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Term Sheet or in any of the other Loan Document. To the extent that there is

	any inconsistency between this Term Sheet and any of the other Loan Documents once executed, this Term Sheet shall govern unless such Loan Document specifically states otherwise.
32. **Rules of Interpretation:**	(a) References in this Term Sheet to Sections and Schedules mean to sections of and schedules to this Term Sheet. (b) No waiver or delay on the part of the DIP Agent or the Lenders in exercising any right or privilege under any Loan Document will operate as a waiver hereof or thereof unless made in writing by the DIP Agent and the Lenders and delivered in accordance with the terms of this Term Sheet, and then such waiver shall be effective only in the specific instance and for the specific purpose given. Unless otherwise stated in this Term Sheet, the granting of any waiver or delay on the part of the Lenders shall be in the Lender's sole and absolute discretion. (c) No approval, consent or permission on the part of the DIP Agent or the Lenders in exercising any right or privilege under any Loan Document will operate as an approval, consent or permission hereof or thereof unless made in writing by the DIP Agent and the Lenders and delivered in accordance with the terms of this Term Sheet, and then such approval, consent or permission shall be effective only in the specific instance and for the specific purpose given. Unless otherwise stated in this Term Sheet, the granting of any approval, consent or permission by the Lenders shall be in the Lender's sole and absolute discretion. (d) In this Term Sheet, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Term Sheet is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively. (e) The division of this Term Sheet into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Term Sheet. (f) Unless otherwise specified in this Term Sheet, a time period within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day. (g) Wherever reference is made in this Term Sheet to a calculation to be made in accordance with IFRS, the reference is to the generally accepted accounting principles in Canada, applied on a consistent basis, and statements and interpretations (if applicable) issued by the Canadian Institute of Chartered Accountants or any successor body from time to time, including International Financial Reporting Standards.

	(h) Time is of the essence in all respects in this Term Sheet. (i) Unless otherwise specified in this Term Sheet, any reference to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time. (j) This Term Sheet enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.
33. **Amendments and Waivers:**	Unless otherwise agreed, no amendment, discharge, modification, restatement, supplement, termination or waiver of this Term Sheet or any provision hereof is binding unless it is in writing and executed by the DIP Agent, Majority Lenders and the Borrowers. Notwithstanding the foregoing, the consent of all Lenders affected thereby shall be required for any amendment, discharge, modification, restatement, supplement, termination or waiver if such amendment, discharge, modification, restatement, supplement, termination or waiver: (a) would increase the amount of the Commitments held by such Lender; (b) reduce the fees payable or interest rates to such Lender; (c) extend any date fixed for payment of principal or interest of such Lender; (d) extend the scheduled repayment dates of the Advances, change the type or currency of the Advances available or the notice periods, or change the definition of Majority Lenders; (e) discharge, terminate or waive any material part of the Liens, or amend any of the Liens in a manner that would have that effect, other than pursuant to the terms hereof; or (f) amend this Section 33. No amendment, discharge, modification, restatement, supplement, termination or waiver that affects the rights, duties and obligations of the DIP Agent shall be effective unless in writing and executed by the DIP Agent. No waiver of, failure to exercise, or delay in exercising, any provision of this Term Sheet constitutes a waiver of any other provision (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
34. **Assignment:**	The Lenders may assign or grant participation interests in all or part of their interest in the Loan Documents, the Obligations and the DIP Facility Charge in whole or in part to any Person, subject to (i) providing the Monitor with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the Lender hereunder, (ii) providing the DIP Agent with (x) a fully compiled and completed Assignment and Assumption form, together

	with, for any new Lender, a fully completed adminisrative questionnaire, all know your customer documentation requested by the DIP Agent, an IRS Form W-9 os such other applicable IRS Form, and (y) the $3,500 transfer fee, and (iii) the prior written consent of the Borrower such consent not to be unreasonably withheld or delayed, unless either (A) an Event of Default has occurred and is continuing or (B) the assignee is an affiliate of the Lender or a fund managed by the Lender. Neither this Term Sheet, any other Loan Document nor any right or obligation hereunder or thereunder may be assigned by the Borrowers or any other Loan Party. Notwithstanding the foregoing, no assignment or grant of participation interests by the Lenders shall include any right of the Lenders to provide its approval or consent hereunder. Upon confirmation by the DIP Agent that (i), (ii) and (iii) above have been satisfied, the DIP Agent shall record such Assignment and Assumption in the register and at such time the assignee Lender shall, to the extent of the interst assigned by such Assignment and Assumption, have the rights and obligations of an Lender under this Term Sheet, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumpiton, be released from its obligations under this Term Sheet.
35. **Taxes:**	All payments by or on account of any obligation of any Loan Party under any Loan Documents, including any payments required to be made from and after the exercise of any remedies available to the Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively "**Taxes**"); provided, however, that if any Taxes (other than Excluded Taxes) are required by Applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the Lenders under the Loan Documents, the amount so payable to the Lenders shall be increased to the extent necessary so that after making all required deductions, including deductions applicable to amounts payable under this section, the Lenders will receive on such payment date an amount equal to the amount it would have received had no such deductions in respect of such Taxes been made. Each Loan Party shall timely pay to the relevant Governmental Authority any Withholding Taxes and the relevant Loan Party shall provide evidence satisfactory to the Lenders that the Taxes have been so withheld and remitted. Each Loan Party shall indemnify Lender for the full amount of any Taxes (other than Excluded Taxes) imposed on or with respect to any obligation of any Loan Party under any Loan Document or on account of any obligation of any Loan Party paid by Lender and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority.
36. **Severability:**	Any provision in this Term Sheet which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions

	hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
37. **No Third Party Beneficiary:**	No person, other than the Loan Parties, the DIP Agent, the Lenders and the Indemnified Parties, is entitled to rely upon this Term Sheet or the other Loan Document and the parties expressly agree that this Term Sheet and the other Loan Documents do not confer rights upon any other party.
38. **Counterparts and Electronic Signatures:**	This Term Sheet may be executed in any number of counterparts and by email or other electronic transmission including "pdf email", each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.
39. **Notices:**	Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by mail or electronic mail to the such Person at its address set out on its signature page hereof. Any such notice, request or other communication hereunder shall be concurrently sent to the Monitor and its counsel. Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. Toronto Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.
40. **Governing Law & Jurisdiction:**	This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the parties irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.
41. **Agent as hypothecary representative (*Fondé de Pouvoir*):**	Without limiting the power of the DIP Agent hereunder or under any other Loan Document, each of the Lenders hereby acknowledges that for the purposes of holding any hypothec granted or to be granted by any Loan Party under any deed of hypothec ("**Deed of Hypothec**") pursuant to the laws of the Province of Quebec to secure payment of any obligation under this Term Sheet or any other Loan Document, the DIP Agent is hereby appointed to act as the hypothecary representative (*fondé de pouvoir*) pursuant to Article 2692 of the Civil Code of Quebec to act on behalf of each of the Lenders, and each Loan Party and each Lender hereby confirms and agrees to such appointment. Each Person which is or becomes Lender and each assignee of a Lender shall be deemed to have ratified the aforesaid appointment of the DIP Agent. The DIP Agent agrees to act in such capacity. The DIP Agent, in such capacity, shall (x) have the sole and exclusive right and authority to exercise, except as may be otherwise specifically restricted by the terms hereof, all rights and remedies given to the DIP Agent with respect to the collateral under a Deed of Hypothec, applicable law or otherwise, and (y) benefit from and be subject to all provisions hereof with respect to the DIP Agent, mutatis mutandis, including without limitation all such provisions with respect to the liability or responsibility to and indemnification by the Loan Parties and/or the Lenders. Without prejudice to the "Governing Law & Jurisdiction" section above, the

	provisions of this Section 41 shall be also governed by the laws of the Province of Quebec.
42. **DIP Agent Provisions**	Each Loan Party and each Lender agrees to the terms set forth on **Schedule F** attached hereto.

[signature pages follow]

IN WITNESS HEREOF, the parties hereby execute this Term Sheet as at the date first above mentioned.

LENDERS:

LVS III SPE XV LP
By: LVS III GP LLC, its general partner

_____
Name: Adam L. Gubner
Title: Authorized Person

We have authority to bind the Partnership.

Notice Address:
650 Newport Center Drive
Newport Beach, CA 92660

Attention:
Adam L. Gubner
Email: Adam.Gubner@pimco.com

LENDERS:

TOCU XVII LLC

_____
Name: Adam L. Gubner
Title: Authorized Person

We have authority to bind the Company.

Notice Address:
650 Newport Center Drive
Newport Beach, CA 92660

Attention:
Adam L. Gubner
Email: Adam.Gubner@pimco.com

LENDERS:

HVS XVI LLC

_____
Name: Adam L. Gubner
Title: Authorized Person

We have authority to bind the Company.

Notice Address:
650 Newport Center Drive
Newport Beach, CA 92660

Attention:
Adam L. Gubner
Email: Adam.Gubner@pimco.com

LENDERS:

OC II LVS XIV LP
By: OC II GP I LLC, its general partner

_____
Name: Adam L. Gubner
Title: Authorized Person

We have authority to bind the Partnership.

Notice Address:
650 Newport Center Drive
Newport Beach, CA 92660

Attention:
Adam L. Gubner
Email: Adam.Gubner@pimco.com

DIP AGENT
ALTER DOMUS (US) LLC

_____
Name:
Title:

I have authority to bind the Company.

Notice Address:

Attention:

Alter Domus (US) LLC
225 W. Washington St., 9th Floor
Chicago, IL 60606

Attention: Legal Department and Rick Ledenbach
Facsimile: (312) 376-0751
Email: legal@alterdomus.com and rick.ledenbach@alterdomus.com

With a copy to:

Holland Knight LLP
150 N. Riverside Plaza, 27th Floor
Chicago, IL 60606

Attention: Joshua Spencer
Facsimile: (312) 578-6666
Email: joshua.spencer@hklaw.com

BORROWERS:

JUST ENERGY ONTARIO L.P.
By its general partner, JUST ENERGY CORP.

_____
Name:
Title:

_____
Name:
Title:

We have authority to bind the Partnership.

Notice Address:

Attention:

100 King Street West, Suite 2630
Toronto, Ontaro M5X 1E1

Attention: General Counsel
Facsimile: (905) 564-6069
Email: legal@justenergy.com

JUST ENERGY (U.S.) CORP.

_____
Name:
Title:

_____
Name:
Title:

We have authority to bind the Corporation.

Notice Address:

Attention:

5251 Westheimer Road, Ste. 1000
Houston, Texas 77056

Attention: General Counsel
Facsimile: (905) 564-6069
Email: legal@justenergy.com

JUST ENERGY GROUP INC.:

[●]

_____
Name:
Title:

_____
Name:
Title:

We have authority to bind the [Corporation].

Notice Address:

Attention:

[●]
[●]
[●]

Attention: [●]
Facsimile: [●]
Email: [●]

GUARANTORS:

“

[●]

[●]

_____
Name:
Title:

_____
Name:
Title:

We have authority to bind the [Corporation].

Notice Address:

Attention:

[●]
[●]
[●]

Attention: [●]
Facsimile: [●]
Email: [●]

SCHEDULE A

GUARANTORS

1. Just Energy Corp.
2. Just Energy Manitoba L.P.
3. Just Energy (B.C.) Limited Partnership
4. Just Energy Québec L.P.
5. Ontario Energy Commodities Inc.
6. Just Energy Trading L.P.
7. Just Energy Alberta L.P.
8. Universal Energy Corporation
9. Just Energy Finance Canada ULC
10. Hudson Energy Canada Corp.
11. Just Green L.P.
12. Just Energy Prairies L.P.
13. Just Management Corp.
14. Just Energy Illinois Corp.
15. Just Energy Indiana Corp.
16. Just Energy Massachusetts Corp.
17. Just Energy New York Corp.
18. Just Energy Texas I Corp.
19. Just Energy Texas LP
20. Just Energy, LLC
21. Just Energy Pennsylvania Corp.
22. Just Energy Michigan Corp.
23. Just Energy Solutions Inc.
24. Hudson Energy Services LLC
25. Hudson Energy Corp.

26. Interactive Energy Group LLC
27. Hudson Parent Holdings LLC
28. Drag Marketing LLC
29. Just Energy Advanced Solutions LLC
30. Just Energy Advanced Solutions Corp.
31. Fulcrum Retail Energy LLC
32. Fulcrum Retail Holdings LLC
33. Tara Energy, LLC
34. Just Energy Marketing Corp.
35. Just Energy Connecticut Corp.
36. Just Energy Limited
37. Just Solar Holdings Corp.¶
38. Just Energy Finance Holding Inc.
39. Just Energy (Finance) Hungary Zrt.
40. 11929747 Canada Inc.
41. 12175592 Canada Inc.
42. JE Services Holdco I Inc.
43. JE Services Holdco II Inc.
44. JEBPO Services LLP
45. 8704104 Canada Inc.

“

SCHEDULE B

DEFINED TERMS

“**Accounts**” means any accounts of any of the Borrowers or Guarantors.

“**Administration Charge**” has the meaning given to it in the Initial Order, which Administration Charge shall not be amended in an amount to exceed CAD$2,200,000 without the prior consent of the Majority Lenders.

“**Advance**” is defined in Section 8.

“**Advance Conditions**” is defined in Section 16.

“**Advance Request**” is defined in Section 8.

“**Applicable Laws**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law and binding on such Person, including, without limitation, Applicable Laws relating to health and safety, environment and labour.

“**Assignment and Assumption**” means an Assignment and Assumption in a form approved by the Administrative Agent.

“**Borrowers**” is defined in Section 1.

“**Business Day**” means any day other than a Saturday, Sunday or any other day in which banks in Calgary, Alberta, Toronto, Ontario or New York City, New York are not open for business.

“**Cash Flow Statements**” is defined in Section 18.¶

“**Canadian Court**” is defined in the Recitals and includes any appellate court in the CCAA Proceedings.

“Canadian Order” means an order of the Court.

“***CCAA***” is defined in the Recitals.

“***CCAA* Order**” means any Order of the Court made in connection with the *CCAA* Proceedings and “***CCAA* Orders**” means more than one *CCAA* Order.

“***CCAA* Plan**” means a plan of compromise and arrangement proposed or filed with the Court in the CCAA Proceedings which is in form and substance acceptable to the Lenders.

“***CCAA* Plan Implementation Date**” means the date on which the CCAA Plan is implemented or becomes effective.

“***CCAA* Proceedings**” is defined in the Recitals.

“***CCAA* Stay**” means the stay of proceedings provided for in the Initial Order and extended pursuant to *CCAA* Orders from time to time as acceptable to the Lenders.

“**Closing Date**” is defined in Section 15.

“**Commitment Fee**” is defined in Section 11.

“**Default**” means the occurrence of any of the events specified in Section 25, whether or not any requirement for notice or lapse of time or other condition precedent has been satisfied.¶

“**DIP Agent**” is defiend in Section 4.

“**DIP Agent Fee Letter**” means that certain Fee Letter dated as of the date hereof by and between Borrowes and Alter Domus (US) LLC.

“**DIP Facility Charge**” is defined in Section 14.¶

“**DIP Facility**” is defined in Section 6.

“**Directors’ Charge**” has the meaning given to it in the Initial Order and shall not exceed CAD$30,000,000 without the prior written consent of the Majority Lenders.

“**Event of Default**” is defined in Section 25.

“**Excluded Disbursements**” is defined in Section 18.

“**Excluded Taxes**” means any of the following Taxes, (A) any Tax on the Overall Net Income of the Lender; (B) any withholding Tax imposed under FATCA or penalties and interest imposed pursuant to Part XVIII of the ITA; (C) any Tax under the ITA that would not have been imposed but for the Lenders (i) not dealing at arm’s length for purposes of the ITA with the Borrowers (other than as a result of the Lender being a lender to the Borrowers or any of its affiliated entities under this DIP Facility or under any other lending arrangement), or (ii) being a “specified shareholder” (as defined in subsection 18(5) of the ITA) of the Borrowers or not dealing at arm’s length for purposes of the ITA with any such specified shareholder; (D) Taxes that would not have been imposed but for the failure of the Lenders or DIP Agent to timely satisfy any certification, identification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the relevant taxing jurisdiction or otherwise establishing the right to the benefit of an exemption from, or reduction in the rate of, withholding or deduction, if such compliance is required by statute, treaty, regulation or published administrative practice of a relevant taxing jurisdiction as a precondition to exemption from, or reduction in the rate of deduction or withholding of, such Taxes, imposed by the relevant taxing jurisdiction; and (E) U.S. federal withholding Taxes imposed on amounts payable to or for the account of a Lender with respect to an applicable interest in a loan or commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the loan or commitment (other than pursuant to an assignment request by the Borrower) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 35, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office.

“**FA Charge**” has the meaning given to it in the Initial Order, which FA Charge shall not be amended in an amount to exceed CAD$1,800,000 without the prior consent of the Majority Lenders.

