

CAPACITY FUNDING AGREEMENT

THIS AGREEMENT (the “**Agreement**”) made effective as of the 30 day of November, 2021 (the “**Effective Date**”).

BETWEEN:

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION,
a corporation incorporated under the laws of Canada. (“**SNGRDC**”)

AND:

ITC LAKE ERIE CONNECTOR LLC,
a Limited Liability Company created under the laws of the state of Delaware, United States of America (“**ITC**”)

(SNGRDC and ITC is each a “**Party**” and collectively the “**Parties**”)

WHEREAS:

- A. ITC, directly or indirectly through its affiliate, as defined in the *Business Corporations Act* (Ontario) hereinafter “**Affiliates**”, proposes to develop, construct, own and operate a transmission line linking the Independent Electricity System Operator for the Province of Ontario, Canada and the PJM regional transmission system in the United States, the Canadian portion of which is located in and around Nanticoke, Ontario as identified on the map attached as schedule “**A**” hereto (the “**Project**”);
- B. SNGRDC is a Canada corporation which is wholly owned and controlled by the Six Nations of the Grand River First Nation (“**Six Nations**”).
- C. On April 20, 2015, as part of the development and permitting processes, ITC entered into a reimbursement agreement (the “**Reimbursement Agreement**”) with Six Nations in respect of the Project to provide cost recovery for Six Nations to carry out technical engagement activities, consider any potential impacts on existing and asserted Aboriginal and Treaty rights in favour of Six Nations, and consider a community benefit agreement (the “**Community Benefit Agreement**”);
- D. On June 26, 2017, the National Energy Board (now Canada Energy Regulator) issued a Certificate of Public Convenience and Necessity for the Project pursuant to section 58.16 of Part III.1 of the *National Energy Board Act*;
- E. Over the last several years ITC has continued its engagement activities with SNGRDC and Six Nations and is now able to negotiate an agreement with SNGRDC to provide for commercial participation and other benefits including commitments to provide employment and training opportunities in the Project;
- F. At a duly convened meeting on March 6, 2015, the Chief & Council of Six Nations passed resolution SICGC#9-03-06-2015 which authorized SNGRDC to represent Six Nations in negotiations with ITC or its Affiliates for the matters referenced in recital E;

- G. At a duly convened meeting on October 25, 2021, the Chief & Council of Six Nations passed resolutions PL#107-25/10/2021 and PL#108-25/10/2021 which authorize SNGRDC to represent Six Nations in its continued negotiations with ITC or its Affiliates to carry out further local engagement activities, and associated work relating to Six Nations potential interests in the Project; and
- H. Consistent with the Reimbursement Agreement, this Agreement will provide financial assistance for cost recovery in favour of SNGRDC (including Six Nation, and affiliates of Six Nations) for legal, financial advisory and other out of pocket costs to be incurred to carry out updated local engagement activities and consider its interest in participating in the Project by way of community benefits and commercial participation in the Project.

NOW THEREFORE IN CONSIDERATION OF the covenants and agreements herein contained, and other valuable consideration the receipt and sufficiency of which is hereto acknowledged, the Parties agree as follows:

SCOPE

1. The Parties intend to negotiate agreements or arrangements which may address the following matters, among other matters as agreed to by the Parties:
 - (a) a proposal and term sheet for commercial participation in the Project (the “**Proposal & Term Sheet**”) between Six Nations and ITC, or their affiliates;
 - (b) one or more agreements arising from the Proposal & Term Sheet (the “**Definitive Document(s)**”) between Six Nations and ITC, or their affiliates, to provide for Six Nations’ direct or indirect commercial participation in the Project, other community benefits, and satisfactory conclusion to the engagement process in connection with the Project; and
 - (c) such other topics as the Parties may agree.
2. This Agreement shall remain in force and effect for a term commencing on the Effective Date and ending twelve (12) months thereafter, provided that in the event that any of the Parties discontinue negotiations of the Proposal & Term Sheet, Definitive Document(s) or Final Agreement, this Agreement may be terminated by either Party issuing written notice of termination to the other Party after such date. Any such termination shall not have any effect on any outstanding payment obligations as set forth in Section 7.

COMMITTEE

3. The Parties shall establish a two (2) person management committee to act as the main points of contact between the Parties on all matters of mutual interest and coming within the scope of this Agreement (the “**Committee**”). The Committee will consist of one (1) representative appointed by SNGRDC, being John Heathers, Executive Director of Internal Revenue Optimization and one (1) representative for ITC, being Douglas Motley, Director, Grid Solutions, ITC. Each representative may attend the Committee meetings with its external and/or in-house legal counsel and other consultants. Notwithstanding the foregoing, if required, SNGRDC shall be entitled to include representatives of Six Nations in the meetings of the Committee.
4. The Committee will determine, by reasonable agreement, its own protocols for meeting frequency and related procedures.

