Employees

The Company has 194 employees as of December 31, 2012 in the following departments:

- sales and marketing (33);
- operations (133);
- finance (8);
- energy supply and risk management (4);
- legal, regulatory and compliance (8); and
- administration (8).

Facilities

The Company does not own any real property. The table below summarizes the leases of real property entered into by the Company as at December 31, 2012.

Location	Square Feet	Function	Term
1055 Washington Boulevard, Stamford, Connecticut	23,800	Crius Energy Headquarters	Expires August 30, 2016
6469 and 6471 102nd Ave, N. Pinellas Park, Florida	9,451	Customer Call Centre	Expires May 31, 2015
2650 Park Tower Drive, Suite 199, Vienna, Virginia	982	Commercial Pricing	Expired and terminated in February 2013

Environmental Protection

The Company does not view potential environmental liabilities as a concern in its business. The Company does not have physical control of the natural gas or electricity it supplies to customers, or of any facilities used to transport it. Therefore, any potential liability of the Company for the natural gas or electricity it supplies to its customers is considered to be relatively remote.

DISTRIBUTIONS

The Trust makes monthly distributions to Unitholders of record as of the close of business on the last business day of each month, which are paid to Unitholders on or about the 15th day of the following month or, if not a business day, the next business day thereafter. The initial cash distribution, for the period from and including the date of closing of the IPO on November 13, 2012 to December 31, 2012, was paid on January 15, 2013 to Unitholders of record on December 31, 2012 in the amount of C$0.1326 per Unit. The historical distributions may not be reflective of future distributions, which are subject to review by the Administrator Directors, taking into account the prevailing circumstances at the relevant times. See "Risk Factors".

The following table sets forth the date of payment, the distribution per Unit and the total amount of the distributions paid by the Trust on Units since the closing of the IPO:

Date of Distribution	Per Unit	Total
January 15, 2013	$0.1326	$1,326,000
February 15, 2013	0.0833	833,000
March 15, 2013	0.0833	833,000
	$0.2992	$2,992,000

PRINCIPAL AGREEMENT WITH MACQUARIE ENERGY

On September 18, 2012, the Company and its consolidated subsidiaries (collectively the "**Buyer Group**") entered into an energy supply and financing agreement (the "**Base Confirmation Agreement**") with Macquarie Energy. The Base Confirmation Agreement is part of a structured transaction pursuant to which Macquarie Energy supplies the Buyer Group with natural gas and electricity on an exclusive basis within the states in which they operate and also provides a working capital facility. The description below is qualified in its entirety by reference to the text of the Base Confirmation Agreement. The Base Confirmation Agreement is available on SEDAR at www.sedar.com under the Trust's profile. See "Material Contracts".

Under the Base Confirmation Agreement, the Buyer Group must obtain quotes for the quantity of electricity or natural gas it wishes to purchase from Macquarie Energy. If the Buyer Group does not accept the quote or Macquarie Energy declines to produce a quote, the Buyer Group may enter into an agreement with an approved third party through Macquarie Energy on terms acceptable to Macquarie Energy (a "**Third Party Hedge**"). Upon entering into a Third Party Hedge, Macquarie Energy and the Buyer Group will automatically enter into a corresponding back-to-back transaction agreement on equivalent terms to the Third Party Hedge (a "**Sleeved Transaction**"). If on any day the power or natural gas sleeve ratio (the sum of Sleeved Transaction volumes, other than volumes arising from Sleeved Transactions for which Macquarie declined to provide a quote, divided by the sum of the volumes of all permitted physical or financial hedge transactions directly between Macquarie Energy and the Buyer Group) exceeds 30% for the immediately preceding twelve full calendar months, Macquarie Energy will have no obligation to enter into any Sleeved Transaction for the subsequent three month period following such day.

Macquarie Energy is only required to enter into a Third Party Hedge and any related Sleeved Transaction if: (a) Macquarie Energy has rejected, failed to respond to or quoted a price which was higher than a quote received by the Buyer Group from an approved third party; (b) no event of default, potential event of default or termination event under the Base Confirmation Agreement or any related document has occurred; and (c) the Third Party Hedge does not have to be cleared through an exchange.

The approved third parties for a Third Party Hedge are specified in the Base Confirmation Agreement. This list can be updated at any time provided that at all times it includes at least ten approved third parties with a sufficient amount of credit capacity to permit Buyer Group purchases up to the limits specified under the Base Confirmation Agreement.

Pricing and Payment

Pricing and Minimum Annual Payment

All of the Buyer Group's purchases of electricity and natural gas are set using market based pricing. Purchases of permitted financial and physical hedges, and physical and financial sleeved transactions, will be transacted at prices agreed to between Macquarie Energy and the Buyer Group, together with any additional corresponding fees.

The Buyer Group is required to pay a minimum annual fee equal to the amount of energy fees that the Buyer Group would have paid Macquarie Energy in a year had the Buyer Group purchased the applicable specified minimum annual volume for natural gas and electricity for such year. The minimum annual fee in any year is reduced, on a dollar for dollar basis, by the amount of energy fees actually paid by the Buyer Group for natural gas and electricity purchased during such year.

Lockbox Accounts

The Buyer Group is required to direct all LDCs, POR utilities, non-POR utilities and ISOs serving the Buyer Group's customers, as well as non-POR customers, to remit all customer payments into designated restricted bank accounts (the "**Lockbox Accounts**") for which Macquarie Energy has been designated the administrator by the Buyer Group. Each month, the Buyer Group is required to initiate a request to transfer funds from the Lockbox Accounts to Macquarie Energy for the energy supplied and other fees and interest due under the Base Confirmation Agreement.