“**Filing Date**” means the date of the commencement of the CCAA Proceedings.

“**Funding Conditions**” is defined in Section 16.

“**Governmental Authority**” means any federal, territorial, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality,

including a political subdivision thereof, domestic or foreign and including any subdivision, agent, commission, board or authority, including a taxing authority, of any of the foregoing.

“**Guarantors**” is defined in Section 2.

“**Guarantees**” means the guarantees to be provided by the Guarantors in favor of the Lenders.

“**Indemnified Persons**” is defined in Section 27.

“**Initial Cash Flow Statements**” is defined in Section 18.

“**Initial Conditions**” is defined in Section 15.

“**Initial Order**” is defined in the Recitals.

“**Initial Reporting Date**” means March 11, 2021.

“**ITA**” means the *Income Tax Act* (Canada), as amended, including the regulations promulgated.

“**KERP**” means a key employee retention program approved by the Canadian Court in the CCAA Proceedings and in form and substance satisfactory to the Majority Lenders (it being agreed and understood that to the extent the key employee retention program approved by the Canadian Court in the CCAA Proceeding is consistent with the terms provided to the Lenders prior to the Closing Date, such key employee retention program shall be deemed to be in form and substance satisfactory to the Majority Lenders).

“**KERP Charge**” has the meaning given to it in the Initial Order, which KERP Charge shall not exceed CAD$6,827,340 without the consent of the Majority Lenders.

“**Lender**” is defined in Section 3.

“**Liens**” means all liens, mortgages, charges, encumbrances, hypothecs, security interests, trusts, deemed trusts (statutory or otherwise) and other encumbrances of every kind and nature whatsoever.

“**Loan Documents**” means this Term Sheet, the Security Documents, the Guarantees and all other instruments, agreements, certificates, and documents from time to time executed and delivered to the Lenders in connection with this Term Sheet.

“**Loan Parties**” collectively refers to the Borrowers and the Guarantors and “**Loan Party**” means any one of the Loan Parties.

“**Majority Lenders**” means Lenders holding at least 50.1% of the principal amount of Advances and unused commitments hereunder.

“**Material Adverse Effect**” means any event, circumstance, occurrence or change which would reasonably be expected to have a material adverse impact or effect on:

(a) the ability of any Loan Party to perform any material obligation under this Term Sheet or any other Loan Document; or

(b) the validity or enforceability of the DIP Facility Charge or any Liens created by the Security Documents, or upon the ranking of the DIP Facility Charge or of any such Liens, or upon any material

rights or remedies intended or purported to be granted to the Lenders under this Term Sheet, any other Loan Document or the DIP Facility Charge;

in each case, excluding the events, circumtances, occurrences and changes giving rise to, the actual filing of, or occuring on account of, the CCAA Proceeding or the Chapter 15 Proceeding.

“**Maximum Amount**” has the meaning given thereto in Section 6.

“**Monitor**” means FTI Consulting Canada Inc.in its capacity as the Court-appointed monitor in the *CCAA* Proceedings pursuant to the Initial Order and any successor monitor appointed in the *CCAA* Proceedings by the Court.

“**Obligations**” means the indebtedness, obligations, covenants or liabilities owing by the Borrowers and the other Loan Parties (and any one or more of them) to the Agent and the Lenders under the DIP Facility, this Term Sheet and any other Loan Document, including without limitation all principal, interest, fees, indemnities and expenses owing to the Agent and the Lenders.

“**Original Currency**” is defined in Section 21.

“**Origination Fee**” is defined in Section 11.

“**Other Currency**” is defined in Section 21.

“**Permitted Debt**” means indebtedness owing prior to the date of the Initial Order or otherwise permitted by the Original Senior Credit Agreement (other than clause (m) of the definition of Permitted Debt thereunder and any Future Intercompany Debt owed to a Loan Party by a Person that is not a Loan Party) (it being agreed and understood that any letters of credit issued on or after the Closing Date under the Original Senior Credit Agreement and shall constitute Permitted Debt hereunder).

“**Permitted Liens**” means (i) Permitted Priority Liens, (ii) the DIP Facility Charge, (iii) the Priority Commodity/ISO Charge, (iv) “Permitted Encumbrances” as such term is defined in the Original Senior Credit Agreement as in effect on the date hereof, (v) validly perfected Liens for amounts owing prior to the date of the Initial Order, (vi) without duplication, Liens for Taxes the nonpayment of which is excused, permitted, or required by the *CCAA* Proceedings or the Chapter 15 Proceedings, and (vii) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business, subject to the obligation to pay all such amounts as and when due.

“**Permitted Priority Liens**” means the (i) the Administration Charge, (ii) the Directors’ Charge, (iii) the KERP Charge, (iv) the FA Charge, (v) Liens in respect of claims that are individually and in the aggregate immaterial in the opinion of the Majority Lenders, solely to the extent such Liens are not registered under a personal property registry system, (vi) Liens related to amounts posted as cash collateral to the extent in compliance with Section 24(30) in respect of any ISO (as defined in the Intercreditor Agreement), ERCOT and PJM Interconnection and/or in connection with letters of credit, surety bonds or similar obligations, in either case, in an amount not to exceed $30,000,000, (vii) any amounts payable by the Loan Parties for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in the case of this item, and (vii) solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts have not been subordinated to the DIP Facility Charge pursuant to the Court Orders.

“**Permitted Variance**” is defined in Section 24(30).

“**Person**” means an individual, partnership, corporation, business trust, joint stock company, limited liability company, unlimited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“**Property**” means all of the present and after-acquired real and personal property and undertaking of any of the Loan Parties or in which any of the Loan Parties have any interest of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

“**Related Parties**” means, with respect to any specified Person, such Person’s affiliates, the board of directors or board of managers (or similar govenrning body) of such Person, members, officers, partners, members, trustees, employees, agents, administrators, managers, representatives and advisors of such Person and of such Person’s affiliates.

“**Security Documents**” is defined in Section 14.

“**Tax on the Overall Net Income**” of the Lenders means any Tax imposed on or measured by net income (however denominated), franchise Taxes, Canadian federal or provincial capital Taxes, and branch profits Taxes (i) that is imposed as a result of the Lenders being organized under the laws of, or having its principal office located in, the applicable jurisdiction imposing such Tax (or any political subdivision thereof), or (ii) that is imposed as a result of a present or former connection between the Lenders and the jurisdiction imposing such Tax (other than connections arising solely from the Lenders having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to or enforced any Loan Documents or sold or assigned an interest in the DIP Facility).

“**Taxes**” is defined in Section 35.

“**Term**” is defined in Section 7.

“**Term Sheet**” is defined in the Recitals.

“**Termination Date**” is defined in Section 7.¶

“**Priority Commodity/ISO Charge**” has the meaning given to it in the Initial Order.

“**U.S. Court**” is defined in the Recitals.¶

“**US Final Recognition Order**” is defined in Section 16.

“**US Initial Order**” is defined in Section 15.

“**Withholding Taxes**” is defined in Section 35.

“

SCHEDULE C

INITIAL CASH FLOW STATEMENT

[see attached]

Title:

JUST ENERGY (U.S.) CORP.

_____
Name:
Title:

SCHEDULE E

FORM OF INITIAL ORDER

[see attached]

SCHEDULE D

FORM OF ADVANCE REQUEST

TO: Alter Domus (US) LLC**, as DIP Agent**

Reference is made to that certain CCAA Interim Debtor-In-Possession Financing Term Sheet, dated as of March 9, 2021, among Just Energy Ontario L.P., Just Energy Group Inc., and Just Energy (U.S.) Corp., as Borrowers, the Guarantors party thereto, LVS III SPE XV, a Delaware limited partnership, TOCU XVII LLC, a Delaware limited liability company, HVS XVI LLC, a Delaware limited liability company, and OC II LVS XIV LP, a Delaware limited partnership, as Lenders and Alter Domus (US) LLC, as DIP Agent, and the financial institutions party from time to time thereto as lenders (the "**Term Sheet**"). Capitalized terms used herein and not otherwise defined have the meanings given to them in the Term Sheet.

The Borrowers hereby give irrevocable notice pursuant to the terms of the Term Sheet for the proposed Advance as follows:

The date of the proposed Advance is: [●], 2021.

The aggregate amount of the proposed Advance is: $[●]

The location and number of the Borrowers' accounts to which proceeds of Advances are to be disbursed: [__]

The Borrowers hereby certify that:

(i) all representations and warranties of the Loan Parties contained in the Term Sheet remain accurate in all material respects, provided, that any such representation that is qualified as to "materiality" or "Material Adverse Effect" is accurate in all respects, both before and after giving effect to the Advance referred to herein;

(ii) all Funding Conditions have been satisfied;

(iii) no Event of Default then exists and is continuing or would result from the Advance; and

(iv) the proceeds of the Advance will be in compliance with Section 13 of the Term Sheet and will be consistent with the Cash Flow Statements.

Dated this [●] day of [●], 2021.

JUST ENERGY ONTARIO L.P.
By its general partner, JUST ENERGY CORP.

_____
Name:
Title:

JUST ENERGY GROUP INC.

_____
Name:

SCHEDULE F

DIP AGENT PROVISIONS

[see attached]

SCHEDULE G

REPRESENTATIONS AND WARRANTIES

22. Representations and Warranties

As of the Closing Date, each Borrower represents and warrants to the DIP Agent and each Lender and acknowledges and confirms that the DIP Agent and each Lender is relying upon such representations and warranties:

(1) Existence and Qualification Subject to any restrictions arising on account of any Loan Party's protected status under the CCAA Proceedings (and only so long as such status exists), each Loan Party (i) has been duly incorporated, formed, amalgamated, merged or continued, as the case may be, and is validly subsisting as a corporation, company, limited liability company, partnership or trust, under the laws of its jurisdiction of formation, amalgamation, merger or continuance, as the case may; and (ii) is duly qualified, in good standing and has all required Material Licences to carry on its business in each jurisdiction in which the nature of its business requires qualification to the extent necessary to carry on its business.

(2) Power and Authority Subject to the entry of, and the terms of, the *CCAA* Orders and to any restrictions arising solely on account of any Loan Party's protected status under the *CCAA* Proceedings (and only so long as such status exists), each Loan Party has the corporate, trust, company, limited liability company or partnership power and authority, as the case may be, (i) to enter into, and to exercise its rights and perform its obligations under, the Loan Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Loan Documents, and (ii) to own its Property and carry on its business as currently conducted and as currently proposed to be conducted by it.

(3) Execution, Delivery, Performance and Enforceability of Documents Subject to the entry of, and the terms of, the *CCAA* Orders and to any restrictions arising solely on account of any Loan Party's protected status under the *CCAA* Proceedings (and only so long as such status exists), the execution, delivery and performance of each of the Loan Documents to which each Loan Party is a party, and every other instrument or agreement delivered by an Loan Party pursuant to any Loan Document has been duly authorized by all corporate, trust, company or partnership actions required, and each of such documents has been duly executed and delivered. Each Loan Document to which any Loan Party is a party, upon entry of the *CCAA* Orders, constitutes the legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with its terms (except, in any case, as such enforceability may be limited by applied bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity).

(4) Loan Documents Comply with Applicable Laws, Organizational Documents and Contractual Obligations Subject to the entry of the CCAA Orders, none of the execution or delivery of, the consummation of the transactions contemplated in, or compliance with the terms, conditions and provisions of any of, the Loan Documents conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under or contravention of, (a) any Loan Parties' Organizational Document, (b) any Material Contract or Material Licence, (c) any Requirement of Law other than immaterial breaches or (d) results or will result in the creation or imposition of any Lien upon any of its Property that is not a Permitted Lien.

(5) Consent Respecting Loan Documents Each Loan Party has, obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required with Governmental Authorities, third parties or otherwise to enable it to execute and deliver each of the Loan Documents to which it is a party and to consummate the transactions contemplated in the Loan Documents, other than the approvals, clarifications or authorizations of the Governmental Authorities (including, without limitation, the Reserve Bank of India) required under the laws of India for the execution and delivery by JEBPO of the Guarantee and the Security Documents to which it is a party, and the performance by JEBPO of its obligations thereunder.

(6) Taxes Except for those Taxes the nonpayment of which is excused, permitted, or required by the *CCAA* Proceedings or chapter 15 of title 11 of the United States Code (the "**Bankruptcy Code**"), each Loan Party has timely paid, or made adequate provision for the payment of, all Taxes that are due and payable, or has accrued amounts in its financial statements for the payment of such Taxes, regardless of whether they are shown to be payable on a Tax Return, except for any such taxes, charges, fees or dues (i) which are not material in amount, (ii) which are not delinquent or if delinquent are being contested, in good faith, or (iii) in respect of which non-payment would not individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect. There is no action, suit, proceeding, investigation or audit or claim now pending or, to its knowledge, threatened in writing by any Governmental Authority regarding any Taxes, nor has it or any other Loan Party agreed to waive or extend any statute of limitations with respect to the payment or collection of Taxes, in each case, which would individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect. Except for those Taxes, the nonpayment of which is excused, permitted or required by the *CCAA* Proceedings or the Bankruptcy Code, each Loan Party has duly and timely withheld or collected all material Taxes required to be withheld or collected by it (including in connection with amounts paid to employees, non-residents of Canada, independent contractors, creditors, shareholders or other third parties) and has duly and timely remitted such material Taxes to the appropriate Governmental Authority when required by Law to do so, except for (i) any such taxes which are not delinquent or if delinquent are being contested in good faith, or (ii) in respect of which the failure to withhold, collect or remit would not individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect. For all transactions between a Loan Party that is a resident of Canada for purposes of the Tax Act and any person not resident in Canada for purpose of the Tax Act and with whom such Loan Party was not dealing arm's length, the Loan Party has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act. Any Loan Party that is a corporate partner of the Canadian Borrower is not controlled by a person or by a group of non-resident persons who do not deal at arm's length with each other.

(7) Judgments, Etc. At the date given, other than pursuant to the *CCAA* Proceedings, no Loan Party is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) which has not been lifted or stayed.

(8) Absence of Litigation Other than the CCAA Proceedings, there are no actions, suits or proceedings pending or, to the best of its knowledge and belief, after due inquiry and all reasonable investigation, threatened against or involving any Loan Party, (i) which would reasonably be expected to have a Material Adverse Effect or (ii) that involve this Term Sheet or the other Loan Documents, in each case, which are not subject to the *CCAA* Stay.

(9) Title to Assets Each Loan Party has good title to its assets, free and clear of all Liens except Permitted Liens and defects in title which are not material in nature to the conduct of any Loan Party's business, and no Person has any agreement or right to acquire an interest in such assets other than in the ordinary course of its business. The Pledged Securities constitute all of the equity interests held by each Loan Party in any other Loan Party.

(10) Liens Subject to entry of the *CCAA* Orders, the DIP Facility Charge and the Liens created in favor of the DIP Agent under the Security Documents create valid, binding and perfected Liens on all right, title and interest in all of the Property which is the subject matter of the Security Documents and those Liens have priority over all other present and future Liens except for Permitted Priority Liens.

(11) Use of Real Property All real property material to the business of the Loan Party owned or leased by each Loan Party may be used by such Loan Party pursuant to Applicable Law for the present use and operation of the material elements of the business conducted, or intended to be conducted, on such real property by such Loan Party.

(12) Insurance Each Loan Party maintains insurance which is in full force and effect that complies with all of the requirements of the Original Senior Credit Agreement as of September 28, 2020.

(13) Labour Relations No Loan Party is engaged in any material unfair labour practice or material employment discrimination practice, and there is no material unfair labour practice complaint or material complaint

of employment discrimination pending against an Loan Party, or to its knowledge threatened against an Loan Party, before any Governmental Authority. To the best of its knowledge, no material grievance or arbitration arising out of or under any collective bargaining agreement is pending against an Loan Party or, to the best of its knowledge, threatened against an Loan Party, no strike, labour dispute, slowdown or stoppage is pending against an Loan Party or, to the best of its knowledge, threatened against an Loan Party and no union representation proceeding is pending with respect to any of an Loan Party's employees.

(14) Compliance with Laws No Loan Party is in material violation of any material Applicable Law or material Applicable Order, subject to the provisions of Section 21(27), in the case of Requirements of Environmental Law.

(15) No Event of Default or Pending Event of Default Other than as a result of the *CCAA* Proceedings, neither any Event of Default nor any Pending Event of Default has occurred and is continuing.

(16) Corporate Structure The corporate structure of the Borrowers and their subsidiaries is as set out in Schedule 22(16) to this Term Sheet.

(17) Rights to Acquire Shares of Loan Parties No Person has an agreement or option or any other right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares in the capital of any Loan Party (other than Just Energy Group Inc., a Canada corporation ("**JustEnergy**")).

(18) Loan Parties Each Loan Party either carries on their Business in Canada, the United States, India or Hungary, or carries on no business other than being a holding entity.