5. The Committee will be the primary mechanism through which the Parties will discuss and negotiate matters within the scope of this Agreement, all subject to and in keeping with each respective Parties' protocols for decision making and approvals. The Committee will also function as the primary point of contact for the Parties regarding specific issues of concern or related matters that SNGRDC may have regarding the Project.
6. For further certainty, the Committee shall not be deemed to create, and the Parties disclaim any intention for the Committee to create, any legal entity, including without limitation a partnership or joint venture, between the Parties.

FINANCIAL CONSIDERATIONS

7. The Parties acknowledge that Six Nations and SNGRDC have incurred costs to date and will continue to incur costs relating to the Project and the matters provided for in this Agreement, including costs for completing due diligence, local engagement, retaining legal and other advisors to review this Agreement and further agreements, and finalize such agreements.

To assist SNGRDC in respect of these costs, ITC will provided SNGRDC a maximum of \$250,000 CAD (the "**Estimated Advisory Costs**") to be paid according to the terms set out in schedule "B" attached hereto.

Within 30 days of execution of this Agreement, SNGRDC will, in collaboration with ITC, prepare a workplan and budget (the "**Workplan**") for SNGRDC's Estimated Advisory Costs.

For greater certainty, ITC acknowledges and agrees that the Estimated Advisory Costs are only current estimates based upon the agreed upon Workplan. To the extent that for any reason SNGRDC expects the Estimated Advisory Costs to be greater than the amounts set forth in the Workplan, then the Parties will in good faith discuss a reasonable increase in the amount of Estimated Advisory Costs payable or otherwise funded by ITC and appropriate amendments to the Workplan.

Within 30 days of execution of this Agreement, SNGRDC will deliver one or more invoices for any existing out of pocket costs incurred from January 1, 2021 to the date of signing this Agreement. Thereafter, SNGRDC will provide invoices to ITC for cost recovery for SNGRDC costs incurred directly, and indirectly through its affiliates, including Six Nations, and ensure invoices are provided in a timely manner to ITC, which are to be paid or reimbursed by ITC according to the terms set out in schedule "B" attached hereto.

REPRESENTATION

8. Each Party represents and warrants to the other Party that: (a) such Party is duly organized, validly existing and is duly qualified to do business in light of the business it conducts and the property it owns; (b) it has the full power and authority to execute, deliver and perform this Agreement and to carry out the transactions contemplated by this Agreement; (c) the execution and delivery of this Agreement by such Party and the carrying out by such Party of the transactions contemplated by this Agreement have been duly authorized by all requisite company action, as applicable, and this Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and

binding obligation of such Party, enforceable against the Party in accordance with the terms of this Agreement, subject to bankruptcy, insolvency or similar laws and general equitable principles regardless of whether the issue of enforceability is considered in a proceeding in equity or at law; (d) no authorization, consent, notice to or registration or filing with any governmental authority is required for the execution, delivery and performance by such Party of this Agreement; and (e) none of the execution, delivery and performance by such Party of this Agreement conflicts with or shall result in a breach or violation of any law, contract or instrument to which such Party is a party or is bound.

COMPLIANCE WITH FOREIGN AND DOMESTIC ANTI-BRIBERY LAW

9. SNGRDC acknowledges and understands that it is the policy of ITC to conduct its business operations in strict compliance with the Corruption of Foreign Public Officials Act (Canada) ("**CFPOA**"), the U.S. Foreign Corrupt Practices Act ("**FCPA**"), and all other applicable foreign and domestic anti-bribery laws. The Parties agree that any disbursement, reimbursement or other type of payment contemplated in this Agreement will be used only for the purposes described in this Agreement. Under no circumstances will anything of value, regardless of form, whether in money, property or services, be offered, promised, paid, or redistributed, directly or indirectly, for any corrupt purpose, for the improper personal gain or benefit of any individual, or for any other purpose that may be in violation of the CFPOA, the FCPA, or any other anti-bribery law. To ensure compliance with the CFPOA, FCPA and other anti-bribery laws, SNGRDC agrees to: (i) maintain accurate books and records of any and all payments or transactions related to this Agreement; and (ii) as soon as reasonably practicable following a written request from ITC, provide ITC with supporting documentation in the possession or control of SNGRDC (such as financial and banking records and receipts) evidencing that any disbursement, reimbursement or other type of payment contemplated in this Agreement has been used only for the purposes described in this Agreement in order to comply with the CFPOA, the FCPA, and/or other anti-bribery and other laws.

SNGRDC and ITC agree that the provisions in this section pertaining to compliance with foreign and domestic anti-bribery laws will apply to and will be included in all future agreements negotiated by the Parties.