If the Lockbox Accounts contain insufficient funds on the applicable payment date, Macquarie Energy may, on a daily basis, transfer or direct the Buyer Group to transfer all incoming amounts received into the Lockbox Accounts into Macquarie Energy's bank accounts until its invoices have been paid in full.

At the end of each month, provided that (i) no event of default, termination event or potential event of default has occurred, (ii) Macquarie Energy has been paid in full for all amounts owing under all then outstanding monthly invoices, (iii) Macquarie has not received notice that any amount owed to any party is then currently past due, and (iv) the requested distribution would not result in a breach of any covenant, the Buyer Group may submit a request to Macquarie Energy to transfer funds from the Lockbox Accounts into a bank account of the Buyer Group that is not subject to the Lockbox Account restrictions (the "**Operating Account**"), in which case Macquarie Energy is required to consent to the transfer of funds into the Operating Account as soon as reasonably practicable, but in no event later than one business day following the request.

Working Capital Facility

Under the Base Confirmation Agreement, Macquarie Energy also agreed to advance funds to the Buyer Group under the terms of a standby working capital facility (the "**Working Capital Facility**"), provided that at the time of the funding request: (i) the Buyer Group is not subject to an event of default, potential event of default or termination event as described in the Base Confirmation Agreement; and (ii) such request does not cause the Working Capital Facility exposure to exceed $25 million. Interest on cash advances under the Working Capital Facility is payable at a rate equal to LIBOR plus 5.5% per annum.

Letters of Credit

Pursuant to the Base Confirmation Agreement, Macquarie Energy will issue one or more letters of credit on behalf of the Buyer Group, provided, among other things: (a) any letter of credit issued is for the sole purpose of satisfying the credit requirements imposed upon the Buyer Group by a host utility, non-POR utility, natural gas pipeline or natural gas storage operator, ISO, governmental authority, state commission or public service commission; (b) the letter of credit, taken together with any balance owing under the Working Capital Facility, does not cause the Working Capital Facility to exceed $25 million; and (c) the terms are otherwise satisfactory to Macquarie Energy in its reasonable discretion.

To the extent Macquarie Energy posts collateral to any third party on behalf of the Buyer Group, the Buyer Group will ensure such third party returns all such collateral directly to Macquarie Energy when it is no longer required to be posted with such third party. Under no circumstances will the Buyer Group be permitted to post a letter of credit issued pursuant to the Base Confirmation Agreement to Macquarie Energy as collateral to satisfy any obligation under the Base Confirmation Agreement.

Security Interest Given Under Base Confirmation Agreement

The Base Confirmation Agreement and related agreements grant Macquarie Energy a first priority security interest in all property and assets (whether real, personal, or mixed, tangible or intangible) ("**Collateral**") of the Buyer Group, including the Company's equity securities in Crius Energy Management, LLC, prior and superior in right to any other person to the extent a lien can be created and perfected under the Uniform Commercial Code, subject to any permitted liens. The Buyer Group must take all necessary steps to ensure that Macquarie Energy continues to have a first priority security interest in all of the Collateral and to protect against the establishment of third party liens.

Notable Representations and Covenants

The Base Confirmation Agreement contains customary representations and covenants by the Buyer Group relating to the business and operations of the Buyer Group, including in connection with the ownership and maintenance of assets, regulatory approvals, compliance with laws, insurance, taxes, delivery of financial information, incurrence of indebtedness, and the maintenance of certain financial ratios, including minimum total net worth and minimum margin ratios, as well as an ongoing representation regarding the absence of any event or circumstance that could reasonably be expected to have a material adverse effect. In addition, the Base Confirmation Agreement contains the following covenants by the Buyer Group.

Business Operations in Specified Markets

The Buyer Group shall not enter into any business, directly or indirectly, except for the sale of retail natural gas and electricity in the Specified Markets, certain ancillary services or the provision of other products agreed upon in writing by Macquarie Energy, and all services and activities reasonably related to the foregoing to the extent not prohibited under the Base Confirmation Agreement and certain ancillary agreement with Macquarie Energy. "**Specified Markets**" means Pennsylvania, Connecticut, Maryland, New York, New Jersey, Illinois, Ohio, New Hampshire, Maine, Rhode Island, Michigan, Indiana, California, Virginia, Delaware, District of Columbia, CAISO, PJM, ISO-New England, NYISO, MISO and each other market in the United States which Macquarie Energy has, in its sole discretion, approved in writing for inclusion as a Specified Market.

Risk Management Policy

The Buyer Group is required to comply with the Risk Management Policy. Within 60 days prior to each anniversary of the effective date of the Base Confirmation Agreement, the Buyer Group is required to review the Risk Management Policy with Macquarie Energy and make such changes as the Buyer Group and Macquarie Energy mutually agree are commercially reasonable based upon the applicable market, industry, economic and customer conditions and business objectives. Furthermore, the Buyer Group may only amend or modify the Risk Management Policy upon written consent of Macquarie Energy.

Distributions

Each member of the Buyer Group is prohibited from making any payment, including any distribution or dividend, to any direct or indirect equity holder of the member (other than to another member of the Buyer Group) unless it is a Permitted Distribution. A "**Permitted Distribution**" means a payment made from the Operating Account to equity holders of the Company for purposes of (i) distributing dividends or income to equity owners of the Company, or (ii) reimbursing an equity holder for amounts actually paid in taxes on income attributable to the Buyer Group's business activities, provided that at the time of payment no event of default, potential event of default or termination event has occurred and is continuing.