(19) Relevant Jurisdictions Schedule 22(19) to this Term Sheet identifies, in respect of each Loan Party, the Relevant Jurisdictions as of the Closing Date including each Loan Party's jurisdiction of formation and organizational registration number (if any), its full address (including postal code or zip code), chief executive office, registered office and all places of business and, if the same is different, the address at which the books and records of such Loan Party are located and the address from which the invoices and accounts of such Loan Party are issued.

(20) Computer Software Each Loan Party owns or has licensed for use or otherwise has the right to use all of the material software necessary to conduct its businesses. All Computer Equipment owned or used by an Loan Party and necessary for the conduct of business has been properly maintained in all material respects or replaced and is in good working order for the purposes of on-going operation, subject to ordinary wear and tear for Computer Equipment of comparable age and Computer Equipment which has been damaged but is in the course of being repaired.

(21) Intellectual Property Each Loan Party has rights sufficient for it to use all the Intellectual Property reasonably necessary for the conduct of its business except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect; all patents, trade-marks or industrial designs which have been either registered or in respect of which a registration application has been filed by it are listed on Schedule 22(21) to this Term Sheet. To its knowledge, no Loan Party is infringing or misappropriating or is alleged to be infringing or misappropriating the intellectual property rights of any other Person where such infringement or misappropriation is reasonably expected to have a Material Adverse Effect.

(22) Material Contracts and Material Licences.

(a) Schedule 22(22) to this Term Sheet, accurately sets out all Material Contracts and Material Licences;

(b) upon request by the DIP Agent (acting at the direction of Majority Lenders), a true and complete certified copy of each Material Contract and Material Licence has been or, within 30 days of its

entry into effect, will be delivered to the DIP Agent and each Material Contract and Material Licence is in full force and effect; and

(c) each Material Contract is binding upon the Loan Party party thereto and, to its knowledge, is a binding agreement of each other Person who is a party to the Material Contract.

(23) Financial Year End The financial year end of the Loan Parties is March 31.

(24) Financial Information All of the financial statements which have been furnished to the Lenders in connection with this Term Sheet are complete in all material respects and such financial statements fairly present the results of operations and financial position of the Borrowers and the Guarantors as of the dates referred to therein and have been prepared on a Modified Consolidated Basis, except that, in the case of quarterly financial statements, notes to the statements and audit adjustments required by GAAP are not included. All other financial information (including, without limitation the Cash Flow Statements) provided to the Lenders as of the date prepared (a) were based on reasonable assumptions and expectations and represent reasonable good faith estimates and (b) were believed to be achievable.

(25) Liabilities No Loan Party has any liabilities, whether accrued, absolute, contingent or otherwise, of any kind or nature whatsoever, except (i) as disclosed in the financial statements most recently delivered under Section 22(30); (ii) as incurred after the date of such financial statements and are permitted to be incurred hereunder; (iii) as incurred in the ordinary course of business of an Loan Party; provided that, in respect this clause (iii), such liabilities: (x) are not material to the Business, (y) are not required in accordance with GAAP to be disclosed in such Loan Party's financial statements referred to in clause (i) above and (z) are not incurred in violation of this Term Sheet, and (iv) for liabilities consented to by the Lenders.

(26) No Material Adverse Effect Since the Closing Date and other than as a result of the *CCAA* Proceedings or the Chapter 15 Proceedings, or the events giving rise thereto, there has been no condition (financial or otherwise), event or change in its business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect.

(27) Environmental (a) No Loan Party is subject to any civil or criminal proceeding relating to Requirements of Environmental Laws and is not aware of any investigation or threatened proceeding or investigation, (b) each Loan Party has all material permits, licenses, registrations and other authorizations required by the Requirements of Environmental Laws for the operation of its business and the properties which it owns, leases or otherwise occupies, (c) each Loan Party currently operates its business and its properties (whether owned, leased or otherwise occupied) in compliance in all material respects with all applicable material Requirements of Environmental Laws, (d) no Hazardous Substances are stored or disposed of by any Loan Party or otherwise used by an Loan Party in violation of any applicable Requirements of Environmental Laws (including, without limitation, there has been no Release of Hazardous Substances by any Loan Party at, on or under any property now or previously owned or leased by the Borrowers or any of their subsidiaries), (e) except as disclosed in the environmental reports identified on Schedule 22(27) to this Term Sheet, to the knowledge of the Borrowers (i) all underground storage tanks now or previously located on any real property owned or leased by it have been operated, maintained and decommissioned or closed, as applicable, in compliance with applicable Requirements of Environmental Law; and (ii) no real property or groundwater in, on or under any property now or previously owned or leased by any Loan Party is or has been during such Loan Party's ownership or occupation of such property contaminated by any Hazardous Substance except for any contamination that would not reasonably be expected to give rise to material liability under Requirements of Environmental Laws nor, to the best of its knowledge, is any such property named in any list of hazardous waste or contaminated sites maintained under the Requirements of Environmental Law.

(28) CERCLA No portion of any Loan Party's Property has been listed, designated or identified in the National Priorities List or the CERCLA Information System both as published by the United States Environmental Protection Agency, or any similar list of sites published by any federal, state or local authority proposed for requiring clean up or remedial or corrective action under any Requirements of Environmental Laws.

(29) Canadian Welfare and Pension Plans The Canadian Borrower has adopted all Canadian Welfare Plans and all Canadian Pension Plans in accordance with Applicable Laws and each such plan has been maintained and is in compliance in all material respects with its terms and such laws including, without limitation, all requirements relating to employee participation, funding, investment of funds, benefits and transactions with the Loan Parties and persons related to them. As of the commencement of the CCAA Proceedings (the **"CCAA Filing Date"**) and at no time preceding the CCAA Filing Date has any Loan Party maintained, sponsored, administered, contributed to, or participated in a Specified Canadian Pension Plan. With respect to Canadian Pension Plans: (a) no steps have been taken to terminate any Canadian Pension Plan (wholly or in part) which could result in any Loan Party being required to make an additional contribution in excess of $2,500,000 to the Canadian Pension Plan; (b) no contribution failure in excess of $2,500,000 has occurred with respect to any Canadian Pension Plan sufficient to give rise to a lien or charge under any applicable pension benefits laws of any other jurisdiction; and (c) no condition exists and no event or transaction has occurred with respect to any Canadian Pension Plan which is reasonably likely to result in any Loan Party incurring any liability, fine or penalty in excess of $2,500,000. No Loan Party has a contingent liability in excess of $2,500,000 with respect to any post-retirement benefit under a Canadian Welfare Plan. With respect of each Canadian Pension Plan: (a) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made to the appropriate funding agency in material compliance with all Applicable Laws and the terms of each Pension Plan have been made in accordance with all Applicable Laws and the terms of each Canadian Pension Plan; and (b) no event has occurred and no conditions exist with respect to any Canadian Pension Plan that has resulted or could reasonably be expected to result in any Canadian Pension Plan being the subject of a requirement to be wound up (wholly or in part) by any applicable regulatory authority, having its registration revoked or refused by any applicable regulatory authority or being required to pay any taxes or penalties under any applicable pension benefits or tax laws.

(30) ERISA Plans (a) Each ERISA Plan of any Loan Party carrying on business in the United States has been maintained and is in compliance in all material respects with Applicable Laws including, without limitation, all requirements relating to employee participation, investment of funds, benefits and transactions with the Loan Parties and persons related to them, (b) with respect to such ERISA Plans: (i) no condition exists and no event or transaction has occurred with respect to any such ERISA Plan that is reasonably likely to result in any Loan Party, to the best of its knowledge, incurring any liability, fine or penalty in excess of the US$ Equivalent Amount of Cdn.$2,500,000; and (ii) no Loan Party carrying on business in the United States has a contingent liability with respect to any post-retirement benefit under a US Welfare Plan in excess of the US$ Equivalent Amount of Cdn.$2,500,000, (c) all contributions (including employee contributions made by authorized payroll deductions or other withholdings) required to be made have been made in accordance with all Applicable Laws and the terms of each ERISA Plan, (d) each of the ERISA Plans that is intended to be "qualified" within the meaning of Section 401(a) of the Code (i) has received a favourable determination letter from the IRS, (ii) is or will be the subject of an application for a favourable determination letter, and no circumstances exist that has resulted or could reasonably be expected to result in the revocation or denial of any such determination letter, or (iii) is entitled to rely on an appropriately updated prototype plan document that has received a national office determination letter and has not applied for a favourable determination letter of its own and (e) no Loan Party carrying on business in the United States has any US Pension Plans and no multiemployer plans as defined in Section 4001(a)(3) of ERISA are maintained by any Loan Party or to their knowledge have been maintained by any member of any Loan Party's Controlled Group.

(31) Not an Investment Company No Loan Party is an "investment company" or a company "controlled" by an "investment company" within the meaning of the United States Investment Company Act of 1940 or a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a holding company, or of a "subsidiary company" of a "holding company", within the meaning of the United States Public Utility Holding Company Act of 2005.

(32) No Margin Stock No Loan Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock. None of the proceeds of any Advance will be used to purchase or carry, or to reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System of the United States) or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(33) Full Disclosure All information provided or to be provided by or on behalf of any Loan Party to the DIP Agent and the Lenders in connection with the DIP Facility (other than future-looking information or information of a general economic or industry nature) was or will be at the time prepared, to its knowledge, true and correct in all material respects and none of the documentation furnished to the DIP Agent or any Lender by or on behalf of any Loan Party, to its knowledge, omitted or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it at the time made (and, to its knowledge any other Person who furnished such material on behalf of them.

(34) CCAA Orders The applicable Initial Order is in full force and effect and is not subject to any leave to appeal application or appeal, and has not been vacated, reversed, modified, amended or stayed without the prior written consent of the Majority Lenders. The Loan Parties are and remain in compliance with the CCAA Orders.¶

(35) Non-Arm's Length Transactions All agreements, arrangements or transactions between any Loan Party, on the one hand, and any Associate of, Affiliate of or other Person not dealing at Arm's Length with such Loan Party, on the other hand (other than another Loan Party), in existence at the date hereof are set forth on Schedule 22(35) to this Term Sheet or are otherwise permitted pursuant to Section 23(19).

(36) Budget The Loan Parties have disclosed all material assumptions with respect to the Cash Flow Statements and affirm the reasonableness of the assumptions in the Cash Flow Statements in all material respects.

(37) Debt No Loan Party has any Debt that is not permitted under this Term Sheet.

(38) [Reserved]

(39) Schedules The information contained in each Schedule attached hereto is as of the Closing Date, or at the time a replacement thereof is provided to the DIP Agent and the Lenders pursuant hereto, will be true, correct and complete in all material respects.

(40) Sanctions. It is not in violation of, in any material respect, any of the country or list based economic and trade sanctions administered and enforced by OFAC, or any Sanctions Laws. As of the date of this Term Sheet, no Loan Party (i) is a Sanctioned Person or (ii) is a Person designated under Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 or other Sanctions Laws. If a senior officer of any Loan Party receives any written notice that any Loan Party, any affiliate or any subsidiary of any Loan Party is named on the then current OFAC SDN List or is otherwise a Sanctioned Person (such occurrence, a "**Sanctions Event**"), such Loan Party shall promptly (i) give written notice to the DIP Agent of such Sanctions Event, and (ii) comply in all material respects with all applicable laws with respect to such Sanctions Event (regardless of whether the Sanctioned Person is located within the jurisdiction of the United States of America or Canada), and each Loan Party hereby authorizes and consents to the Lenders and the DIP Agent (acting at the direction of the Majority Lenders) taking any and all steps the Lenders or the DIP Agent (acting at the direction of the Majority Lenders) deem necessary, in their sole but reasonable discretion, to avoid violation of, in any material respect, all applicable laws with respect to any such Sanctions Event.

(41) Anti-Corruption Laws. No part of the proceeds of the Advances shall be used, directly or, to the Borrowers' knowledge, indirectly: (a) to offer or give anything of value to any official or employee of any foreign government department or agency or instrumentality or government-owned entity, to any foreign political party or party official or political candidate, or to anyone else acting in an official capacity, in order to obtain, retain or direct business, or obtain any improper advantage, in material violation of any Anti-Corruption Law.

(42) Anti-Terrorism Laws. To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) the U.S. Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (ii) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (United States), as amended (the

"**Patriot Act**"); and (iii) *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (collectively with clauses (i) and (ii) above, the "**Anti-Terrorism Laws**"). The use of the proceeds of the Advances will not violate, in any material respect, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto, in any material respect.

(43) As of March 1, 2021, the outstanding obligations owed to the Lender Hedge Providers (as defined in the Intercreditor Agreement) by the Loan Parties in respect of Hedging Agreements (as defined in the Intercreditor Agreement) does not exceed $7,364,437 after giving effect to any mandatory consequences of the commencement of the CCAA Proceedings thereunder.

SCHEDULE H

AFFIRMATIVE COVENANTS

23. Affirmative Covenants

So long as this Term Sheet is in force and except as otherwise permitted by the prior written consent of the Majority Lenders, each Borrower will and will cause each other Loan Party to:

(1) Timely Payment Make due and timely payment of the Obligations required to be paid by it hereunder and under each other Loan Document.

(2) Conduct of Business, Maintenance of Existence, Compliance with Laws Subject to any necessary Order or authorization of the Court, (a) engage in business of the same general type as now conducted by it; (b) carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; (c) except as otherwise permitted by Section 23(2), preserve, renew and keep in full force and effect its existence; (d) take all action necessary to maintain all material registrations, material licenses, material rights, material privileges and franchises necessary or desirable in the normal conduct of its business; and (e) comply in all material respects with all Requirements of Law, including without limitation, Requirements of Environmental Law.

(3) Further Assurances Subject to any necessary Order or authorization of the Court, provide the Lenders and the DIP Agent with such other documents, opinions, consents, acknowledgements and agreements as are reasonably necessary to implement this Term Sheet, the other Loan Documents and are required by the DIP Agent or the Lenders from time to time.

(4) Access to Information Promptly provide the DIP Agent and the Lenders with all information reasonably requested by the DIP Agent (at the direction of the Majority Lenders) from time to time concerning its financial condition and Property, and during normal business hours and from time to time upon reasonable notice, permit representatives of the DIP Agent and Lenders, if accompanied by a Lender, to inspect any of its Property, to examine and take extracts from its financial books, accounts and records including but not limited to accounts and records stored in computer data banks and computer software systems, and to discuss its financial affairs, its business or any part of its Property with its senior officers and (in the presence of such of its representatives as it may designate) its auditors. If an Event of Default or a Pending Event of Default has occurred and is continuing, the Canadian Borrower will pay all reasonable expenses incurred by such representatives in order to visit a Borrower's premises or attend at its and each other Loan Party's principal office, as applicable, for such purposes. In addition, the Borrowers shall, and shall cause each other Loan Party to, promptly provide to the DIP Agent with such information as the DIP Agent or any Lender may reasonably request in order to comply with the Beneficial Ownership Regulation and written notice of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in such Certification.

(5) Payment Obligations Except to the extent stayed pursuant to the CCAA Stay and the Chapter 15 Proceedings but in all cases subject to the Cash Flow Statements approved hereunder, pay or discharge, or cause to be paid or discharged (i) before the same become delinquent (A) all Taxes imposed upon it or upon its income or profits or in respect of its business or Property and file all tax returns in respect thereof (except for those Taxes, the nonpayment of which is excused, permitted or required by the *CCAA* Proceedings or the Bankruptcy Code) and (B) all required payments under any of its Debt and (ii) in a timely manner in accordance with prudent business practices (A) all lawful claims for labour, materials and supplies, and (B) all other material obligations the failure of which would reasonably be expected to result in an Event of Default; provided, however that it will not be required to pay or discharge or to cause to be paid or discharged any such amount referred to in clauses (i) and (ii) so long as the validity or amount thereof is being contested in good faith by appropriate proceedings and an adequate reserve in accordance with GAAP and satisfactory to the Majority Lenders, acting reasonably, has been established in its books and records, or, in the case of clause (i)(A), the nonpayment thereof would not individually or in the aggregate have, or be reasonably likely to cause, a Material Adverse Effect.

(6) Use of DIP Facility Use the proceeds of the DIP Facility as contemplated by Section 12 and in accordance with the restrictions set out herein and in the manner contemplated by the Cash Flow Statements.

(7) Insurance Maintain or cause to be maintained with reputable insurers, coverage against risk of loss or damage to its Property (including public liability and damage to property of third parties), business interruption insurance, fire and extended peril insurance and boiler and machinery insurance of such types as is customary for and would be maintained by a corporation with an established reputation engaged in the same or similar business in similar locations and provide to the DIP Agent, on an annual basis, if requested, evidence of such coverage. The DIP Agent will be indicated in all insurance policies, as applicable and to the extent practicable on commercially reasonable terms, as a loss payee and additional insured within five (5) Business Days (or such later date as approved by the Majority Lenders) of the Closing Date.