CONFIDENTIALITY

10. The Parties agree to abide by the terms of the Non-Disclosure Agreement dated as of November 15, 2021 and any further amendments thereto, between SNGRDC and ITC (the "**Confidentiality Agreement**"). This Agreement and all information obtained and generated pursuant to this Agreement shall be deemed as Confidential Information under the Confidentiality Agreement. This Section shall survive the termination of this Agreement.

NON-DEROGATION, ETC.

11. Nothing in this Agreement is intended to, or shall be interpreted in order to, deny, extinguish, abrogate, derogate from or interfere with or define any Aboriginal or treaty rights, titles, interests or jurisdiction of Six Nations. This Agreement and any negotiations of subsequent agreements are entered into by SNGRDC on a without prejudice basis. Nothing in this Agreement is intended to constitute nor will it be deemed to constitute: (i) consultation or accommodation of Six Nations with regard to the Crown's or any person delegated by the Crown's duty to consult with and, where

appropriate, accommodate Six Nations; or (ii) consent, support or agreement by Six Nations to any aspect of the Project.

GENERAL PROVISIONS

12. Each Party acknowledges having obtained its own independent legal advice with respect to this Agreement.
13. Nothing in this Agreement obliges any of the Parties to enter into any agreement or arrangement relating to matters under negotiation pursuant to this Agreement.
14. This Agreement may be assigned by ITC in connection with (i) the transfer of the Project to a transferee; or (ii) the granting of a security interest in the equity or assets comprising the Project to one or more secured lenders, subject to providing reasonable subsequent notice to SNGRDC, and in the case of a transferee of the Project, receiving commitments that any such transferee will be fully bound by the commitments set out herein.
15. In the event of any conflict between this Agreement and the Proposal & Term Sheet, the terms of the Proposal & Term Sheet shall govern. In the event of any conflict between this Agreement and any Definitive Document, as the case may be, the terms of such Definitive Document shall govern.
16. The waiver of any breach or default under this Agreement shall not be deemed to be a waiver of any subsequent default.
17. This Agreement will enure to the benefit of, and shall be binding upon, the Parties and their respective successors and assigns, to the extent such assignment is permitted under this Agreement.
18. This Agreement may only be amended by written agreement of the Parties.
19. This Agreement and all matters arising hereunder will be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein.
20. This Agreement may be executed by the Parties in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by electronic mail or portable document format (“PDF”) shall be effective as delivery of a manually executed counterpart of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF this Agreement has been duly executed by the Parties as of the Effective Date.

ITC LAKE ERIE CONNECTOR, LLC

By: ITC Lake Erie Holdings LLC, its sole member,
By: ITC Project Holdings LLC, its sole member,
By: ITC Investment Holdings Inc., its sole member,

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

DocuSigned by:
Jon Jipping
By: _____
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Name: Jon E. Jipping
Title: Executive Vice President and Chief Operating Officer

