

Appendix A

Material Terms and Conditions – Wind Turbine Lease (the Term Sheet)

The Tenant has proposed to enter into a new lease (the " Lease") on the terms and conditions set out below.

All capitalized terms not otherwise defined herein have the meaning given them in the Existing Lease.

Terms and Conditions of Lease:

1. Existing Lease: The Lease shall be materially on the same terms and conditions as the Existing Lease, save as modified or amended in this term sheet and subject to any necessary changes to reflect the City of Toronto, rather than the Board, as Landlord.
2. Landlord: City of Toronto.
3. Tenant: TREC, or a limited partnership consisting of TREC and a City-approved financial partner or such other corporate entity acceptable to the Board and the City.
4. Term: Eight (8) years, commencing on March 1, 2021 and expiring February 28, 2029.
5. Board Execution: The Board will also execute the Lease and, unless the Landlord advises otherwise and save as expressly otherwise provided in the Lease, all rights, covenants and obligations of the Landlord may be exercised, performed or complied with by the Landlord and/or the Board.
6. Payment of Rent: All payments of Basic Rent and Additional Rent, shall, unless the Landlord advises otherwise, be paid to the Board.
7. Lease Documentation: If the Tenant's proposal to enter into the Lease on the terms and conditions herein is authorized by necessary City authority, the lease agreement shall be prepared by the Landlord on the Landlord's standard form and shall incorporate the terms set out herein. This term sheet contains the basic terms and conditions upon which the Landlord will lease the Leased Property to the Tenant, and supplementary terms and conditions and revisions to the terms and conditions of this term sheet may be contained in the Lease. Without limitation to the foregoing, certain provisions in the Landlord's standard form (including, without limitation, those which are specifically noted in this Appendix A) have been amended or updated since the Existing Lease documentation. All documentation shall be in a form and content satisfactory to the City Solicitor.

8. Compliance with Collective Agreements at Exhibition Place: Article 14 of the Existing Lease shall be deleted and replaced with the current standard clause for Exhibition Place leases regarding compliance with Collective Agreements at Exhibition Place.

9. Pre-Construction Period: The provisions of Section 6.3(1) of the Existing Lease dealing with the Tenant's due diligence and Tenant's Termination Notice shall be deleted.

10. Insurance: Article 11 shall be updated to reflect the current insurance provisions required by the Landlord in its leases.

Terms	Details
Extension Term	Provided it is not then and has not been in default under the Lease, the Tenant shall have one (1) option to extend for a further term of twelve (12) years (the "Extension Term"), on not less than six (6) months' prior written notice to the Landlord. Basic Rent payable during the Extension Term is set out in Confidential Attachment 1. The Extension Term shall otherwise be on the same terms and conditions as the initial Term, save and except that there shall be no Tenant's right to extend or renew the Lease after the expiry of the Extension Term.
Basic Rent	Initial Term: Years 1 – 8 inclusive: See Confidential Attachment 1 Extension Term Renewal: Years 9 – 20 inclusive: See Confidential Attachment 1
Net Lease/Additional Rent	The Lease shall be a carefree and absolutely net lease to the Landlord, and the Tenant shall be responsible for paying Additional Rent in accordance with the provisions of the Existing Lease.
"Facility" Definition	The existing wind-powered generating facility constructed at the Leased Property, or such new wind-powered generating facility as may be constructed during the Term or Extension Term subject to approval from the Board and the Landlord.
Repowering the Facility	The Tenant shall have the option to repower (replacement of turbine or major components) the turbine during the Term.
Restoration	Without limitation to paragraph 1, above, the Tenant's obligation to remove all improvements and restore the Leased Property following expiration or earlier

	<p>termination of the Term pursuant to Section 6.1 of the Existing Lease or any other provisions thereof, shall be incorporated in the Lease.</p>
<p>Restoration of Leased Property due to Termination Notice by Tenant</p>	<p>In the event that the Tenant, acting reasonably, deems the Facility to be inoperable for a technical reason and/or financially infeasible, the Tenant shall have the right to terminate the Lease on at least Six (6) months' prior written notice to the Landlord, subject to compliance with its obligations to restore the Leased Property according to section 6.1 of the Existing Lease, as incorporated in the Lease, and any other applicable provisions of the Lease.</p>
<p>Financial Qualification</p>	<p>Prior to expiration of the Existing Lease, TREC shall demonstrate financial qualifications acceptable to the Landlord to undertake the obligations in the Lease.</p> <p>Such financial qualifications shall include, without limitation:</p> <p>TREC identifying a project partner (the "Financial Partner") with demonstrated financial capability sufficient to undertake the obligations of the Lease. TREC may propose that the Financial Partner be a co-tenant and/or part of a limited partnership or other entity forming the Tenant, along with TREC. The structure of the Tenant shall be subject to approval by the Landlord. The Financial Partner shall be selected by TREC and approved by the Landlord in its sole and absolute discretion.</p>
<p>Life Extension Assessment</p>	<p>The Tenant shall undertake a technical assessment for continued operation of the wind turbine beyond December 31, 2022 and obtain a certificate for lifetime extension from an accredited wind industry engineering expert.</p> <p>The technical assessment shall be waived in the event that the Tenant undertakes a wind turbine repowering within 6 months following December 31, 2022.</p>
<p>Operation of the Facility</p>	<p>In addition to all requirements for operation of the Facility set out at Section 5.4 and elsewhere in the Existing Lease (which provisions shall be incorporated into the Lease), the Tenant shall maintain and operate the Facility consistent with the best wind power industry standards. The Tenant shall ensure any works are undertaken by personnel and entities with prior experience in operating and maintaining wind turbine assets and the necessary qualifications and certifications in accordance with such wind industry standards to perform such works.</p>