(8) Notice of Event of Default or Pending Event of Default Promptly notify the DIP Agent of any Event of Default or Pending Event of Default that would apply to it or to any Loan Party of which it becomes aware.

(9) Notice of Material Adverse Effect Promptly notify the DIP Agent of any condition (financial or otherwise), event or change in its or any other Loan Party's business, liabilities, operations, results of operations, assets or prospects which would reasonably be expected to have a Material Adverse Effect.

(10) [Reserved]

(11) Other Notices Promptly, upon having knowledge, give notice to the DIP Agent of:

(a) any violation of any Applicable Law, which does or could reasonably be expected to have a Material Adverse Effect;

(b) any termination or expiration of or default under a Material Contract or Material Licence;

(c) any damage to or destruction of any property, real or personal, of any Loan Party having a replacement cost in excess of $2,500,000;

(d) the receipt of insurance proceeds by any Loan Party in excess of $2,500,000;

(e) any change in the regulatory framework relating to the energy market which is materially adverse to the Business or could reasonably be expected to be materially adverse to the Business with the passage of time;

(f) any Lien registered against any property or assets of any Loan Party, other than a Permitted Lien;

(g) any entering into of a Material Contract or Material Licence, together with a true copy thereof;

(h) any assignment of a Material Contract by the counterparty thereto; or

(i) the delivery by ERCOT (as defined in the Intercreditor Agreement) of any settlement proposals in connection with the "black swan" weather events that occurred in the State of Texas in February 2021, together with a true copy thereof.

(12) Computer Software Own or license for use or otherwise maintain the right to use all of the material software necessary to conduct its businesses and in all material respects, properly maintain and keep in good working order for the purposes of on-going operation, all Computer Equipment owned or used by an Loan Party and necessary for the conduct of business, subject to ordinary wear and tear for Computer Equipment of comparable age and lost or damaged Computer Equipment replaced or repaired to the extent required to conduct its Business.

(13) Intellectual Property Maintain rights sufficient for it to use all the Intellectual Property reasonably necessary for the conduct of its business and not knowingly infringe or misappropriate in any material way the intellectual property rights of any other Person.

(14) Environmental Compliance Operate its business in compliance in all material respects with all applicable material Requirements of Environmental Laws and operate all Property owned, leased or otherwise occupied by it with a view to ensuring that no material obligation, including a clean-up or remedial obligation, will arise in respect of an Loan Party under any Requirements of Environmental Law; provided however, that if any such obligation arises, the applicable Loan Party will promptly satisfy or contest such obligation at its own cost and expense. It will promptly notify the Lender, to the extent not disclosed as of the date hereof, upon (i) learning of the existence of Hazardous Substance located on, above or below the surface of any land which it owns, leases, operates, occupies or controls (except those being stored, used or otherwise handled in substantial compliance with applicable Requirements of Environmental Law), or contained in the soil or water constituting such land and (ii) the occurrence of any lawfully reportable release, spill, leak, emission, discharge, leaching, dumping or disposal of Hazardous Substances that has occurred on or from such land which, in either case, is likely to result in liability under Requirements of Environmental Law.

(15) [Reserved]

(16) Maintenance of Property Subject to any necessary Order or authorization of the Court, keep all Property necessary in its business in good working order and condition, normal wear and tear excepted, save for lost or damaged Property replaced or repaired to the extent required to conduct its Business.

(17) ERISA Matters

(a) Maintain each ERISA Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any US Pension Plan or multiemployer plan as defined in Section 4001(a)(3) of ERISA without the prior written consent of the DIP Agent (at the direction of the Majority Lenders); and

(c) promptly notify the DIP Agent on becoming aware of (i) the institution of any steps by any Person to terminate any US Pension Plan, (ii) the failure of any Loan Party to make a required contribution to any US Pension Plan if such failure is sufficient to give rise to an Lien under Section 303(k) of ERISA, (iii) the taking of any action with respect to a US Pension Plan which is reasonably likely to result in the requirement that any Loan Party furnish a bond or other security to the US Pension Benefit Guaranty Corporation under ERISA or such Pension Plan, or (iv) the occurrence of any event with respect to any ERISA Plan which is reasonably likely to result in any Loan Party incurring any liability, fine or penalty in excess of $5,000,000, and following notice to the DIP Agent thereof, provide copies of all documentation relating thereto if requested by the DIP Agent or any Lender.

(18) Canadian Pension Plans

(a) maintain each Canadian Pension Plan in compliance in all material respects with all applicable Requirements of Law;

(b) refrain from adopting, participating in or becoming obligated with respect to any Specified Canadian Pension Plan; and

(c) promptly notify the DIP Agent on becoming aware of (i) the institution of any steps by any Person to terminate any Canadian Pension Plan, (ii) the failure of any Loan Party to make a required contribution to any Canadian Pension Plan if such failure is sufficient to give rise to a deemed trust or lien under applicable pension benefits standards laws, or (iii) the occurrence of any event

with respect to any Canadian Pension Plan or Canadian Welfare Plan which is reasonably likely to result in any Loan Party incurring any liability, fine or penalty in excess of $5,000,000, and following notice to the DIP Agent thereof, provide copies of all documentation relating thereto if requested by the DIP Agent or any Lender.

(19) Employee Benefit and Welfare Plans Maintain all employee benefit and Canadian Welfare Plans relating to the Business in compliance in all material respects with all Applicable Laws and ensure that all premiums and payments relating to employee benefits and pensions are paid as due.

(20) Additional Information Promptly provide the DIP Agent, upon receipt thereof, with copies of all "management letters" or other material letters submitted by independent public accountants in connection with audited financial statements described in Section 22(30) raising issues associated with the audit of the Loan Parties.

(21) Maintenance of Material Contracts and Material Licenses Except as otherwise permitted under Section 23(17), maintain in good standing and perform all of its obligations under and comply with all Material Contracts and Material Licenses.

(22) [Reserved]

(23) ERCOT Related Settlements; Tier 1 Commodity/ISO Charge; Tier 2 Commodity Charge On Thursday of each week, for the immediately preceding Friday, provide an estimate of (i) ERCOT related settlements in connection with the "black swan" weather events that occurred in the State of Texas in February 2021 and (ii) the amount of the Priority Commodity/ISO Charge.

(24) LDC Agreements Promptly provide to the DIP Agent copies of any notices received from LDCs in connection with any collections, services, agreements or any Transportation Agreements, requests to increase the billing service amount under any Collection Services Agreements, offsets or material matters under any LDC Agreement, in each case which would reasonably be expected to have a Material Adverse Effect.

(25) [Reserved]

(26) No Supplier Recourse Other than in connection with the *CCAA* Proceedings, no supplier to any non-Guarantor subsidiary of JustEnergy has any recourse to any Loan Party.

(27) [Reserved]

(28) Keepwell Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honour all of its obligations under the Guarantee in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under the Guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section and under the Guarantee shall remain in full force and effect until discharged in accordance with this Term Sheet and the Guarantee . Each Qualified ECP Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

(29) CCAA Proceedings and Chapter 15 Proceeds

(a) comply in all material respects with all *CCAA* Orders, the US Orders and with Applicable Law, except to the extent not required to do so pursuant to the Initial Order, any other *CCAA* Order or the US Orders;

(b) provide the DIP Agent's counsel and Lenders' counsel with draft copies of all motion materials, applications for proposed CCAA Orders and US Orders, as applicable, or any other materials that any Loan Party intends to file in the CCAA Proceedings and Chapter 15 Proceedings, as applicable, in order to provide the Lender's counsel with a reasonable opportunity to review and comment on same at as soon as is reasonably practicable in advance of the service of such materials to the service list in respect of the CCAA Proceedings and the Chapter 15 Proceedings, as applicable, at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the time at which such motion materials, applications for proposed CCAA Orders and US Orders, as applicable, or any other materials are served on the service list in respect of the CCAA Proceedings and Chapter 15 Proceedings, as applicable; provided that all such motion materials, applications for proposed CCAA Orders and US Orders, as applicable, or any other materials shall be in form and substance reasonably satisfactory to the DIP Agent, the Lenders and their respective counsel to the extent that motion materials, applications for proposed CCAA Orders and US Orders, as applicable, or any other materials affect or could reasonably be expected to affect the rights and interests of the DIP Agent and Lenders in any respect;

(c) take all actions necessary or available to defend the CCAA Orders and US Orders, as applicable, from any appeal, reversal, modifications, amendment, stay or vacating to the extent that it would adversely affect the rights and interests of the DIP Agent and Lenders in any material respect;

(d) keep the Lenders and the DIP Agent and their respective counsel apprised on a timely basis of all material developments with respect to the business and affairs of the Loan Parties, the *CCAA* Proceedings and the Chapter 15 Proceedings, including all matters relating to the CCAA Plan or any matter which could reasonably be expected to materially affect the rights and interests of the Lenders or the DIP Agent in any respect;

(e) deliver to the DIP Agent, the Lenders and their respective counsel reporting and other information reasonably requested by them from time to time as set out in this Term Sheet including, without limitation, the Cash Flow Statements at the times set out herein; and

(f) participate (through its counsel and/or other advisors) on a weekly update call once (1) per week with Lenders and Lenders' counsel, *provided*, that upon the reasonable prior written request of DIP Agent (at the direction of the Majority Lenders) (which request shall be made at least twenty-four (24) hours before such weekly update call), representatives from the management team of the Borrowers and the Loan Parties will join such weekly update call (it being agreed and understood that such calls with the management team shall be pursuant to a single call)).

(30) Reporting Requirements So long as this Term Sheet is in force and except as otherwise permitted by the prior written consent of the DIP Agent (at the discretion of the Majority Lenders), the Canadian Borrower will:

(a) Annual Reports As soon as available and in any event within 120 days after the end of each Fiscal Year, cause to be prepared and delivered to the DIP Agent the audited consolidated financial statements of JustEnergy, including, without limitation, a balance sheet, statement of equity, income statement and cash flow statement, certified by the chief financial officer of JustEnergy.

(b) Quarterly Reports

(i) As soon as available and in any event within 60 days of the end of each of its first three Fiscal Quarters of each Fiscal Year, cause to be prepared and delivered to the DIP Agent as at the end of such Fiscal Quarter the unaudited interim consolidated financial statements of JustEnergy, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of JustEnergy.

(ii) As soon as available and in any event within 60 days of the end of each Fiscal Quarter (including the fourth Fiscal Quarter), cause to be prepared and delivered to the DIP Agent as at the end of such Fiscal Quarter the unaudited financial statements of the Borrowers prepared on a Modified Consolidated Basis, including, in each case and without limitation, an income statement, balance sheet and cash flow statement, certified by the chief financial officer of JustEnergy.

(c) Compliance Certificate Concurrently with the delivery of the financial statements referred to in Sections 22(30)(a) and (b) above, provide the DIP Agent with a Compliance Certificate.

(d) [Reserved]

(e) [Reserved]

(f) [Reserved]

(g) [Reserved]

(h) Risk Management Policy Promptly notify the DIP Agent of any material changes or modifications to the risk management and hedging policy of the Loan Parties from that in effect on the date hereof and promptly provide a copy of such change or modification.

(i) [Reserved]

(j) [Reserved]

(k) [Reserved]

(l) Other Information Deliver to the DIP Agent such other information relating to the conduct of business or financial condition of the Loan Parties as the DIP Agent on behalf of the Lenders may reasonably request from time to time.

(m) PPSA Lien Filings Prepare and register PPSA financing statements in form satisfactory to the DIP Agent acting reasonably against each applicable Loan Party in favor of the DIP Agent as soon as practicable after the date of this Term Sheet and in any even within one (1) Business Day after the date of this Term Sheet.

(n) UCC Lien Filings Prepare and register Uniform Commercial Code financing statements in form satisfactory to the DIP Agent acting reasonably against each applicable Loan Party in favor of the DIP Agent as soon as practicable after the date of this Term Sheet and in any event within 3 Business Days after the date of this Term Sheet (or such later time as the Lenders may agree in their sole discretion).

SCHEDULE I

NEGATIVE COVENANTS

24. Negative Covenants

So long as this Term Sheet is in force and except as otherwise permitted by the prior written consent of the DIP Agent (at the direction of the Majority Lenders), each Borrower will not and will ensure that each other Loan Party will not:

(1) Disposition of Property Except as permitted by the CCAA Proceedings, transfer, lease or otherwise dispose of all or any part of their property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete or worn out equipment or assets consistent with past practice.

(2) Fundamental Changes Except as permitted by the CCAA Proceedings, enter into any corporate transaction (or series of transactions), whether by way of arrangement, reorganization, consolidation, amalgamation, merger or otherwise, whereby all or substantially all of its undertaking and assets would become the property of any other Person or in the case of any amalgamation, the property of the continuing corporation resulting from the amalgamation, except that if at the time of and immediately after giving effect to the corporate transaction, if no Event of Default will have occurred and be continuing, it may amalgamate or merge (including by way of a wind-up that is not as a result of an insolvency) with or transfer all or substantially all of its assets to a Borrower or any wholly-owned subsidiary of a Borrower; provided that it provides the DIP Agent with prior notice of any such transaction and upon any amalgamation or merger (except by way of a wind-up), the resulting company or the entity to whom the assets have been transferred, as applicable, delivers to the DIP Agent the Security Documents and an assumption agreement pursuant to which the amalgamated or merged company or the entity to whom the assets have been transferred, as applicable, confirms its assumption of all of the obligations of the amalgamating or merging companies or the entity which transferred the assets, as applicable, under the Loan Documents and such other security, certificates and opinions as may be required by the DIP Agent and Lenders including, if applicable, a pledge of the amalgamated or merged company's shares.

(3) No Debt Except as permitted by the CCAA Proceedings, create, incur, assume or permit any indebtedness to remain outstanding, other than, in the case of all Loan Parties (other than any Loan Party that is not organized under the laws of the United States, Canada or, after the Hungarian Security Agreement has been delivered, Hungary (or, in each case, any political subdivision thereof)), Permitted Debt and, in the case of all Loan Parties, the Obligations.

(4) No Repayment or Prepayment of Debt Except as permitted by the CCAA Proceedings, directly or indirectly voluntarily prepay, defease or in substance defease, purchase, redeem, retire or otherwise acquire any indebtedness not permitted by the Term Sheet or the Canadian Court in each case in accordance with the CCAA Orders and the Cash Flow Statements, subject to the Permitted Variance.

(5) No Financial Assistance Give any Financial Assistance to any Person other than: (a) Existing Intercompany Debt; (b) Future Intercompany Debt; (c) Financial Assistance existing as of the Closing Date; (d) Financial Assistance to Restricted Subsidiaries (subject to an aggregate cap of $250,000 for Financial Assistance to non-Loan Parties); (e) loans and advances to employees made in accordance with Section 9.04(9) of the Original Senior Credit Agreement in an amount not to exceed $250,000 in the aggregate; and (f) any Financial Assistance provided for in the Cash Flow Statements most recently approved by the Majority Lenders at the time of giving such Financial Assistance; provided that, notwithstanding the foregoing exceptions, each Borrower will not and will ensure that each other Loan Party will not give any Financial Assistance to any Loan Party that is not organized under the laws of the United States, Canada or, after the Hungarian Security Agreement has been delivered, Hungary (or, in each case, any political subdivision thereof).

(6) [Reserved]

(7) No Distributions Except as permitted by the CCAA Proceedings make or permit any Distributions (other than Distributions between Loan Parties); provided, for the avoidance of doubt, a Loan Party shall be permitted to make customary tax distributions within consolidated, combined, unitary, or similar tax groups of which they are a member to pay taxes attributable to such Loan Party's income.

(8) Distribution Restrictions Except as permitted by the CCAA Proceedings, enter into any other agreement that would limit its ability to effect any dividends or distributions between Loan Parties.

(9) [Reserved]

(10) No Liens Except as permitted by the CCAA Proceedings, create, incur, assume or permit to exist any Lien upon any of its Property except, in the case of all Loan Parties (other than any Loan Party that is not organized under the laws of the United States, Canada or, after the Hungarian Security Agreement has been delivered, Hungary (or, in each case, any political subdivision thereof)), Permitted Liens.

(11) No Acquisitions Except as permitted by the CCAA Proceedings, make any acquisitions.

(12) No Change to Year End Make any change to its Fiscal Year; provided that the Borrowers may elect to change its Fiscal Year to end on December 31 by delivering 60 days prior written notice to the Lender.

(13) No Qualified Support Agreements Enter into any Qualified Support Agreement (as defined in the Initial Order) without the consent of the Majority Lenders, which consent is not to be unreasonably withheld.

(14) No Consent to Lifting Consent to a lifting of the stay in the CCAA Proceedings pursuant to paragraph [13] of the Initial Order without the consent of the Majority Lenders.

(15) No Share Issuance Issue any new capital other than as approved pursuant to the CCAA Proceedings.