By: _____
Matt Jamieson

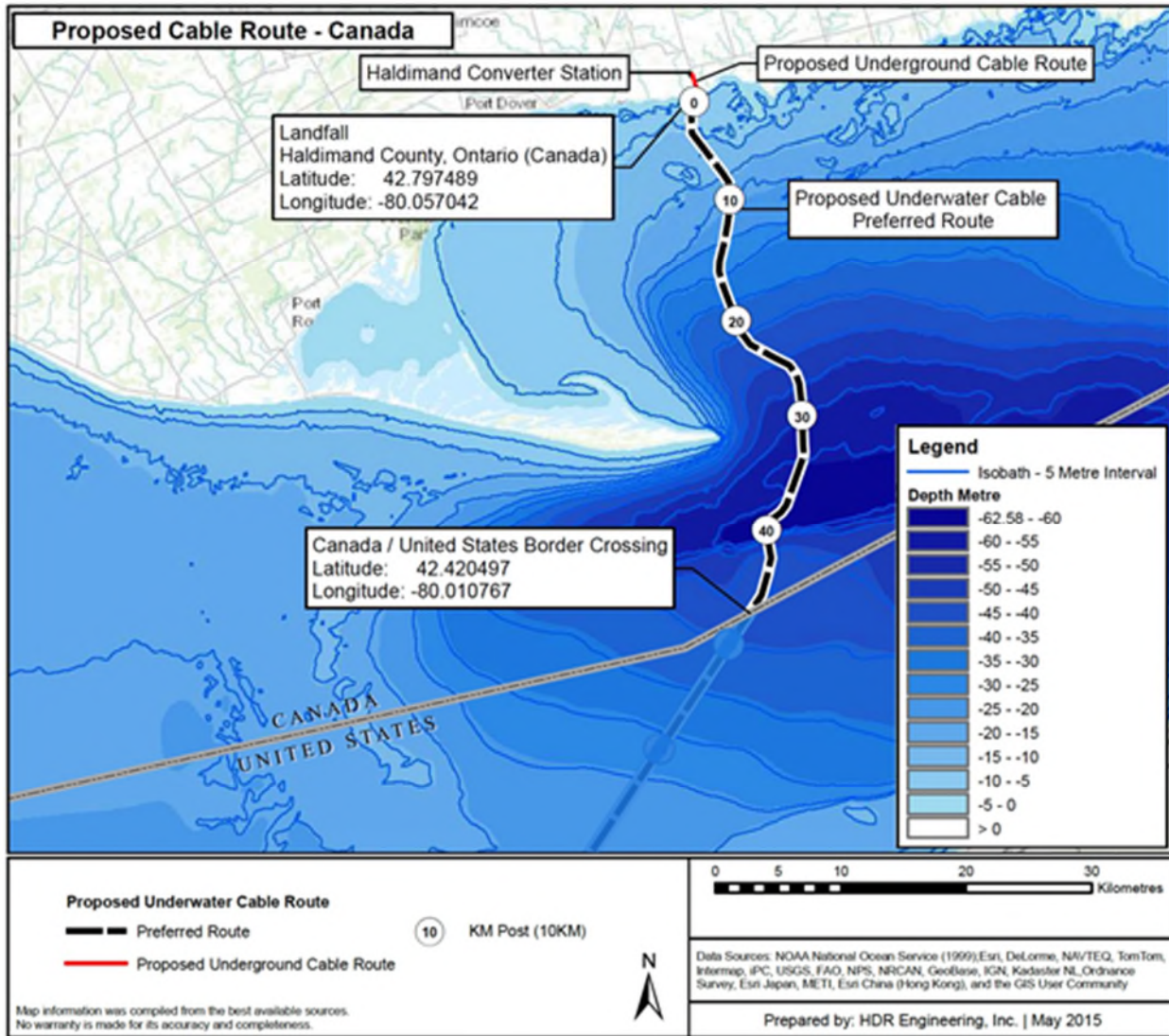
Name: Matt Jamieson
Title: President/CEO

I have authority to bind the Corporation

I have authority to bind the Corporation

Schedule "A"

Map



Schedule "B"

Cost Recovery Budget for SNGRDC Engagement Activities

ITC agrees to pay directly to SNGRDC's legal, financial or other external advisors (or, if applicable, to reimburse SNGRDC) the amounts set out below promptly, but in any event, within thirty (30) days, following receipt of financial reporting detailing such expenses incurred by SNGRDC or its affiliates according to the terms of this Agreement and the Workplan to be approved by the Parties, provided that each invoice submitted for cost recovery will contain sufficient detail for ITC to ensure it is in compliance with CFPOA and FCPA. It is understood and agreed that ITC will only pay expenses actually incurred to carry out the matters provided for in this Agreement, that are consistent with the Workplan, and provided that invoices follow the requirements set out in schedule "C" to this Agreement.

If ITC receives a written notice from SNGRDC of termination of this Agreement pursuant to Section 2 hereof, ITC agrees to provide cost recovery for such costs that have been properly incurred up to the date of termination set out in the notice, provided such invoices contain sufficient detail for ITC to ensure it is in compliance with CFPOA and FCPA and are received no later than 45 days from the date of such termination.

Schedule “C”

ITC Invoice Requirements

All invoices under this Agreement must be submitted to the entity listed below:

ENTITY	B.U.	E-MAIL
ITC Lake Erie Connector, LLC	LECON	APITCHCitctransco.com
General Inquiries	*	AP@itctransco.com

All Invoices must include:

- Email Subject Line: SNGRDC Engagement Activities -LECON-Invoice #
- All invoices should be e-mailed in pdf only, minimum 300 dpi.
- Invoice date and Invoice number
- Description of SNGRDC Engagement Activities substantially as set out in the Cost Recovery Budget with corresponding line item #
- Amount being invoiced per SNGRDC Engagement Activities/line item # along with any requested back up materials/ invoices from third parties
- Total amount of Invoice without HST (ITC will provide a form to be filled out by SNGRDC)
- Remit address for cheque payments or banking information for EFT payments
- Contact Phone Number/E-mail address

All amounts to be paid by ITC pursuant to this Agreement shall contain confirmation that such payments are required by applicable law. ITC shall not be responsible for filing any or all tax returns, and the remittance of all taxes on such amounts, if any, and agrees to execute additional forms to be provided by ITC to confirm tax exemption when required.

Invoices shall be submitted on the last day of each month with supporting detail for the cost of SNGRDC Engagement Activities and reimbursable expenses.

ITC will pay all non-disputed amounts according to the net 30 payment cycle. ITC will provide a timely written statement of its reasons for disputing any unpaid amounts and the Parties shall endeavor to address settlement of the disputed amounts as soon as reasonably possible.