Independent Directors

The Buyer Group is required to ensure that the Company LLC Agreement requires (i) the appointment of at least three independent directors to the board of directors of the Company, (ii) at all times, a majority of the members of the board of directors of the Company be independent directors, and (iii) the unanimous vote of all of the independent directors shall be required prior to the filing of any voluntary bankruptcy filing or accession to any involuntary bankruptcy filing by the Company or any of its direct or indirect subsidiaries. For these purposes, a director is considered to be independent if he or she: (i) is not a member of management and, in the reasonable opinion of the board of directors of the Company, is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act in the best interest of the company for which the individual is a director, (ii) is not an owner of any of the issued and outstanding securities of any member of the Buyer Group, and (iii) does not own, directly or indirectly, as a beneficial holder or as a nominee or associate of a beneficial holder, any of the issued and outstanding securities of any direct or indirect parent of the Company (excluding any securities issued to such individual as compensation for services as a director thereof, provided the issuance complies with certain conditions set out in the Base Confirmation Agreement). The Base Confirmation Agreement provides that, as a general rule, a person who has a material relationship with any member of the Buyer Group will not qualify as independent; however, a person shall not be deemed to have a material relationship with any member of the Buyer Group solely as a result of such person serving as a director of one or more indirect parents of the Company.

Merger or Consolidation

A member of the Buyer Group shall not merge, combine, consolidate, liquidate, wind up its affairs, dissolve itself or change its form or state of organization; provided however, that a member of the Buyer Group may, without the prior consent of Macquarie Energy, (i) merge, combine or consolidate with another member of the Buyer Group, and (ii) enter into agreements to purchase supply contracts from third parties for new customer load that satisfy certain conditions set out in the Basic Confirmation Agreement.

Change of Control

The Base Confirmation Agreement provides that any contract or agreement which could result in a change in ownership of any member of the Buyer Group constitutes an event of default in respect of the member, other than: (i) the sale of certain assets of Cincinnati Bell Energy LLC to Cincinnati Bell Telephone Company LLC pursuant to certain existing agreements described in the Base Confirmation Agreement; (ii) the Company Interest Acquisition; (iii) changes in ownership resulting from sales of ownership interests in the Company among the owners of the Company; (iv) changes in ownership resulting from sales of additional ownership interests in the Company to US Holdco; and (v) changes in ownership resulting from the repurchase of ownership interests in the Company by the Company (so long as any such purchase would not result in the violation of any covenant of the Buyer Group). In all other circumstances, a change of control of any member of the Buyer Group will result in an event of default under the Base Confirmation Agreement.

Term

The Base Confirmation Agreement expires upon the earlier of October 1, 2017 and the date on which all transactions entered into in accordance with the Base Confirmation Agreement are terminated.

Early Termination Payment

The Buyer Group may terminate the Base Confirmation Agreement at any time upon 90 days written notice to Macquarie Energy. Upon early termination, the Buyer Group must pay a termination payment equal to the estimated fees that would have been payable during the remaining term (based on specified volumes of natural gas and electricity as set out in the Base Confirmation Agreement), less the actual fees paid by the Buyer Group during the year in which the early termination occurs (and all other years remaining in the term).

Events of Default

In addition to the covenants referred to above, the Base Confirmation Agreement contains various other covenants of the Buyer Group which, if breached, would (subject to an applicable cure period) constitute an event of default such as the failure to maintain a certain minimum net worth, failure to pay taxes and other material third party obligations and limitations on the incurrence of debt, existence of liens or capital expenditures. The Base Confirmation Agreement also contains specific events of default, including the revocation of licenses or permits to market or sell electricity or natural gas in Specified Markets, Macquarie Energy's exposure or permitted hedge exposure exceeding certain limits, or the loss of key management employees (subject to certain cure provisions).

In the event of a default by the Buyer Group, and subject to any applicable cure period, Macquarie Energy is entitled to suspend its performance under or terminate the Base Confirmation Agreement, including the supply of energy to the Buyer Group under the Base Confirmation Agreement. In addition, Macquarie Energy is entitled to accelerate any advances under the Working Capital Facility, and to enforce its liens and foreclose on the Collateral. Furthermore, if the breach giving rise to the default or termination event is willful or deliberate, Macquarie Energy is entitled to enforce all rights and take all actions under a power of attorney given to it by the Buyer Group, including the power to take all actions Macquarie Energy deems to be reasonable to operate the business until such time as the event of default or termination event has been remedied or cured (except in circumstances involving fraud, in which case the power of attorney shall continue until terminated by Macquarie Energy in its sole discretion).

DESCRIPTION OF THE TRUST

The following is a summary of the material terms of the Trust Indenture which, together with other summaries of the terms of the Trust Indenture appearing elsewhere in this Annual Information Form, are qualified in their entirety by reference to the text of the Trust Indenture. Reference is made to the Trust Indenture for a complete description of the Units and the full text of its provisions. A copy of the Trust Indenture is available on SEDAR at www.sedar.com under the Trust's profile. See "Material Contracts".

General

The Trust is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario on September 7, 2012 pursuant the Trust Indenture. The Trust has been established to invest in U.S. energy businesses through its various subsidiaries, including the investment in the Company through US Holdco. Although the Trust intends to qualify as a "mutual fund trust" under the Tax Act, the Trust will not be a mutual fund under applicable securities laws.

The Trust is a limited purpose trust and the undertaking of the Trust is restricted to investing its funds in property (other than real property, or an interest in real property). Pursuant to the Trust Indenture, the Trust is restricted from holding any "non-portfolio property", as defined in the Tax Act, and from taking any action, or acquiring, retaining or holding any investment in any entity or other property, that would result in the Trust being a "SIFT trust" or the Trust not being a "mutual fund trust", each as defined in the Tax Act. Subject to the foregoing restrictions, the Trust may acquire, hold, transfer, dispose of, invest in, and otherwise deal with assets, securities (whether debt or equity) and other interests or properties of whatever nature or kind including securities of, or issued by: (i) Cdn Holdco or any associate or affiliate thereof, or any other business entity in which Cdn Holdco has an interest, direct or indirect; (ii) the Commercial Trust; or (iii) any other person involved, directly or indirectly, in the business of, or the ownership, lease or operation of assets or property in connection with, energy related businesses.