(16) Amendments to Organizational Documents Except as permitted by the CCAA Proceedings, amend any of its Organizational Documents in a manner that would be prejudicial to the interests of any of the Lenders or the DIP Agent under the Loan Documents.

(17) [Reserved]

(18) Hostile Take-Over Bid Make or complete a Hostile Take-Over Bid.

(19) Non-Arm's Length Transactions Effect any transactions with any Person (other than any Loan Party) not dealing at Arm's Length with the transacting Loan Party except for (i) those transactions identified in Schedule 22(35) to this Term Sheet; (ii) [reserved]; (iii) transactions permitted under Section 23(5); (iv) technical and administrative service agreements on commercially reasonable terms between any of the Canadian Borrower. and any of their subsidiaries and the provision of the services contemplated thereby; and (v) sales arrangements on commercially reasonable terms between an Loan Party and an non-Guarantor subsidiary of the Canadian Borrower with respect to the Business.

(20) Sale and Leaseback Except as permitted by the CCAA Proceedings, enter into any arrangement with any Person providing for the leasing by any Loan Party, as lessee, of property which has been or is to be sold or transferred by such Loan Party to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or the lease obligation of any Loan Party.

(21) Hedging Contracts Enter into or permit to be outstanding at any time any Hedge unless such Hedge satisfies the following conditions:

(a) if such Hedge is an Interest Rate Hedge, it is designed to protect the Loan Parties against fluctuations in interest rates;

(b) if such Hedge is a Currency Hedge, it is designed to protect the Loan Parties against fluctuations in currency exchange rates;

(c) if such Hedge is an Equity Hedge, it is designed to protect the Loan Parties against fluctuations in share price;

(d) if such Hedge is a Commodity Hedge, it is designed to protect the Loan Parties against fluctuations in commodity prices; and

(e) such Hedge has been entered into by an Loan Party *bona fide* and in good faith in the ordinary course of its business for the purpose of carrying on the same and not for speculative purposes.

(22) [Reserved]

(23) [Reserved]

(24) Anti-Money Laundering and Anti-Terrorism Finance Laws; Foreign Corrupt Practices Act; Sanctions Laws; Restricted Person The Borrowers shall not, and shall not permit any Loan Party to, (a) engage in or conspire to engage in any transaction that violates, in any material respect, any Anti-Terrorism Law, any Anti-Corruption Law or any Sanctions Law, or (b) use any part of the proceeds of the Advances, directly or, to the Borrowers' knowledge, indirectly, for any conduct that would cause the representations and warranties in Sections 21(40), 21(41) or 21(42) to be untrue in any material respect as if made on the date any such conduct occurs.

(25) CCAA Proceedings No Loan Party shall apply for or support an application for any Order or any change, amendment or modification to any CCAA Order which has or would reasonably be expected to adversely affect the rights or interests of the Lender.

(26) [Reserved]

(27) [Reserved]

(28) Key Employee Retention Programs No Loan Party shall enter into an employee retention program other than a KERP.

(29) Subsidiaries Except as permitted by the CCAA Proceedings, ensure that any subsidiary formed or acquired after the Closing Date in accordance with the terms of this Term Sheet shall be deemed a Guarantor and the Borrowers shall deliver to the DIP Agent all items, documents and agreements with respect to such new Guarantor as reasonably requested by the Majority Lenders.

(30) Permitted Variance Without the consent of the Majority Lenders (which may be communicated by e-mail from the Majority Lenders or their selected representative(s)), as of 4:00 p.m. Central Time on the Initial Reporting Date and on each Thursday thereafter that is the four (4) week anniversary of the Initial Reporting Date (each such date, the "**Monthly Variance Testing Date**" and each such four (4) week period ending on the Saturday preceding each Monthly Variance Testing Date, the "**Monthly Variance Testing Period**"), permit (A) any variance of (x) the actual individual disbursements for such Monthly Variance Testing Period *in excess of* (y) projected individual disbursements for such Monthly Variance Testing Period set forth in the Cash Flow Statements most recently approved by the Majority Lenders (excluding, in each case of clauses (x) and (y), for purposes of this calculation, the Excluded Disbursements) to exceed 20% of such projected amounts, (B) any variance of (x) the actual aggregate disbursements for such Monthly Variance Testing Period *in excess of* (y) projected aggregate disbursements for such Monthly Variance Testing Period set forth in the Cash Flow Statements most recently approved by the Majority Lenders (excluding, in each case of clauses (x) and (y), for purposes of this calculation, the Excluded Disbursements) to exceed 15% of such projected amounts or (C) projected individual disbursements for such Monthly

Variance Testing Period set forth in the Cash Flow Statements most recently approved by the Majority Lenders with respect to ERCOT related settlements in connection with the "black swan" weather events that occurred in the State of Texas in February 2021 to exceed 25% of such projected amounts (the "**Permitted Variance**").

TAB EE

THIS IS EXHIBIT "EE" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

Court File No. _____

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF **JUST ENERGY GROUP INC.**, JUST ENERGY CORP., ONTARIO ENERGY COMMODITIES INC., UNIVERSAL ENERGY CORPORATION, JUST ENERGY FINANCE CANADA ULC, HUDSON ENERGY CANADA CORP., JUST MANAGEMENT CORP., JUST ENERGY FINANCE HOLDING INC., 11929747 CANADA INC., 12175592 CANADA INC., JE SERVICES HOLDCO I INC., JE SERVICES HOLDCO II INC., 8704104 CANADA INC., JUST ENERGY ADVANCED SOLUTIONS CORP., JUST ENERGY (U.S.) CORP., JUST ENERGY ILLINOIS CORP., JUST ENERGY INDIANA CORP., JUST ENERGY MASSACHUSETTS CORP., JUST ENERGY NEW YORK CORP., JUST ENERGY TEXAS I CORP., JUST ENERGY, LLC, JUST ENERGY PENNSYLVANIA CORP., JUST ENERGY MICHIGAN CORP., JUST ENERGY SOLUTIONS INC., HUDSON ENERGY SERVICES LLC, HUDSON ENERGY CORP., INTERACTIVE ENERGY GROUP LLC, HUDSON PARENT HOLDINGS LLC, DRAG MARKETING LLC, JUST ENERGY ADVANCED SOLUTIONS INC., FULCRUM RETAIL ENERGY LLC, FULCRUM RETAIL HOLDINGS LLC, TARA ENERGY, LLC, JUST ENERGY MARKETING CORP., JUST ENERGY CONNECTICUT CORP., JUST ENERGY LIMITED, JUST SOLAR HOLDINGS CORP., JUST ENERGY (FINANCE) HUNGARY ZRT.

Applicants

MONITOR'S CONSENT

We, FTI Consulting Canada Inc., hereby consent to act as Monitor in respect of Just Energy Group Inc., Just Energy Corp., Ontario Energy Commodities Inc., Universal Energy Corporation, Just Energy Finance Canada ULC, Hudson Energy Canada Corp., Just Management Corp., Just Energy Finance Holding Inc., 11929747 Canada Inc., 12175592 Canada Inc., JE Services Holdco I Inc., JE Services Holdco II Inc., 8704104 Canada Inc., Just Energy Advanced Solutions Corp., Just Energy (U.S.) Corp., Just Energy Illinois Corp, Just Energy Indiana Corp., Just Energy Massachusetts Corp., Just Energy New York Corp., Just Energy Texas I Corp., Just Energy, LLC, Just Energy Pennsylvania Corp., Just Energy Michigan Corp., Just Energy Solutions Inc., Hudson Energy Services LLC, Hudson Energy Corp., Interactive Energy Group LLC, Hudson Parent Holdings LLC, Drag Marketing LLC, Just Energy Advanced Solutions Inc.,

Fulcrum Retail Energy LLC, Fulcrum Retail Holdings LLC, Tara Energy, LLC, Just Energy Marketing Corp., Just Energy Connecticut Corp., Just Energy Limited, Just Solar Holdings Corp., and Just Energy (Finance) Hungary ZRT. in its proceedings pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, should such order be granted by the Ontario Superior Court of Justice (Commercial List).

Dated at Toronto this 8th day of March, 2021.

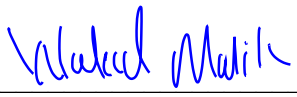
FTI CONSULTING CANADA INC., IN ITS CAPACITY AS PROPOSED MONITOR OF THE APPLICANTS AND NOT IN ITS PERSONAL CAPACITY

Per: _____

Name: Paul Bishop
Title: Senior Managing Director

TAB FF

THIS IS EXHIBIT "FF" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



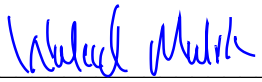
Commissioner for taking affidavits

Waleed Malik

CONFIDENTIAL
EXHIBITD FF

TAB GG

THIS IS EXHIBIT "GG" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

CONFIDENTIAL
EXHIBITD GG

TAB HH

THIS IS EXHIBIT "HH" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.

Commissioner for taking affidavits

Waleed Malik

SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "**Agreement**") is entered into as of March 9, 2021, by and among Just Energy Ontario L.P., a limited partnership existing under the laws of the Province of Ontario (the "**Canadian Applicant**") and Just Energy (U.S.) Corp., a corporation incorporated under the laws of the State of Delaware (the "**U.S. Applicant**") and each of their affiliates listed on Annex I (collectively, with the Canadian Applicant and U.S. Applicant, the "**JE Customer Parties**"), Shell Energy North America (Canada) Inc., a Canadian corporation ("**Shell Canada**"), Shell Energy North America (US), L.P., a Delaware limited partnership ("**Shell US**" and together with Shell Canada and Shell US, "the **Shell Parties**" and together with the JE Customer Parties, the "**Parties**").

RECITALS

WHEREAS, the Canadian Applicant and the U.S. Applicant, and certain of their affiliates (collectively, the "**Canadian Applicants**"), intend to make an application to the Ontario Superior Court of Justice (Commercial List) (the "**Bankruptcy Court**"), for an initial order (as may be amended and restated from time to time, the "**Initial Order**") granting protection to the Shell Parties, the DIP Lenders (as defined below) and the BP Parties (as defined below) under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**", and the proceedings of the Shell Parties, the DIP Lenders and the BP Parties thereunder, the "**CCAA Proceedings**").

WHEREAS, the Canadian Applicant and U.S. Applicant, and certain of their affiliates (the "**US Applicants**", and collectively with the Canadian Applicants, the "**Applicants**"), intend to commence ancillary insolvency proceedings under chapter 15 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas to recognize the CCAA Proceedings (the "**Chapter 15 Proceeding**" and, together with the CCAA Proceedings, the "**Bankruptcy Event**").

WHEREAS, the Shell Parties and the JE Customer Parties have entered into those certain agreements listed on Annex II hereto (collectively, the "**Existing Agreements**").

WHEREAS, in order induce the Shell Parties to refrain from exercising any Termination Rights (as defined herein), and to induce the Shell Parties continue transacting with the JE Customer Parties under the Existing Agreements during the Bankruptcy Event, the Shell Parties require that the Initial Order provide Super Priority Status to the Shell Post-Petition Claims.

NOW, THEREFORE, in consideration of the foregoing, the terms, covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. **Definitions.**"**A&R ICA**" means that certain Sixth Amended and Restated Intercreditor Agreement, dated as of September 1, 2015, by and among Canadian Imperial Bank of Commerce, as collateral agent and agent for itself as agent and the lenders, the Shell Parties, BP Canada Energy Group ULC, BP Canada Energy Marketing Corp., BP Energy Company, Exelon Generation Company, LLC, Bruce Power L.P., Societe Generale, EDF Trading North America, LLC, National Bank of Canada, Nextera Energy Power Marketing, LLC, Macquarie Bank Limited, Macquarie Energy Canada Ltd., Macquarie Energy LLC and each other person identified as a commodity supplier from time to time party thereto and Just Energy Ontario L.P. and Just Energy (U.S.) Corp., as borrowers, as amended from time to time.

"**Bankruptcy Court**" is defined in the Recitals.

"**Bankruptcy Event**" is defined in the Recitals.

"**BP Parties**" means BP Canada Energy Company, BP Canada Energy Marketing Corp., BP Energy Company, BP Corporation North America Inc. and BP Canada Energy Group ULC.

"**Canadian Applicant**" is defined in the Preamble.

"**CCAA**" is defined in the Recitals.

"**CCAA Proceeding**" is defined in the Recitals.

"**Chapter 15 Proceeding**" is defined in the Recitals.

"**Collateral Agent Succession Agreement**" means that certain Collateral Agent Succession Agreement, dated as of March 1, 2019, by and among Canadian Imperial Bank of Commerce, as resigning collateral agent, National Bank of Canada, as successor collateral agent, Canadian Applicant and U.S. Applicant, as borrowers.

"**Applicants**" is defined in the Preamble.

"**Definitive Documents**" has the meaning set forth in the Initial Order or the Final Order, as the case may be.

"**DIP Agent**" means the agent under the DIP Facility.

"**DIP Facility**" means that certain credit facility described in that certain CCAA Interim Debtor-In-Possession Financing Term Sheet, dated as of the date hereof.

"**DIP Lenders**" means the lenders under the DIP Facility.

"**Existing Agreements**" is defined in the Recitals.

"**Event of Default**" has the meaning set forth in Section 7.

"**Final Order**" means a final order entered or approved by the Bankruptcy Court authorizing this Agreement and the terms herein in substantially the form of the Initial Order, with only such modifications in form and substance that are satisfactory to the Shell Parties in their sole

discretion (as the same may be amended, supplemented, or modified from time to time after entry thereof with the written consent of the Shell Parties, in their sole discretion).

"**ICA**" means the A&R ICA, First Amendment to ICA and Collateral Agent Succession Agreement.

"**Initial Order**" is defined in the Recitals.

"**First Amendment to ICA**" means that certain First Amending Agreement and Adhesion Agreement to Intercreditor Agreement, dated as of May 17, 2018, by and among Canadian Imperial Bank of Commerce, as collateral agent and agent for itself and the lenders, the Shell Parties, BP Canada Energy Group ULC, BP Canada Energy Marketing Corp., BP Energy Company, Exelon Generation Company, LLC, Nextera Energy Power Marketing, LLC, Macquarie Bank Limited, Macquarie Energy Canada Ltd. and Macquarie Energy LLC, as commodity suppliers, Morgan Stanley Capital Group Inc., as new commodity supplier and Just Energy Ontario L.P. and Just Energy (U.S.) Corp., as borrowers.

"**Parties**" is defined in the Preamble.

"**Performance Assurance**" is defined in Section SECTION 3.

"**Petition Date**" is defined in the Recitals

"**Review Period**" is defined in Section 5(a).

"**Shell Canada**" is defined in the Preamble.

"**Shell Parties**" is defined in the Preamble.

"**Shell Post-Petition Claims**" means those certain claims in respect of Priority Commodity/ISO Obligations (as defined in the Initial Order or the Final Order, as the case may be).

"**Shell Pre-Petition Claims**" means all obligations owing to the Shell Parties as of the Petition Date which constitute "Senior Obligations" as defined in the ICA.

"**Shell US**" is defined in the Preamble.

"**Super Priority Status**" means the status assigned to the Priority Commodity/ISO Charge (pursuant to and as defined in the Initial Order or the Final Order, as the case may be).

"**Termination Rights**" means any right to terminate or disclaim the Existing Agreements, or any trades or transactions thereunder, as a result of the Bankruptcy Event.

"**US Applicant**" is defined in the Preamble.

SECTION 2. **Agreement not to Exercise Termination Rights. The Parties acknowledge and agree that the Existing Agreements constitute eligible financial contracts under the CCAA.** The Shell Parties agree to refrain from exercising any Termination Rights so long as no Event of

Default (as defined herein) has occurred**.** The JE Customer Parties agree to refrain from exercising any Termination Rights.

SECTION 3. **No Performance Assurance**. So long as the JE Customer Parties comply with the terms of this Agreement and any Order in the CCAA Proceeding, including with respect to timely payment for deliveries made following the Initial Order, the Shell Parties will not impose more restrictive conditions (including, without limitation, any request for additional collateral, credit support or other type of performance assurance, or any replacement guarantees (collectively, the "**Performance Assurance**")), beyond what the JE Customer Parties (or their affiliates) have provided or posted pursuant to the Existing Agreements as of the date hereof. For the avoidance of doubt, the Shell Parties have the right, but no obligation, to accept further confirmations under the Existing Agreements. For the avoidance of doubt, nothing in this Agreement, the Initial Order or the Final Order shall limit any rights of any Shell Party relating to set-off, recoupment or netting available to it under applicable law, in equity or by agreement with respect to confirmations and transactions occurring on or after March 9, 2021.

SECTION 4. **[Reserved]**.

SECTION 5. **JE Customer Parties' Obligations**.