Subject to the restrictions contained in the Trust Indenture, including those just noted, the Trustee has the authority to deal with the Trust's property on behalf of the Trust as if it were the beneficial owner of such property, and in particular, may:

(a) hold cash and other short term investments in connection with, and for the purposes of, the Trust's activities, including paying liabilities of the Trust and paying any amounts required in connection with the redemption of Units and making distributions to Unitholders;

(b) issue, or provide for the issuance of, debt or equity securities of the Trust, including Units and Other Trust Securities, on such terms and conditions and at such time or times as the Trustee may determine, provided recourse shall be limited to the property of the Trust;

(c) give a guarantee on behalf of the Trust to secure performance of an obligation of another person;

(d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any movable or immovable, personal or real or other property of the Trust, to secure any obligation of the Trust;

(e) enter into the Voting Agreement;

(f) invest, hold shares, securities, Units, beneficial interests, partnership interests, joint venture interests or other interests in any person necessary or useful to carry out the purpose of the Trust;

(g) redeem or repurchase Units in accordance with the terms set forth in the Trust Indenture;

(h) make or cause to be made, application for the listing or quotation on any stock exchange or market of any Units or Other Trust Securities, and to do all things which in the opinion of the Trustee may be necessary or desirable to effect or maintain such listing or listings or quotation;

(i) possess and exercise all the rights, powers and privileges pertaining to the ownership of any securities held by the Trust;

(j) to the extent not prohibited by applicable law, to delegate any of the powers and duties of the Trustee to any one or more agents, representatives, officers, employees, independent contractors, subcontractors or other

persons (including to the Administrator pursuant to the terms of the Administration Agreement or otherwise) without liability to the Trustee except as provided in the Trust Indenture; and

(k) do all such other acts and things as are necessary, useful, incidental or ancillary to the foregoing and to exercise all powers and authorities which are necessary, useful, incidental or ancillary to carry on the affairs of the Trust, to promote any purpose for which the Trust is formed and to carry out the provisions of the Trust Indenture.

Units of the Trust

The beneficial interests in the Trust are represented and constituted by one class of units described and designated as "Units". An unlimited number of the Units may be issued pursuant to the Trust Indenture. The Trust may also issue an unlimited number of Other Trust Securities. As of the date of this Annual Information Form, the Trust has 10,000,000 Units outstanding.

Each Unit represents an equal, undivided beneficial interest in the Trust Property and all Units shall rank equally and rateably with all of the other Units without discrimination, preference or priority. Each Unit entitles the holder to one vote at all meetings of Unitholders.

Unitholders are entitled to receive non-cumulative distributions from the Trust if, as and when, declared by the Trustee. Units are redeemable on demand by the holders thereof, and may be purchased for cancellation by the Trust through offers made to, and accepted by, such holders. See "Description of the Trust — Redemption at the Option of Unitholders" and "Description of the Trust — Repurchase of Securities". There are no other conversion, retraction, redemption or pre-emptive rights for Unitholders.

Issuance of Units

The Trust Indenture provides that the Units or Other Trust Securities may be created, issued, sold and/or delivered at such times, to such persons, for such consideration and on such terms and conditions as the Trustee or the Administrator determines, including pursuant to any Unitholder rights plan, distribution reinvestment plan, or any compensation plan established by the Trust. The authority to determine the timing and terms of future offerings of Units has been delegated by the Trustee to the Administrator. See "Description of the Trust — Delegation to the Administrator". Units are to be issued by the Trustee only when fully paid in money, property or past services, and they are not to be subject to future calls or assessments, provided that: (i) Units may be issued for consideration payable in instalments if the Trust takes security over any such Units for unpaid instalments; and (ii) the consideration for any Unit issued by the Trust shall be paid in money or in property or in past services that are not less in value than the fair equivalent of the money that the Trust would have received if the Unit had been issued for money, provided that property shall not include a promissory note or promise to pay given by the allottee. In determining whether property or past services are the fair equivalent of monetary consideration, the Trustee or the Administrator may take into account reasonable charges and expenses of organization and reorganization and payments for property and past services reasonably expected to benefit the Trust, and the resolution of the Trustee or the Administrator allotting and issuing those Units shall express the fair equivalent in money of the non-cash consideration received.

Units may be issued in satisfaction of any non-cash distribution by the Trust to Unitholders on a *pro rata* basis. The Trust Indenture also provides that immediately after any *pro rata* distribution of Units to Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be automatically consolidated such that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the distribution of such additional Units, subject to reduction for payment of applicable withholding taxes.

Limitation on Non-Resident Ownership

The Trust intends to qualify as a "mutual fund trust" under the Tax Act. A trust may lose its status under the Tax Act as a mutual fund trust if it can reasonably be considered that, having regard to all the circumstances, the trust was established or is maintained primarily for the benefit of non-residents of Canada. Generally, this limitation will not apply if all or substantially all of the trust's property is not "taxable Canadian property" as defined in the Tax Act. The Trust anticipates that its property will not be taxable Canadian property. In the event the Trust acquires "taxable Canadian property", the Trust Indenture provides that Non-residents (as such term is defined in the Trust Indenture) may not be the beneficial owners of more than 49% of the outstanding Units, on either a non-diluted or fully diluted basis or on a fair market value basis. It is the responsibility of the Administrator to monitor compliance by the Trust with this non-resident restriction, and to take all such actions as may reasonably be undertaken on behalf

of the Trust to cause the Trust to maintain its status as a "mutual fund trust" under the Tax Act. The Administrator has various powers that can be used for the purpose of monitoring and controlling the extent of non-resident ownership of the Units.

U.S. Resident Restriction

The Trust is a "foreign private issuer" as such term is defined in the U.S. Securities Act. The Trust Indenture provides that at no time prior to the Trust filing a registration statement in accordance with the U.S. Securities Act or registering a class of securities under the *United States Securities Exchange Act of 1934*, as amended, (other than, in either case, in reliance on the Multijurisdictional Disclosure System between Canada and the United States) may more than 50% of the outstanding voting securities of the Trust be directly or indirectly owned of record by U.S. Residents (as such term is defined in the Trust Indenture). It is the responsibility of the Administrator to monitor compliance by the Trust with this U.S. residency restriction, and to take all such actions as may reasonably be undertaken on behalf of the Trust to cause the Trust to maintain its status as a "foreign private issuer". The Administrator has various powers that can be used for the purpose of monitoring and controlling the extent of U.S. resident ownership of the Units.

Book Entry Only System

Except as otherwise provided below, the Units are issued in "book entry only" form and must be purchased or transferred through participants in the depositary service of CDS ("**CDS Participants**"), which include securities brokers and dealers, banks and trust companies. Except as described below, no Unitholder is entitled to a certificate or other instrument from the Trust or CDS evidencing that holder's ownership of Units, and no Unitholders is shown on the records maintained by CDS except through a book entry account of a CDS Participant acting on behalf of such holder. Each purchaser acquiring a beneficial interest in a Unit (a "**Beneficial Owner**") will receive a customer confirmation of purchase from the registered dealer from which the Unit is purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS is responsible for establishing and maintaining book entry accounts for CDS Participants having interests in the Units.

The Trust will not assume any liability for: (i) any aspect of the records relating to the beneficial ownership of the Units held by CDS or the payments relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Units; or (iii) any statement made with respect to CDS and contained in this Annual Information Form and relating to the rules governing CDS or any action to be taken by CDS or at the direction of the CDS Participants. The rules governing CDS provide that it acts as the agent and depositary for the CDS Participants. As a result, CDS Participants must look solely to CDS and Beneficial Owners must look solely to CDS Participants for the payment of the distributions on the Units paid by or on behalf of the Trust to CDS.

As indirect holders of Units, investors should be aware that they (subject to the situations described below): (i) may not have Units registered in their name; (ii) may not have physical certificates representing their interest in the Units; (iii) may not be able to sell the Units to institutions required by law to hold physical certificates for securities they own; and (iv) may be unable to pledge Units as security.

If: (i) CDS resigns or is removed from its responsibilities as depositary with respect to the Units and the Trust is unable or does not wish to locate a qualified successor; or (ii) the Administrator or the Trust, at their option (including to ensure compliance with the Trust Indenture's non-resident ownership limitations or U.S. residency restrictions) elects, or is required by law, to terminate the book entry system; or (iii) Unitholders representing more than 66⅔% of the aggregate votes entitled to be voted at a meeting of Unitholders vote to discontinue the book entry system, then Units will be issued in fully registered form to Unitholders or their nominees.

Transfer of Units

Units are transferable at any time and from time to time. Transfers of ownership in the Units may only be effected through records maintained by CDS or its nominee for such Units with respect to interests of CDS Participants, and on the records of CDS Participants with respect to interests of persons other than CDS Participants. Unitholders who are not CDS Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Units, may do so only through CDS Participants.

Repurchase of Securities

The Trust is entitled, at any time, to offer to purchase Units or Other Trust Securities for cancellation at a price per security and on a basis determined by the Trustee in its discretion, but in compliance with applicable securities legislation and the rules prescribed under applicable stock exchange or regulatory policies. The authority to determine the timing and terms of any such repurchase of Units has been delegated by the Trustee to the Administrator. Any such purchase will constitute an "issuer bid" under Canadian provincial securities legislation and, if not exempt, must be conducted in accordance with the applicable requirements thereof.

Take-over Bids

If there is a take-over bid for all of the outstanding Units (such Units subject to the bid collectively referred to as the "**Bid Units**") and, within 120 days after the date of a take-over bid, the bid is accepted by the holders of not less than 90% of the Bid Units, other than Bid Units held by or on behalf of, or issuable to, the offeror or an affiliate or associate of the offeror, then the offeror is entitled to acquire the Bid Units held by persons who did not accept the take-over bid, with such acquisition to occur on the same terms on which the offeror acquired Bid Units from persons who accepted the take-over bid. Similar provisions apply with respect to a take-over bid for all of any class of Other Trust Securities that are convertible into or exchangeable for Units. The Trust Indenture does not provide a mechanism for Unitholders who do not tender their Units to a take-over bid to apply to a court to fix the fair value of their Units.

Investments and Investment Restrictions

Monies or other property received by the Trust or the Trustee on behalf of the Trust, including the net proceeds of any offering, may be used at any time and from time to time, for any purpose not inconsistent with the Trust Indenture. See "Description of the Trust — General".

The Trust Indenture contains investment restrictions to ensure that the Trust:

(a) complies at all times with the requirements for a "mutual fund trust", as defined in the Tax Act;

(b) does not take any action, or acquire or hold any investment or other property, that would result in the Trust not being considered a "mutual fund trust" for purposes of the Tax Act;

(c) does not take any action, or acquire, hold any investment or other property, that would result in the Trust being a "SIFT trust" as defined in the Tax Act; and

(d) does not acquire or hold any "non-portfolio property", as defined in the Tax Act.

Distributions

The Trust intends to continue making monthly distributions to Unitholders of record as of the close of business on the last business day of each month, which are expected to be paid to Unitholders on or about the 15th day of the following month (or if not a business day, the next business day thereafter). The amount of cash to be distributed on a pro rata basis per month per Unit is determined in the discretion of the Trust. The Trust's current monthly distribution rate is C$0.0833 per Unit. As results of operations may vary, the distribution of cash is not guaranteed.