(a) Shell Parties' Fees and Expenses. The JE Customer Parties agree to pay the reasonable and documented fees and expenses of the Shell Parties' legal counsel, whether arising before**,** on or after the Petition Date, within ten (10) days (the "**Review Period**") after the JE Customer Parties' receipt of invoices for such fees and expenses; provided that the JE Customer Parties may raise good faith disputes regarding any such invoice by written notice to the Shell Parties before the end of the Review Period, but the Shell Customer Parties shall pay any undisputed portion of such invoice by the end of the Review Period.

(b) Reporting. The JE Customer Parties will provide copies of all documentation provided to the DIP Agent and DIP Lenders under the Definitive Documents, including copies of the Applicants' cash flow statements and all other financial statements, reports and notices, on or prior to the dates such information is required to be provided to the DIP Agent and DIP Lenders and their counsel in accordance with the Definitive Documents.

SECTION 6. **Conditions Precedent**. The obligations of the Shell Parties hereunder shall not become effective until the date on which each of the following conditions are satisfied (or waived in writing by the Shell Parties in their sole discretion):

(a) The Bankruptcy Court shall have entered the Initial Order providing Super Priority Status to the Shell Post-Petition Claims, and the Initial Order shall be in form and substance satisfactory to Shell Parties and shall be in full force and effect, and Applicants shall be in compliance in all respects with the Initial Order. Any such charge shall continue to the benefit of the Shell Parties in the event of an Applicants' Event of Default under Section 7 herein.

(b) All orders entered by the Bankruptcy Court in the Bankruptcy Event pertaining to cash management and adequate protection, shall, and all other motions and documents filed or to be filed with, and submitted to, the Bankruptcy Court in connection therewith shall be in form and substance satisfactory to the Shell Parties.

(c) The JE Customer Parties shall have executed and delivered to the Shell Parties such other documents in connection with the matters contemplated herein as the Shell Parties may have reasonably requested.

SECTION 7. **Events of Default.** Subject to the Bankruptcy Court's order, which may only be sought on five days' notice to Just Energy and the service list in the CCAA Proceedings, the Shell Parties may exercise their Termination Rights upon the occurrence of any of the events set forth below (each, an "**Event of Default**") by providing three days' written notice to the JE Customer Parties; provided that after the three day cure period, the Shell Parties have the right to suspend any deliveries by the Shell Parties under the Existing Agreements unless the JE Customer Parties prepay for such deliveries (for the avoidance of doubt, such prepayments may be made on a daily basis); provided further that notwithstanding the foregoing, the Shell Parties may immediately suspend deliveries under the Existing Agreement if an Event of Default occurs under clause (a) below, without the need of notice or Bankruptcy Court order:

(a) Any JE Customer Party shall default in the payment when due of any amount owing to the Shell Parties under the Existing Agreements and arising after the Petition Date.

(b) [Reserved].

(c) An Event of Default (as defined in the DIP Facility) shall occur and be continuing under the DIP Facility and either (i) such Event of Default has not been waived by the requisite lenders thereunder or (ii) such Event of Default would have a material adverse effect on the financial condition of the JE Customer Parties or the viability of the Bankruptcy Event, and such Event of Default has not been waived by the Shell Parties.

(d) The violation of any term or condition in the Initial Order or Final Order by the Applicants, or the Initial Order or Final Order, as applicable, shall fail to be in full force and effect.

(e) The Bankruptcy Court shall enter an order or orders allowing any one or more creditors to execute upon or enforce liens on any assets of the Applicants which have a fair market value in excess of $1,000,000 in the aggregate.

(f) The filing of a Plan of Compromise or Arrangement that does not propose to repay all Shell Post-Petition Claims in full, in cash immediately upon its effectiveness.

(g) The CCAA Proceeding or the Chapter 15 Proceeding is dismissed or converted to a liquidation proceeding including a receivership, bankruptcy, United States Chapter 7 proceeding or otherwise ("**Liquidating Proceeding**") or the Applicants shall file a motion or other pleading seeking the dismissal of the CCAA Proceeding or the Chapter 15 Proceeding or conversion to a Liquidating Proceeding.

(h) The liens securing the Shell Pre-Petition Claims for any reason cease to be valid and perfected liens on the collateral purported to be covered thereby, subject only to (i) encumbrances expressly permitted by the ICA and (ii) encumbrances created by the Initial Order or the Final Order, or any action shall be taken by the Applicants to discontinue or to assert the invalidity or unenforceability of any lien securing the Shell Pre-Petition Claims, or the validity or enforceability of the ICA.

(i) The JE Customer Parties shall fail to pay any undisputed amount owed hereunder or shall fail to perform in any material respect any other obligations under this Agreement.

SECTION 8. **Release**. The JE Customer Parties hereby unconditionally and irrevocably release the Shell Parties and their respective successors, assigns, officers, directors, employees, attorneys and agents from any liability for actions or omissions arising or occurring prior to the Petition Date, whether known or unknown, whether in connection with the Existing Agreements or otherwise (it being agreed and understood that this release shall not extend to any liabilities arising under this Agreement or other actions or omissions on or after the Petition Date whether in connection with the Existing Agreements or otherwise).

SECTION 9. **Termination of Extended Payment Terms**. The letter agreement entitled "Regarding Payment Obligations between Shell Entities and Just Energy Entities" dated December 17, 2018 among Shell US, Shell Canada, Just Energy Alberta L.P., Just Energy New York Corp. and Just Energy Texas L.P., Just Energy Solutions Inc. is hereby terminated, and for avoidance of doubt (i) the extended payment terms set forth therein shall not apply to amounts owing to the Shell Parties arising after the Petition Date (including amounts arising after the Petition Date with respect to trades entered into prior to the Petition Date) and (ii) the $0.15/MWh fee shall not apply to transactions entered into after the Petition Date.

SECTION 10. **Governing Law; Submission to Jurisdiction and Venue. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN. THE PARTIES SUBMIT TO THE JURISDICTION OF THE BANKRUPTCY COURT, WHICH SHALL HEAR MATTERS REGARDING THE INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT.**

SECTION 11. **Construction.** This Agreement and all other agreements and documents executed and/or delivered in connection herewith have been prepared through the joint efforts of all of the Parties. Neither the provisions of this Agreement nor any such other agreements and documents nor any alleged ambiguity therein shall be interpreted or resolved against any Party on the ground that such Party or its counsel drafted this Agreement or such other agreements and documents, or based on any other rule of strict construction. Each of the Parties hereto represents and declares that such Party has carefully read this Agreement and all other agreements and documents executed in connection therewith, and that such Party knows the contents thereof and signs the same freely and voluntarily. The Parties acknowledge that they have been represented by legal counsel of their own choosing in negotiations for and preparation of this Agreement and all other agreements and documents executed in connection herewith and that each of them has read the same and had their contents fully explained by such counsel and is fully aware of their contents and legal effect. If any matter is left to the decision, right, requirement, request, determination, judgment, opinion, approval, consent, waiver, satisfaction, acceptance, agreement, option, or discretion of the Shell Parties or their employees, counsel, or agents in the ICA, such action shall be deemed to be exercisable by the Shell Parties in their sole and absolute discretion and according to standards established in its sole and absolute discretion. Without limiting the generality of the foregoing, "option" and "discretion" shall be implied by the use of the words "if" and "may".

SECTION 12. **Counterparts**. This Agreement may be executed in any number of counterparts, all of which shall be deemed to be an original and such counterparts taken together shall constitute

one agreement, and any of the Parties may execute this Agreement by signing any such counterpart. Delivery of an executed signature page to this Agreement by facsimile, e-mail or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 13. **Severability.** Each provision of this Agreement is intended to be severable and if any provision is illegal, invalid or unenforceable, such illegality, unenforceability or invalidity shall not affect the validity of this Agreement or the remaining provisions.

SECTION 14. **Further Assurances.** The Parties agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof, including all acts, deeds and agreements as may be necessary or desirable for the purpose of registering or filing notice of the terms of this Agreement.

SECTION 15. **Section Headings.** Section headings in this Agreement are included herein for convenience of reference only and shall not constitute part of this Agreement for any other purpose.

SECTION 16. **Notices.** All notices, requests, and demands to or upon the Parties shall be given in accordance with the ICA, with additional copies to counsel for the Parties as required by the Bankruptcy Court.

SECTION 17. **Assignments; No Third Party Beneficiaries.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns; provided that the Applicants shall not be entitled to assign any of their rights or remedies set forth in this Agreement without the prior written consent of the Shell Parties in their sole discretion. No person other than the Parties hereto shall have any rights hereunder or shall be entitled to rely on this Agreement and all third-party beneficiary rights are hereby expressly disclaimed.

[*Signature pages follow*]

IN WITNESS WHEREOF, this Support Agreement has been executed by the Parties as of the date first written above.

JUST ENERGY ONTARIO L.P., by its general partner**, JUST ENERGY CORP.**

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY (U.S.) CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY NEW YORK CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY ALBERTA L.P., by its general partner**, JUST ENERGY CORP.**

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

FULCRUM RETAIL HOLDINGS LLC

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY TEXAS LP, by its general partner**, JUST ENERGY, LLC,** by its sole member and sole manager**, JUST ENERGY TEXAS I CORP.**

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

SHELL PARTIES

SHELL ENERGY NORTH AMERICA (CANADA) INC.

By: Greg chownyk
Name: Greg Chownyk
Title: Vice President

SHELL ENERGY NORTH AMERICA (US), L.P.

By: _____
Name: _____
Title: _____

SHELL PARTIES

SHELL ENERGY NORTH AMERICA (CANADA) INC.

By:_____
Name: _____
Title: _____

SHELL ENERGY NORTH AMERICA (US), L.P.

By:_____
Name: Christopher Riley
Title: Vice President

ANNEX I

Affiliate Parties

Fulcrum Retail Holdings LLC

Just Energy Alberta L.P.

Just Energy Corp.

Just Energy Illinois Corp.

Just Energy New York Corp.

Just Energy Solutions Inc.

Just Energy Texas LP

Just Green L.P.

ANNEX II
EXISTING AGREEMENTS

1. Assignment, Assumption, Consent and Release Agreement dated as of August 1, 2005 between the Canadian Applicant and Shell Canada (formerly, Coral Energy Canada Inc.) (the "**JEOLP Assignment Agreement**").

2. Intentionally Omitted[1].

3. Intentionally Omitted[2].

4. Intentionally Omitted[3].

5. Base Contract for Sale and Purchase of Natural Gas dated April 1, 2004 between Shell US (formerly Coral Energy Resources L.P.) and Just Energy Illinois Corp., as amended by amending agreement dated October 31, 2005, and all confirmations and transactions thereunder.

6. Master Power Purchase and Sale Agreement dated October 1, 2004 between Commerce Energy, Inc. (now known as, Just Energy Solutions Inc.) and Shell US, as amended by amending agreements dated February 10, 2009 and July 1, 2009 (as each may be amended, restated, modified or supplemented from time to time).

7. Amended and Restated Master Power Purchase and Sale Agreement made as of February 1, 2005 between Just Energy Texas L.L.C. (now known as Just Energy Texas LP) and Shell US, and all confirmations and transactions thereunder.

8. Base Contract for Sale and Purchase of Natural Gas dated January 13, 2005 between Shell US and Commonwealth Energy Corporation (now known as Just Energy Solutions Inc.), as amended by a first amendment dated as of July 1, 2009, and all confirmations and transactions thereunder.

9. Master Power Purchase and Sale Agreement dated September 14, 2005, as amended and restated October 31, 2005, between Just Energy New York Corp. and Shell US, and all confirmations and transactions thereunder.

10. Base Contract for Sale and Purchase of Natural Gas dated as of October 31, 2005 between Shell Canada, as seller and the Canadian Applicant (formerly known as Ontario Energy Savings L.P.), as buyer (amending and restating that certain natural gas sale agreement dated as of October 15, 1998 between Shell Energy, as seller and Just Energy Corp., as buyer, as amended by amending agreements dated as of September 26, 2001, January 15, 2003 and October 29, 2004 and as assigned by Just Energy Corp. to the Canadian Applicant

---

[1] Note – this agreement is inactive

[2] Note – this agreement is inactive

[3] Note – this agreement is inactive

pursuant to the JEOLP Assignment Agreement), and all confirmations and transactions thereunder.

11. Base Contract for the Sale and Purchase of Natural Gas, dated as of October 31, 2005 between Shell US and New York Energy Savings Corp. (now known as Just Energy New York Corp., and all confirmations and transactions thereunder.

12. Intentionally Omitted.

13. Intentionally Omitted.[4]

14. Base Contract for the Sale and Purchase of Natural Gas dated as of February 23, 2007 between Shell Canada and New York Energy Savings Corp. (now known as Just Energy New York Corp., and all confirmations and transactions thereunder.

15. Amended and Restated Master Power Purchase and Sale Agreement made as of October 3, 2011 between Fulcrum Retail Holdings LLC and Shell US.

16. Master Power Purchase and Sale Agreement (Alberta) dated as of October 1, 2013 between Shell Canada and Just Energy Alberta L.P.

17. Third Amended and Restated Scheduling Coordinator Agreement dated December 1, 2014 among Just Energy New York Corp., Just Energy (U.S.) Corp., Commerce Energy, Inc. (now known as, Just Energy Solutions Inc.) and Shell US.

18. ISDA Master Agreement dated as of November 6, 2020 between Shell Canada and the Canadian Applicant and the schedule thereto.

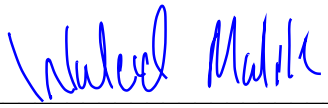
19. ISDA Master Agreement dated as of January 15, 2021 between Shell US and Just Energy New York Corp. and the schedule thereto.

20. Base Contract for Sale and Purchase of Natural Gas dated as of October 31, 2005 between Shell Canada and Just Energy Alberta L.P., and all confirmations and transactions thereunder.

[4] Note – this agreement is inactive

TAB II

THIS IS EXHIBIT "II" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "**Agreement**") is entered into as of March 9, 2021, by and among Just Energy Ontario L.P., a limited partnership existing under the laws of the Province of Ontario (the "**Canadian Applicant**") and Just Energy (U.S.) Corp., a corporation incorporated under the laws of the State of Delaware (the "**U.S. Applicant**") and each of their affiliates listed on Annex I (collectively, with the Canadian Applicant and U.S. Applicant, the "**JE Customer Parties**"), and BP Canada Energy Marketing Corp., a Delaware corporation ("**BP Marketing**"), BP Energy Company, a Delaware corporation ("**BP Energy**"), BP Corporation North America Inc., an Indiana corporation ("**BP North America**"), BP Canada Energy Group ULC, a corporation incorporated pursuant to the laws of Nova Scotia, Canada ("**BP ULC**" and together with BP Marketing, BP Energy and BP North America, "**BP**" or the "**BP Parties**" and together with the JE Customer Parties, the "**Parties**").

RECITALS

WHEREAS, the Canadian Applicant and the U.S. Applicant, and certain of their affiliates (collectively, the "**Canadian Applicants**"), intend to make an application to the Ontario Superior Court of Justice (Commercial List) (the "**Bankruptcy Court**"), for an initial order (as may be amended and restated from time to time, the "**Initial Order**") granting protection to, among others, the DIP Lenders (as defined below) and the BP Parties under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**", and the proceedings thereunder, the "**CCAA Proceedings**").

WHEREAS, the Canadian Applicant and U.S. Applicant, and certain of their affiliates (the "**US Applicants**", and collectively with the Canadian Applicants, the "**Applicants**"), intend to commence ancillary insolvency proceedings under chapter 15 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas to recognize the CCAA Proceedings (the "**Chapter 15 Proceeding**" and, together with the CCAA Proceedings, the "**Bankruptcy Event**").

WHEREAS, the BP Parties and the JE Customer Parties have entered into those certain agreements listed on Annex II hereto (collectively, the "**Existing Agreements**").

WHEREAS, in order induce the BP Parties to refrain from exercising any Termination Rights (as defined herein), and to induce the BP Parties to continue transacting with the JE Customer Parties under the Existing Agreements during the Bankruptcy Event, the BP Parties require that the Initial Order provide Super Priority Status to the BP Post-Petition Claims.

NOW, THEREFORE, in consideration of the foregoing, the terms, covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. **Definitions.**

"**A&R ICA**" means that certain Sixth Amended and Restated Intercreditor Agreement, dated as of September 1, 2015, by and among Canadian Imperial Bank of Commerce, as collateral agent and agent for itself as agent and the lenders, Shell Energy North America (Canada) Inc., Shell Energy North America (US), L.P., Shell Trading Risk Management, LLC, BP, Exelon

Generation Company, LLC, Bruce Power L.P., Societe Generale, EDF Trading North America, LLC, National Bank of Canada, Nextera Energy Power Marketing, LLC, Macquarie Bank Limited, Macquarie Energy Canada Ltd., Macquarie Energy LLC and and each other person identified as a commodity supplier from time to time party thereto and Just Energy Ontario L.P. and Just Energy (U.S.) Corp., as borrowers, as amended from time to time.