The Administrator anticipates that approximately 10% to 15% of the distributable cash distributed to Unitholders for 2012 will be included in the income of Unitholders for income tax purposes. The balance will not be taxable and will be deducted from the adjusted cost basis of their Units. The historical tax characteristics of cash distributions to Unitholders for income tax purposes may not be reflective of future tax characteristics.

Where the Administrator, as administrator of the Trust, determines that the Trust does not have cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable, payment of such distribution may, at the option of the Administrator, include the issuance of additional Units, if necessary, having an aggregate value equal to the difference between the amount of such declared distribution and the amount of cash which has been determined by the Administrator to be available for the payment of such distribution. The value of each Unit which is to be issued in payment of distributions shall be the "market price" (as determined in accordance with the provisions of the Trust Indenture). See "Description

of the Trust — Issuance of Units". Such additional Units will be issued pursuant to applicable exemptions under applicable securities laws, discretionary exemptions granted by applicable securities regulatory authorities or a prospectus or similar filing.

Payments of distributions on each Unit issued in "book entry only" form are made by the Trust to CDS or its nominee, as the case may be, as the registered owner of Units, and the Trust understands that such payments are forwarded by CDS or its nominee, as the case may be, to CDS Participants. As long as CDS or its nominee is the registered owner of Units, CDS or its nominee, as the case may be, is considered the sole owner of those Units for the purposes of receiving payments on those Units. The responsibility and liability of the Trust in respect of the payment of distributions in respect of the Units is limited to making payment of any income or capital in respect of those Units to CDS or its nominee.

The Trust's ability to pay distributions to Unitholders is dependent upon the ability of the Trust Subsidiaries to meet their dividend, interest, principal and other distribution obligations. US Holdco's income, and thus the income of Cdn Holdco, the Commercial Trust and the Trust, is derived from distributions on the Company Interest, and is therefore susceptible to the risks and uncertainties associated with the Company's business and the electricity and natural gas industry generally, particularly in the United States. See "Risk Factors".

Redemption at the Option of Unitholders

Units are redeemable at any time or from time to time on demand by the Unitholders thereof upon delivery to the Trust at its head office and to CDS (if a global unit certificate has been issued by the Trust) of a duly completed and properly executed notice, in a form reasonably acceptable to the Trustee, requesting redemption, together with written instructions as to the number of Units to be redeemed and together with the certificates, if any, representing Units to be redeemed (if a global unit certificate has not been issued by the Trust). Upon tender of Units by a Unitholder for redemption, all rights to and under the Units tendered for redemption shall immediately cease, provided that the Unitholder thereof shall retain the right to receive distributions thereon which have been declared payable to Unitholders of record prior to the date of tender for redemption (being the date the Trust has, to the satisfaction of the Trustee, received all documents required in connection with the redemption) (the "**Redemption Date**") and the right to receive a price per Unit (the "**Redemption Price**") in cash equal to the lesser of: (i) 90% of (a) the volume weighted average trading price of a Unit traded on the principal stock exchange on which the Units are listed (or, if the Units are not listed on any such exchange, on the principal market on which the Units are quoted for trading) during the period of the 10 consecutive trading days ending immediately prior to the Redemption Date; (b) if the applicable exchange or market does not provide information necessary to compute a volume weighted average trading price, an amount equal to the volume weighted average of the closing prices of a Unit for each of the 10 consecutive trading days occurring immediately prior to the Redemption Date on which there was a closing price; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the Units traded on a particular day, the price shall be an amount equal to the volume weighted average of the average of the highest and lowest prices for each of the trading days on which there was a trade; and (c) if there was trading on the applicable market or exchange for fewer than five of the 10 consecutive trading days occurring immediately prior to the Redemption Date, the volume weighted average of the following prices established for each of the 10 trading days: (1) the average of the last bid and last asking prices for each day on which there was no trading; (2) the closing price of the Units for each day that there was trading if the exchange or market provides a closing price; and (3) the average of the highest and lowest prices of the Units for each day that there was trading, if the exchange or market provides only the highest and lowest prices of Units traded on a particular day; and (ii) an amount equal to 100% of (a) the volume weighted average trading price of a Unit on the Redemption Date, on the principal stock exchange on which Units are listed (or, if the Units are not listed on any such exchange, on the principal market on which the Units are quoted for trading) if the applicable exchange or market provides information necessary to compute a volume weighted average trading price on such date; (b) the closing price of a Unit if there was a trade on the Redemption Date, and the exchange or market provides only a closing price; (c) the simple average of the highest and lowest prices of Units on the Redemption Date if there was trading on such date and the exchange or market provides only the highest and lowest trading prices of Units traded on a particular day; or (d) the simple average of the last bid and the last asking prices of the Units on the Redemption Date if there was no trading on such date.

The aggregate Redemption Price payable by the Trust in respect of any Units tendered for redemption during any month shall be paid by cheque drawn on a Canadian chartered bank or trust company in lawful money of Canada payable to the Unitholder who exercised the right of redemption, on or before the end of the calendar month following the calendar month in which the Units were tendered for redemption; provided that Unitholders shall not be entitled to receive cash upon the redemption of their Units if: (i) the total amount payable by the Trust in respect of such Units and all other Units tendered for redemption in the same calendar month exceeds C$100,000 (provided that such limitation may be waived at the discretion of the Trustee); (ii) at the time such Units are tendered for redemption, the outstanding Units are not listed for trading on the TSX and are not traded or quoted on any

other stock exchange or market which the Trustee considers, in its discretion, provides representative fair market value prices for the Units; (iii) the normal trading of Units is suspended or halted on any stock exchange on which the Units are listed for trading (or, if not listed on a stock exchange, on any market on which the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10 consecutive trading-day period immediately prior to the Redemption Date; or (iv) the Trust or any affiliate of the Trust (including US Holdco) is, or after such redemption would be, in default under any agreements entered into by the Trust or any of its affiliates, from time to time, which set forth the terms and conditions of any debt financing obtained by the Trust, or by any one of its affiliates (as the case may be), from any person or persons not affiliated with the Trust (and for further certainty, shall include all agreements pertaining to issuances of debentures or other debt securities to the public).

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the limitations set forth in the immediately preceding paragraph, then the Redemption Price for each Unit tendered for redemption shall be equal to the fair market value of a Unit as determined by the Trustee, in its discretion, and shall, subject to all necessary regulatory approvals, be paid and satisfied by way of a distribution in specie of Trust Property (other than Cdn Holdco Shares, US Holdco Shares, Commercial Trust Units or the US Holdco Note), as determined by the Trustee in its discretion. To the extent that the Trust does not hold Trust Property (other than Cdn Holdco Shares, US Holdco Shares, Commercial Trust Units or the US Holdco Note) having a sufficient amount outstanding to effect payment in full of the in specie Redemption Price, the Trust may effect such payment by issuing Redemption Notes, being unsecured subordinated promissory notes of the Trust.

It is anticipated that the redemption right will not be the primary mechanism for Unitholders to dispose of their Units. The assets of the Trust which may be distributed in specie to Unitholders in connection with a redemption will not be listed on any stock exchange and no market is expected to develop in such assets of the Trust. The Trust Property so distributed is expected to be subject to resale restrictions under applicable securities laws and is not expected to be a qualified investment for Registered Plans.

Trustee

Computershare is the Trustee and the transfer agent and registrar for the Units. Subject to the express limitations contained in the Trust Indenture and any grant of certain powers to the Administrator, as administrator of the Trust, the Trustee has full, absolute and exclusive power, control and authority over the Trust Property and over the affairs of the Trust, to the same extent as if the Trustee were the sole and absolute beneficial owner of the Trust Property in its own right, and to do all such acts and things as in its discretion are necessary or incidental to, or desirable for, the carrying out of the duties of the Trust created pursuant to the Trust Indenture. The Trustee has no obligation to Unitholders beyond the obligations set out in the Trust Indenture, except as may be mandated by law.

The Trust Indenture provides that the Trustee must discharge its duties honestly, in good faith and in the best interests of the Trust and the Unitholders, and in connection therewith exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.

Except as expressly prohibited by law, the Trustee may in its discretion delegate the execution of certain of its authority and powers to the Administrator, as the administrator of the Trust, pursuant to the terms of the Administration Agreement. The Trustee may in its discretion also delegate the execution of certain of its authority and powers to such other persons as is necessary or desirable to carry out and effect the actual management and administration of the duties of the Trustee under the Trust Indenture without regard to whether such authority is normally delegated by trustees. See "Description of the Trust — Delegation to the Administrator".

The Trustee shall be entitled to make any reasonable decisions, designations or determinations, not contrary to the Trust Indenture, which it may determine are necessary or desirable in interpreting, applying or administering the Trust Indenture, or in administering, managing or operating the Trust. Any Trustee's decisions, designations or determinations made pursuant to the Trust Indenture shall be conclusive and binding upon the Trust and the Unitholders.

The Trustee may resign as Trustee by giving to the Administrator, in its capacity as administrator of the Trust, not less than 90 days' prior written notice, unless the Administrator agrees to a shorter period of notice. The Trustee may be removed at any time, with or without cause, by Ordinary Resolution. The Trustee may also be removed at any time by the Administrator, in its capacity as administrator of the Trust, by notice in writing to the Trustee upon the occurrence of certain events, including where (i) the Trustee is declared bankrupt or insolvent or enters into liquidation to wind up its affairs, (ii) all of its assets (or a substantial part thereof) are subject to seizure or confiscation, (iii) it becomes incapable or refuses to perform its responsibilities under the Trust Indenture, or (iv) the Trustee at any time ceases to be incorporated under the laws of Canada or a province thereof, to be resident

in Canada for the purposes of the Tax Act, or to be authorized and registered under the laws of the Province of Ontario, or such other Province of Canada in which the head office of the Trust may from time to time be located, to carry on the business of a trust company.

Any resignation or removal of the Trustee will take effect on the date upon which the last of the following occurs: (i) a successor Trustee is appointed or elected pursuant to the Trust Indenture; and (ii) the new successor Trustee has accepted such election or appointment and has legally and validly assumed all obligations of the Trustee under the Trust Indenture. If no successor Trustee has been appointed or elected within 60 days of notice being given by the Trustee of its resignation, approval of an Ordinary Resolution to remove the Trustee, or the giving of notice by the Administrator to remove the Trustee, as the case may be, any Unitholder, the Trustee, the Administrator or any other interested person, may apply to a court of competent jurisdiction for the appointment of a successor trustee.

Upon the taking effect of any resignation or removal of the Trustee under the terms of the Trust Indenture, the Trustee shall cease to be a party to the Administration Agreement and the Voting Agreement.