"**Applicants**" is defined in the Preamble.

"**Bankruptcy Court**" is defined in the Recitals.

"**Bankruptcy Event**" is defined in the Recitals.

"**BP**" is defined in the Preamble.

"**BP Energy**" is defined in the Preamble.

"**BP Marketing**" is defined in the Preamble.

"**BP North America**" is defined in the Preamble.

"**BP**" is defined in the Preamble.

"**BP Post-Petition Claims**" means those certain claims in respect of Priority Commodity/ISO Obligations (as defined in the Initial Order or the Final Order, as the case may be).

"**BP Pre-Petition Claims**" means all obligations owing to the BP Parties as of the Petition Date which constitute "Senior Obligations" as defined in the ICA.

"**BP ULC**" is defined in the Preamble.

"**Canadian Applicant**" is defined in the Preamble.

"**CCAA**" is defined in the Recitals.

"**CCAA Proceeding**" is defined in the Recitals.

"**Chapter 15 Proceeding**" is defined in the Recitals.

"**Collateral Agent Succession Agreement**" means that certain Collateral Agent Succession Agreement, dated as of March 1, 2019, by and among Canadian Imperial Bank of Commerce, as resigning collateral agent, National Bank of Canada, as successor collateral agent, Canadian Applicant and U.S. Applicant, as borrowers.

"**Definitive Documents**" has the meaning set forth in the Initial Order or the Final Order, as the case may be.

"**DIP Agent**" means the agent under the DIP Facility.

"**DIP Facility**" means that certain credit facility described in that certain CCAA Interim Debtor-In-Possession Financing Term Sheet, dated as of the date hereof.

"**DIP Lenders**" means the lenders under the DIP Facility.

"**Existing Agreements**" is defined in the Recitals.

"**Event of Default**" has the meaning set forth in Section 7.

"**Final Order**" means a final order entered or approved by the Bankruptcy Court authorizing this Agreement and the terms herein in substantially the form of the Initial Order, with only such modifications in form and substance that are satisfactory to the BP Parties in their sole discretion (as the same may be amended, supplemented, or modified from time to time after entry thereof with the written consent of the BP Parties, in their sole discretion).

"**ICA**" means the A&R ICA, First Amendment to ICA and Collateral Agent Succession Agreement.

"**Initial Order**" is defined in the Recitals.

"**ISO Services**" is defined in Section 2(a) of the ISO Services Agreement.

"**ISO Services Agreement**" means that certain ISO Services Agreement, dated as of May 7, 2010, by and between BP Energy and Hudson Energy Services, LLC, as amended by Amendment #1 to ISO Services Agreement dated August 23, 2010, as further amended by the Second Amendment to ISO Services Agreement dated as of December 20, 2011, as further amended by the Third Amendment to ISO Services Agreement dated May 20, 2013, as further amended by the Fourth Amendment to ISO Services Agreement dated October 30, 2017, as further amended by the Fifth Amendment to ISO Services Agreement dated July 11, 2018, and as further amended, restated, supplemented and otherwise modified.

"**First Amendment to ICA**" means that certain First Amending Agreement and Adhesion Agreement to Intercreditor Agreement, dated as of May 17, 2018, by and among Canadian Imperial Bank of Commerce, as collateral agent and agent for itself and the lenders, Shell Energy North America (Canada) Inc., Shell Energy North America (US), L.P., Shell Trading Risk Management, LLC, BP, Exelon Generation Company, LLC, Nextera Energy Power Marketing, LLC, Macquarie Bank Limited, Macquarie Energy Canada Ltd. and Macquarie Energy LLC, as commodity suppliers, Morgan Stanley Capital Group Inc., as new commodity supplier and Just Energy Ontario L.P. and Just Energy (U.S.) Corp., as borrowers.

"**Parties**" is defined in the Preamble.

"**Performance Assurance**" is defined in Section 3.

"**Petition Date**" is defined in the Recitals

"**Review Period**" is defined in Section 5(a).

"**Super Priority Status**" means the status assigned to the Priority Commodity/ISO Charge (pursuant to and as defined in the Initial Order or the Final Order, as the case may be).

"**Termination Rights**" means any right to terminate or disclaim the Existing Agreements, or any trades or transactions thereunder, as a result of the Bankruptcy Event.

"**US Applicant**" is defined in the Preamble.

SECTION 2. **Agreement not to Exercise Termination Rights. The Parties acknowledge and agree that the Existing Agreements constitute eligible financial contracts under the CCAA; provided, however, the Parties reserve all rights as to whether the ISO Services Agreements constitute eligible financial contracts under the CCAA.** The BP Parties agree to refrain from exercising any Termination Rights so long as no Event of Default (as defined herein) has occurred**.** The JE Customer Parties agree to refrain from exercising any Termination Rights.

SECTION 3. **Continued Supply**. So long as no Event of Default has occurred and the JE Customer Parties comply with the terms of this Agreement and any Order in the CCAA Proceeding, including with respect to timely payment for deliveries made following the Initial Order as required under the Existing Agreements, the BP Parties (i) will continue to supply physical and financial power and natural gas, provide the ISO Services (as defined in the ISO Services Agreement (as defined below)) and provide other related services to the JE Customer Parties during the Bankruptcy Event pursuant to the terms of the Existing Agreements as modified by the Initial Order or the Final Order, as the case may be, and this Agreement; and (ii) will not impose more restrictive conditions (including, without limitation, any request for additional collateral, credit support or other type of performance assurance, or any replacement guarantees (collectively, the "**Performance Assurance**")), beyond what the JE Customer Parties (or their affiliates) have provided or posted pursuant to the Existing Agreements as of the date hereof or as provided in the Initial Order or the Final Order, as the case may be. The BP Parties have the right, but no obligation, to accept further confirmations under the applicable Existing Agreements. For the avoidance of doubt: (i) nothing in this Agreement, the Initial Order or the Final Order shall limit any rights of any BP Party relating to set-off, recoupment or netting available to it under applicable law, in equity or by agreement with respect to confirmations and transactions occurring on or after March 9, 2021 and (ii) as contemplated by Section 2(a)(iii) and Section 19 of the ISO Services Agreement, any power scheduled by BP under the ISO Services Agreement shall be sold by the BP Parties under a separate sale agreement between one or more of the BP Parties and one or more of the JE Customer Parties.

SECTION 4. **[Reserved]**.

SECTION 5. **JE Customer Parties' Obligations.**

(a) BP Parties' Fees and Expenses. The JE Customer Parties agree to pay the reasonable and documented fees and expenses of the BP Parties' legal counsel, whether arising before**, on** or after the Petition Date, within ten (10) days (the "**Review Period**") after the JE Customer Parties' receipt of invoices for such fees and expenses; provided that the JE Customer Parties may raise good faith disputes regarding any such invoice by written notice to the BP Parties before the end of the Review Period, but the JE Customer Parties shall pay any undisputed portion of such invoice by the end of the Review Period.

(b) Hedging.

(i) The JE Customer Parties shall not voluntarily terminate or liquidate any ERCOT Physical Hedge except in the case of a bona fide event of default or termination event thereunder arising after the Petition Date (it being agreed and understood that the occurrence of the Bankruptcy Event shall not be deemed an event of default or termination event thereunder), giving the JE Customer Parties the right to terminate such ERCOT Physical Hedge. An "**ERCOT Physical Hedge**" any existing or newly-entered bilateral agreement (including any option) for the purchase of Energy (as defined in the ISO Services Agreement) by any JE Customer Party for delivery in ERCOT.

(ii) For each day, the JE Customer Parties shall cause a quantity of Energy not less than the Daily Minimum Energy Quantity to be scheduled from the ERCOT Physical Hedges into the Qualified Scheduling Entity sub-account maintained by the BP Parties for purposes of scheduling load under the ISO Services Agreement. The "**Daily Minimum Energy Quantity**" means a quantity of Energy equal to the lesser of (A) the Just Energy Parties' forecasted load to be scheduled under the ISO Services Agreement, and (B) the aggregate quantity of Energy available to be delivered that that day under the ERCOT Physical Hedges.

(iii) The JE Customer Parties will comply with all existing risk policies of the JE Customer Parties in a manner that is consistent with past practices, including with respect to hedging and procuring physical supply for its forecasted load and expected price risk.

(c) Reporting. The JE Customer Parties will provide copies of all documentation provided to the DIP Agent and DIP Lenders under the Definitive Documents, including copies of the Applicants' cash flow statements and all other financial statements, reports and notices, on or prior to the dates such information is required to be provided to the DIP Agent and DIP Lenders and their counsel in accordance with the Definitive Documents.

SECTION 6. **Conditions Precedent**. The obligations of the BP Parties hereunder shall not become effective until the date on which each of the following conditions are satisfied (or waived in writing by the BP Parties in their sole discretion):

(a) The Bankruptcy Court shall have entered the Initial Order providing Super Priority Status to the BP Post-Petition Claims and the Initial Order shall be in form and substance satisfactory to the BP Parties and shall be in full force and effect, and Applicants shall be in compliance in all respects with the Initial Order. Any such charge shall continue to the benefit of the BP Parties in the event of any Applicants' Event of Default under Section 7 herein.

(b) All orders entered by the Bankruptcy Court in the Bankruptcy Event pertaining to cash management and adequate protection, shall, and all other motions and documents filed or to be filed with, and submitted to, the Bankruptcy Court in connection therewith shall be in form and substance satisfactory to the BP Parties.

(c) The JE Customer Parties shall have executed and delivered to the BP Parties such other documents in connection with the matters contemplated herein as the BP Parties may have

reasonably requested.

(d) The JE Customer Parties shall have delivered to the BP Parties fully executed copies of all Qualified Support Agreements (as defined in the Initial Order).

SECTION 7. **Events of Default.** The BP Parties may exercise their Termination Rights or suspend performance under any of the Existing Agreements upon the occurrence of any of the events set forth below (each, an "**Event of Default**") by providing three days' written notice to the JE Customer Parties; provided that after the three day cure period, the BP Parties have the right to exercise Termination Rights or suspend performance unless the JE Customer Parties prepay for the BP services (for the avoidance of doubt, such prepayments may be made on a daily basis); provided further that the BP Parties may immediately exercise Termination Rights or suspend performance under the Existing Agreement only if an Event of Default occurs under clause (a) below, without the need of notice or Bankruptcy Court order:

(a) Any JE Customer Party shall default in the payment when due of any amount owing to the BP Parties under the Existing Agreements and arising after the Petition Date.

(b) An event of default, termination event or similar event (other than those arising solely by reason of the filing of the CCAA Proceeding or the Chapter 15 Proceeding) occurs with respect to any JE Customer Party under the Existing Agreements after the Petition Date and after giving effect to any cure period thereunder.

(c) An Event of Default (as defined in the DIP Facility) shall occur and be continuing under the DIP Facility to the extent (and only for so long as) such Event of Default has not been waived by the requisite lenders thereunder and, to the extent such Event of Default would have a material adverse effect on the financial condition of the JE Customer Parties or the viability of the Bankruptcy Event, the BP Parties.

(d) The violation of any term or condition in the Initial Order or Final Order by the Applicants, or the Initial Order or Final Order, as applicable, shall fail to be in full force and effect or the Initial Order or Final Order, as applicable, shall be amended or otherwise modified in a way that is adverse to any BP Party without prior written consent of the BP Parties.

(e) The Bankruptcy Court shall enter an order or orders allowing any one or more creditors to execute upon or enforce liens on any assets of the Applicants which have a fair market value in excess of $1,000,000 in the aggregate.

(f) The filing of a Plan of Compromise or Arrangement that does not propose to repay all BP Post-Petition Claims in full, in cash immediately upon its effectiveness.

(g) The CCAA Proceeding or the Chapter 15 Proceeding is dismissed or converted to a liquidation proceeding including a receivership, bankruptcy, United States Chapter 7 proceeding or otherwise ("**Liquidating Proceeding**") or the Applicants shall file a motion or other pleading seeking the dismissal of the CCAA Proceeding or the Chapter 15 Proceeding or conversion to a Liquidating Proceeding.

(h) The liens securing the BP Pre-Petition Claims for any reason cease to be valid and perfected liens on the collateral purported to be covered thereby, subject only to (i) encumbrances expressly permitted by the ICA and (ii) encumbrances created by the Initial Order or the Final Order, or any action shall be taken by the Applicants to discontinue or to assert the invalidity or unenforceability of any lien securing the BP Pre-Petition Claims, or the validity or enforceability of the ICA.

(i) The JE Customer Parties shall fail to pay any undisputed amount owed hereunder or shall fail to perform in any material respect any other obligations under this Agreement.

Subject to the Bankruptcy Court's order, which may only be sought on five days' notice to Just Energy and the service list in the CCAA Proceedings, the BP Parties may exercise their rights and remedies in respect of the Priority Commodity/ISO Charge.

SECTION 8. **Release**. The JE Customer Parties hereby unconditionally and irrevocably release the BP Parties and their respective successors, assigns, officers, directors, employees, attorneys and agents from any liability for actions or omissions arising or occurring prior to the Petition Date, whether known or unknown, whether in connection with the Existing Agreements or otherwise (it being agreed and understood that this release shall not extend to any liabilities arising under this Agreement or other actions or omissions on or after the Petition Date whether in connection with the Existing Agreements or otherwise).

SECTION 9. **Governing Law; Submission to Jurisdiction and Venue. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN. THE PARTIES SUBMIT TO THE JURISDICTION OF THE BANKRUPTCY COURT, WHICH SHALL HEAR MATTERS REGARDING THE INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT.**

SECTION 10. **Construction.** This Agreement and all other agreements and documents executed and/or delivered in connection herewith have been prepared through the joint efforts of all of the Parties. Neither the provisions of this Agreement nor any such other agreements and documents nor any alleged ambiguity therein shall be interpreted or resolved against any Party on the ground that such Party or its counsel drafted this Agreement or such other agreements and documents, or based on any other rule of strict construction. Each of the Parties hereto represents and declares that such Party has carefully read this Agreement and all other agreements and documents executed in connection therewith, and that such Party knows the contents thereof and signs the same freely and voluntarily. The Parties acknowledge that they have been represented by legal counsel of their own choosing in negotiations for and preparation of this Agreement and all other agreements and documents executed in connection herewith and that each of them has read the same and had their contents fully explained by such counsel and is fully aware of their contents and legal effect. If any matter is left to the decision, right, requirement, request, determination, judgment, opinion, approval, consent, waiver, satisfaction, acceptance, agreement, option, or discretion of the BP Parties or their employees, counsel, or agents in the ICA, such action shall be deemed to be exercisable by the BP Parties in their sole and absolute discretion and according to standards established in its sole and absolute discretion. Without limiting the generality of the foregoing, "option" and "discretion" shall be implied by the use of the words "if" and "may".

SECTION 11. **Counterparts**. This Agreement may be executed in any number of counterparts, all of which shall be deemed to be an original and such counterparts taken together shall constitute one agreement, and any of the Parties may execute this Agreement by signing any such counterpart. Delivery of an executed signature page to this Agreement by facsimile, e-mail or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 12. **Severability.** Each provision of this Agreement is intended to be severable and if any provision is illegal, invalid or unenforceable, such illegality, unenforceability or invalidity shall not affect the validity of this Agreement or the remaining provisions.

SECTION 13. **Further Assurances.** The Parties agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof, including all acts, deeds and agreements as may be necessary or desirable for the purpose of registering or filing notice of the terms of this Agreement.

SECTION 14. **Section Headings.** Section headings in this Agreement are included herein for convenience of reference only and shall not constitute part of this Agreement for any other purpose.

SECTION 15. **Notices.** All notices, requests, and demands to or upon the Parties shall be given in accordance with the ICA, with additional copies to counsel for the Parties as required by the Bankruptcy Court.

SECTION 16. **Assignments; No Third Party Beneficiaries.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns; provided that the Applicants shall not be entitled to assign any of their rights or remedies set forth in this Agreement without the prior written consent of the BP Parties in their sole discretion. No person other than the Parties hereto shall have any rights hereunder or shall be entitled to rely on this Agreement and all third-party beneficiary rights are hereby expressly disclaimed.

[*Signature pages follow*]

IN WITNESS WHEREOF, this Support Agreement has been executed by the Parties as of the date first written above.

JUST ENERGY ONTARIO L.P., by its general partner**, JUST ENERGY CORP.**

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY (U.S.) CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY NEW YORK CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY ILLINOIS CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

JUST ENERGY CORP.

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

HUDSON ENERGY SERVICES, LLC

By:_____
Name: Michael Carter
Title: Chief Financial Officer

By:_____
Name: Jonah Davids
Title: Executive Vice President, General Counsel and Corporate Secretary

BP

BP CANADA ENERGY MARKETING CORP.

By: _____
Name: Orlando A. Alvarez
Title: _____

BP ENERGY COMPANY

By: _____
Name: Orlando A. Alvarez
Title: _____

BP CORPORATION NORTH AMERICA INC.

By: _____
Name: Orlando A. Alvarez
Title: _____

BP CANADA ENERGY GROUP ULC

By: _____
Name: Orlando A. Alvarez
Title: _____

ANNEX I

Affiliate Parties

Hudson Energy Services, LLC

Just Energy Corp.

Just Energy Illinois Corp.

Just Energy New York Corp.

Just Energy Trading L.P.

ANNEX II
EXISTING AGREEMENTS

1. Base Contract for Sale and Purchase of Natural Gas dated October 31, 2005 between the Canadian Applicant and BP Canada Energy Company (amending and restating the Base Contract for Sale and Purchase of Natural Gas dated September 1, 2004 between Just Energy Corp. and BP Canada Energy Company, as assigned by Just Energy Corp. to the Canadian Applicant pursuant to the agreement dated October 31, 2005 between BP Canada Energy Company and the Canadian Applicant and as assigned to BP Canada Energy Group ULC pursuant to assignment and novation agreement dated March 30, 2012), and all confirmations and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

2. Base Contract for Sale and Purchase of Natural Gas dated October 31, 2005 between Just Energy Illinois Corp. and BP Canada Energy Marketing Corp. (amending and restating the NAESB Base Contract for Sale and Purchase of natural Gas dated October 21, 2005 between Just Energy Illinois Corp. and BP Canada Energy Company), and all confirmations and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

3. 1992 ISDA Master Agreement dated as of January 1, 2007 between Just Energy Illinois Corp. (formerly Illinois Energy Savings Corp.) and BP Corporation North America Inc., as assigned to BP Energy Company pursuant to an assignment and amendment agreement dated October 15, 2012, and all confirmations and transactions thereunder and all schedules, appendices, annexes and exhibits thereto, as amended, restated, supplemented or otherwise modified from time to time.

4. Base Contract for Sale and Purchase of Natural Gas dated July 1, 2007 between Just Energy New York Corp. and BP Canada Energy Company, and all confirmations and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

5. ISDA Master Agreement dated as of May 7, 2010 between BP Corporation North America Inc. (as assigned to BP Energy Company pursuant to an assignment and amendment agreement dated October 15, 2012) and Hudson Energy Services, LLC, and all confirmations and transactions thereunder and all schedules, appendices, annexes and exhibits thereto, as amended, restated, supplemented or otherwise modified from time to time.

6. Base Contract for Sale and Purchase of Natural Gas dated as of May 7, 2010 between BP Energy Company and Hudson Energy Services, LLC, and all confirmations and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

7. Master Power Purchase and Sale Agreement dated as of May 7, 2010 between BP Energy Company and Hudson Energy Services, LLC, and all confirmations and transactions thereunder and all schedules, appendices, annexes and exhibits thereto, as amended, restated, supplemented or otherwise modified from time to time.

8. Master Netting, Setoff, Security, and Collateral Agreement dated as of May 1, 2010 between BP Energy Company, BP Corporation North America Inc. (as assigned to BP Energy Company pursuant to an assignment and amendment agreement dated October 15, 2012) and Hudson Energy Services, LLC, as amended, restated, supplemented or otherwise modified from time to time.

9. ISO Services Agreement dated as of May 7, 2010 between BP Energy Company and Hudson Energy Services, LLC, as amended by Amendment #1 to ISO Services Agreement dated August 23, 2010, as further amended by the Second Amendment to ISO Services Agreement dated as of December 20, 2011, as further amended by the Third Amendment to ISO Services Agreement dated May 20, 2013, as further amended by the Fourth Amendment to ISO Services Agreement dated October 30, 2017, as further amended by the Fifth Amendment to ISO Services Agreement dated July 11, 2018 and as further amended, restated, supplemented or otherwise modified from time to time.

10. 1992 ISDA Master Agreement dated as of June 13, 2012 between Just Energy Trading L.P. and BP Energy Company, and all confirmations and transactions thereunder and all schedules, appendices, annexes and exhibits thereto, as amended, restated, supplemented or otherwise modified from time to time.

11. Assignment and Amendment dated October 15, 2012 among Just Energy Illinois Corp., BP Corporation North America Inc., and BP Energy Company.

12. Assignment and Novation Agreement dated as of March 30, 2012 among BP Canada Energy Company, BP Canada Energy Group ULC, Just Energy Ontario L.P., and Just Energy New York Corp.

13. Base Contract for Sale and Purchase of Natural Gas dated as of December 14, 2007 between BP Canada Energy Marketing Corp. and Just Energy New York Corp., and all confirmations and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

14. Adhesion Agreement dated as of June 14, 2010 among Canadian Imperial Bank of Commerce, National Bank of Canada, Just Energy Ontario L.P., Just Energy (U.S.) Corp., BP Canada Energy Company, BP Canada Energy Marketing Corp., BP Corporation North America Inc. and BP Energy Company.

15. Adhesion Agreement dated as of June 21, 2010 among Canadian Imperial Bank of Commerce, National Bank of Canada, Just Energy Ontario L.P., Just Energy (U.S.) Corp., BP Canada Energy Company, BP Canada Energy Marketing Corp., BP Corporation North America Inc. and BP Energy Company.

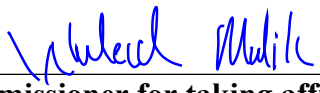
16. Adhesion Agreement dated as of April 25, 2012 among Canadian Imperial Bank of Commerce, Just Energy Ontario L.P., Just Energy (U.S.) Corp., BP Canada Energy Group ULC, and BP Canada Energy Company.

17. Base Contract for Sale and Purchase of Natural Gas dated as of June 16, 2010 between BP Canada Energy Marketing Corp. and Hudson Energy Services, LLC, and all confirmations

and transactions thereunder, as amended, restated, supplemented or otherwise modified from time to time.

TAB JJ

THIS IS EXHIBIT "JJ" REFERRED TO IN THE AFFIDAVIT OF MICHAEL CARTER, SWORN BEFORE ME OVER VIDEO CONFERENCE THIS 9th DAY OF MARCH, 2021.



Commissioner for taking affidavits

Waleed Malik

Just Energy Group Inc. et al

CCAA 13-Week Cash Flow Forecast
March 9, 2021

(CAD$ in millions)

Weeks Ending (Sunday)[1]		3/14/21	3/21/21	3/28/21	4/4/21	4/11/21	4/18/21	4/25/21	5/2/21	5/9/21	5/16/21	5/23/21	5/30/21	6/6/21	13-Week
Forecast Week		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**Total**
RECEIPTS															
Sales Receipts	[2]	$28.6	$48.5	$46.3	$35.2	$44.4	$41.8	$67.1	$48.3	$48.4	$42.6	$60.5	$55.1	$41.8	$608.5
Miscellaneous Receipts	[3]	-	-	-	2.4	-	-	-	5.6	-	-	-	-	-	8.0
Total Receipts		$28.6	$48.5	$46.3	$37.6	$44.4	$41.8	$67.1	$53.9	$48.4	$42.6	$60.5	$55.1	$41.8	$616.5
DISBURSEMENTS															
Operating Disbursements															
Energy and Delivery Costs	[4]	($172.1)	($52.5)	($9.7)	($25.0)	($13.2)	($16.0)	($79.8)	($26.8)	($13.6)	($14.6)	($103.2)	($36.9)	($10.8)	($574.1)
Payroll	[5]	-	-	(2.5)	(3.2)	(2.5)	-	(2.5)	-	(2.5)	-	(2.5)	-	(6.5)	(22.3)
Taxes	[6]	(0.1)	(5.3)	(6.0)	(0.0)	(0.1)	-	(5.0)	(12.6)	-	(0.2)	(4.7)	(2.4)	(0.1)	(36.6)
Commissions	[7]	(2.2)	(4.0)	(4.5)	(0.6)	(2.5)	(0.7)	(4.8)	(0.7)	(1.4)	(0.4)	(4.5)	(0.7)	(0.6)	(27.8)
Selling and Other Costs	[8]	(3.2)	(3.4)	(3.5)	(4.5)	(5.0)	(3.5)	(3.3)	(4.1)	(4.7)	(2.9)	(3.5)	(2.9)	(4.0)	(48.4)
Total Operating Disbursements		($177.6)	($65.2)	($26.3)	($33.4)	($23.3)	($20.2)	($95.4)	($44.1)	($22.1)	($18.0)	($118.5)	($42.9)	($22.0)	($709.1)
OPERATING CASH FLOWS		($149.0)	($16.7)	$19.9	$4.2	$21.1	$21.6	($28.4)	$9.7	$26.3	$24.6	($57.9)	$12.2	$19.8	($92.6)
Financing Disbursements															
Credit Facility - Borrowings / (Repayments)	[9]	$126.0	$ -	$31.5	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$157.5
Interest Expense & Fees	[10]	(3.2)	-	-	(1.4)	-	-	-	(1.3)	-	-	-	-	(1.4)	(7.2)
Restructuring Disbursements															
Professional Fees	[11]	-	(1.4)	(2.6)	(1.3)	(1.6)	(1.1)	(1.1)	(0.8)	(1.1)	(0.8)	(0.9)	(0.9)	(0.9)	(14.4)
NET CASH FLOWS		**($26.2)**	**($18.1)**	**$48.9**	**$1.6**	**$19.5**	**$20.5**	**($29.5)**	**$7.6**	**$25.2**	**$23.8**	**($58.9)**	**$11.3**	**$17.6**	**$43.3**
CASH															
Beginning Balance		$77.3	$51.2	$33.0	$81.9	$83.5	$103.0	$123.5	$94.0	$101.6	$126.9	$150.6	$91.8	$103.1	$77.3
Net Cash Inflows / (Outflows)		(26.2)	(18.1)	48.9	1.6	19.5	20.5	(29.5)	7.6	25.2	23.8	(58.9)	11.3	17.6	43.3
Other (FX)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENDING CASH		**$51.2**	**$33.0**	**$81.9**	**$83.5**	**$103.0**	**$123.5**	**$94.0**	**$101.6**	**$126.9**	**$150.6**	**$91.8**	**$103.1**	**$120.7**	**$120.7**
BORROWING SUMMARY															
DIP Facility Credit Limit		$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	
DIP Draws		126.0	-	31.5	-	-	-	-	-	-	-	-	-	-	
DIP Principal Outstanding		126.0	126.0	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5	
DIP Availability		$31.5	$31.5	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	

1. The week shown as ending March 14, 2021 reflects a 6-day stub week from March 9 (the filing date) to 3/14/21.
2. Sales Receipts include collections from the Company's residential and commercial customers for the sale of energy, which primarily consists of electricity and natural gas, inclusive of sales tax. The sales forecast is based on historical sales patterns, seasonality, and management's current expectations.
3. Miscellaneous receipts reflect forecasted tax refunds and other receipts not sent from customers.
4. Energy & Delivery costs reflect the purchase energy from suppliers and the cost of delivery and transmission to the Company's customers.
5. Payroll disbursements reflect the current staffing levels and recent payroll amounts, inclusive of any payments associated with the Company's bonus programs.
6. Taxes reflect the remittance of sales taxes collected from customers and the Company's corporate income taxes.
7. Commissions include fees paid to customer acquisition contractors and suppliers.
8. Selling and Other Costs include selling, general, administrative and interest payments.
9. The Credit Facility Borrowings / (Repayments) assume USD$ 100 million of the DIP is drawn immediately, with a subsequent draw for the remainder of the facility within the first few weeks of the proceedings.
10. Interest expenses & fees include interest and fees on the Company's credit facilities.
11. Professional Fees include fees for the Company's counsel and investment banker, the Monitor, the Monitor's Counsel, and the DIP lenders' professionals.

Just Energy Group Inc. et al

CCAA 13-Day Cash Flow Forecast
March 9, 2021

(CAD$ in millions)

		3/9/21	3/10/21	3/11/21	3/12/21	3/13/21	3/14/21	3/15/21	3/16/21	3/17/21	3/18/21	3/19/21	3/20/21	3/21/21	13-Day
Forecast Week		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**Total**
RECEIPTS															
Sales Receipts	[1]	$8.7	$6.3	$6.9	$6.7	$ -	$ -	$8.2	$9.8	$8.0	$10.1	$12.4	$ -	$ -	$77.1
Miscellaneous Receipts	[2]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts		$8.7	$6.3	$6.9	$6.7	$ -	$ -	$8.2	$9.8	$8.0	$10.1	$12.4	$ -	$ -	$77.1
DISBURSEMENTS															
Operating Disbursements															
Energy and Delivery Costs	[3]	($121.2)	($45.8)	($7.9)	$2.7	$ -	$ -	($1.8)	($7.0)	($22.6)	($6.1)	($15.0)	$ -	$ -	($224.6)
Payroll	[4]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	[5]	-	(0.1)	-	-	-	-	(5.3)	-	-	-	-	-	-	(5.4)
Commissions	[6]	(0.0)	-	-	(2.2)	-	-	-	(0.3)	(3.2)	-	(0.6)	-	-	(6.3)
Selling and Other Costs	[7]	(1.0)	(1.0)	(0.0)	(1.0)	-	-	(0.0)	(1.1)	(1.1)	(0.0)	(1.1)	-	-	(6.6)
Total Operating Disbursements		($122.2)	($46.9)	($7.9)	($0.5)	$ -	$ -	($7.1)	($8.4)	($26.9)	($6.2)	($16.7)	$ -	$ -	($242.8)
OPERATING CASH FLOWS		($113.5)	($40.6)	($1.0)	$6.1	$ -	$ -	$1.1	$1.4	($18.8)	$3.9	($4.3)	$ -	$ -	($165.7)
Financing Disbursements															
Credit Facility - Borrowings / (Repayments)	[8]	$126.0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$126.0
Interest Expense & Fees	[9]	(3.2)	-	-	-	-	-	-	-	-	-	-	-	-	(3.2)
Restructuring Disbursements															
Professional Fees	[10]	-	-	-	-	-	-	(1.4)	-	-	-	-	-	-	(1.4)
NET CASH FLOWS		**$9.3**	**($40.6)**	**($1.0)**	**$6.1**	**$ -**	**$ -**	**($0.4)**	**$1.4**	**($18.8)**	**$3.9**	**($4.3)**	**$ -**	**$ -**	**($44.3)**
CASH															
Beginning Balance		$77.3	$86.7	$46.1	$45.0	$51.2	$51.2	$51.2	$50.8	$52.2	$33.4	$37.3	$33.0	$33.0	$77.3
Net Cash Inflows / (Outflows)		9.3	(40.6)	(1.0)	6.1	-	-	(0.4)	1.4	(18.8)	3.9	(4.3)	-	-	(44.3)
Other (FX)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENDING CASH		**$86.7**	**$46.1**	**$45.0**	**$51.2**	**$51.2**	**$51.2**	**$50.8**	**$52.2**	**$33.4**	**$37.3**	**$33.0**	**$33.0**	**$33.0**	**$33.0**
BORROWING SUMMARY															
DIP Facility Credit Limit		$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$157.5	$ -
DIP Draws		126.0	-	-	-	-	-	-	-	-	-	-	-	-	
DIP Principal Outstanding		126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	126.0	-
DIP Availability		$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$31.5	$ -

1. Sales Receipts include collections from the Company's residential and commercial customers for the sale of energy, which primarily consists of electricity and natural gas, inclusive of sales tax. The sales forecast is based on historical sales patterns, seasonality, and management's current expectations.
2. Miscellaneous receipts reflect forecasted tax refunds and other receipts not sent from customers.
3. Energy & Delivery costs reflect the purchased energy from suppliers and the cost of delivery and transmission to the Company's customers.
4. Payroll disbursements reflect the current staffing levels and recent payroll amounts, inclusive of any payments associated with the Company's bonus or programs.
5. Taxes reflect the remittance of sales taxes collected from customers and the Company's corporate income taxes.
6. Commissions include fees paid to customer acquisition contractors and suppliers.
7. Selling and Other Costs include selling, general, administrative and interest payments.
8. The Credit Facility Borrowings / (Repayments) assume USD$ 100 million of the DIP is drawn immediately, with a subsequent draw for the remainder of the facility within the first few weeks of the proceedings.
9. Interest expenses & fees include interest and fees on the Company's credit facilities.
10. Professional Fees include fees for the Company's counsel and investment banker, the Monitor, the Monitor's Counsel, and the DIP lenders' professionals.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C 36, AS AMENDED;

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JUST ENERGY GROUP INC. ET AL.

Applicants

Court File No. CV-

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT Toronto

APPLICATION RECORD OF THE APPLICANTS

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Tel: 416.862.4908
Email: mwasserman@osler.com

Michael De Lellis (LSO# 48038U)
Tel: 416.862.5997
Email: mdelellis@osler.com

Jeremy Dacks (LSO# 41851R)

Tel: 416.862.4923
Email: jdacks@osler.com

Lawyers to the Applicants