The Trust Indenture provides that the Trustee shall be entitled to rely on, and shall have no liability to any Unitholder, holder of Other Trust Securities, or any person for acting or failing to act, in good faith in relation to any matter relating to the Trust where such action or failure is based upon, statements from, the opinion or advice of or information from auditors, counsel or any valuator, engineer, surveyor, appraiser or other expert where it is reasonable to conclude that the matter in respect of which such statements are made, or opinion or advice given, ought to be within the expertise of such advisor or expert, provided that the Trustee has satisfied its standard of care in selecting such advisor and expert. The Trustee shall have no liability whatsoever to any Beneficiary or any other person for any obligation, liability or claim arising in connection with, directly or indirectly, the Trust Property or the conduct and undertaking of the affairs of the Trust, including (i) any action or failure to act by the Trustee with respect to its duties, responsibilities, powers, authorities and discretion under the Trust Indenture (including failure to compel in any way any trustee to redress any breach of trust or any failure of the Administrator to perform its duties under, or delegated to it under, the Trust Indenture, the Administration Agreement or any other contract), (ii) any error in judgment, (iii) any matters pertaining to the administration or termination of the Trust, (iv) any environmental liabilities, (v) any action or failure to act by the Administrator or any other person to whom the Trustee has, as permitted by the Trust Indenture, delegated any of its duties, and (vi) any depreciation of, or loss to, the Trust incurred by reason of the retention or sale of any Trust Property; unless such liabilities arise from, or out of the wilful misconduct, fraud or gross negligence of the Trustee or the breach by the Trustee of its standard of care under the Trust Indenture (which does not include ordinary inadvertence in the acts or omissions of the Trustee). Where the Trustee is held liable to any person, or its property or assets are subject to levy, execution or other enforcement resulting in personal loss to the Trustee in circumstances where there is to be no liability on the Trustee on the basis just described, the Trustee shall be indemnified out of the Trust Property to the full extent of such liability and the costs of any action, suit or proceeding or threatened action, suit or proceeding, including reasonable legal fees and disbursements. The Trust Indenture also contains other customary provisions limiting the liability of the Trustee.

Certain Restrictions on Trustee's Powers

The Trust Indenture provides that a change to the Administration Agreement, the Voting Agreement or any extension thereof, the terms of any constating document of any affiliate of the Trust, and the terms of any agreement entered into by the Trust or its affiliates with the Administrator, must be approved by a majority of the Administrator Directors.

The Trust Indenture further provides that the Trustee shall not, without approval of Unitholders by Ordinary Resolution, (i) vote or instruct on the voting of any share of the Administrator pursuant to the Voting Agreement, including with regard to the election of Administrator Directors, or (ii) appoint or change the auditors of the Trust, except in the event of a voluntary resignation of such auditors.

In addition, the Trust Indenture provides that the Trustee shall not, without approval of Unitholders by Special Resolution: (i) amend the Trust Indenture, except as permitted by the Trust Indenture (as described under "Amendments to the Trust Indenture" below); (ii) sell, lease, exchange or transfer all or substantially all of the Trust Property, other than (A) pursuant to in specie redemptions permitted under the Trust Indenture, (B) in order to acquire Cdn Holdco Shares, Commercial Trust Units and/or US Holdco Notes in connection with pursuing the purpose of the Trust, or (C) in conjunction with an internal reorganization involving the sale, lease, exchange or other transfer of the Trust Property (whether or not involving all or substantially all of the Trust Property), including pursuant to an amalgamation, arrangement or merger of the Trust and/or one or more of its affiliates, as a result of which the Trust has substantially the same interest, whether direct or indirect, in the Trust Property that it had prior to

such sale, lease, exchange or other transfer; or (iii) authorize the termination, liquidation or winding up of the Trust, other than at the end of the term of the Trust.

Amendments to the Trust Indenture

Except where otherwise specifically provided in the Trust Indenture, the Trust Indenture may only be amended or altered by Special Resolution. The Trustee is entitled, at its discretion (which discretion has been delegated to the Administrator), without the approval of the Unitholders, to make amendments to the Trust Indenture at any time on or prior to the Closing Date, for any purpose by agreement between the Trustee and the Administrator, and at any time (including after the Closing Date) for any of the following purposes: (i) ensuring the Trust continues to comply with applicable laws, regulations, requirements or policies of any governmental or regulatory authority having jurisdiction over the Trustee or the Trust; (ii) providing additional protection for the Unitholders or to obtain, preserve or clarify the provision of desirable tax treatment to Unitholders; (iii) making amendments which, in the opinion of the Trustee, based on the advice of counsel, are necessary or desirable in the interests of the Unitholders as a result of changes in taxation laws or in their interpretation or administration; (iv) making corrections to, or removing or curing any conflicts or inconsistencies between, the provisions of the Trust Indenture or any supplemental indenture and any other agreement to which the Trust is a party, or any prospectus filed with any governmental or regulatory authority with respect to the Trust, or any applicable law or regulation of any jurisdiction, provided that, in the opinion of the Trustee, based on the advice of counsel, the rights of the Unitholders are not materially prejudiced thereby; (v) providing for the electronic delivery by the Trust to Unitholders of documents relating to the Trust (including annual and quarterly reports, including financial statements, notices of Unitholders meetings and information circulars and proxy related materials) at such time as applicable securities laws have been amended to permit such electronic delivery in place of normal delivery procedures, provided that such amendments, based on the advice of counsel, are not contrary to, or do not conflict with such laws; (vi) curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions in the Trust Indenture, provided that, in the opinion of the Trustee, based on the advice of counsel, the rights of the Unitholders are not materially prejudiced thereby; (vii) making amendments as are required to undertake an internal reorganization involving the sale, lease, exchange or other transfer of the Trust Property, including an amalgamation, arrangement or merger of the Trust and its affiliates with any entities, as a result of which the Trust has substantially the same interest, whether direct or indirect, in the Trust Property that it had prior to the reorganization provided that, in the opinion of the Trustee, based on the advice of counsel, the rights of Unitholders are not materially prejudiced thereby; and (viii) making amendments for any purpose provided that, in the opinion of the Trustee, based on the advice of counsel, the rights of Unitholders are not materially prejudiced thereby.

No amendment may be made to modify the voting rights attributable to any Unit or to reduce the fractional undivided beneficial interest in the Trust Property represented by any Unit without obtaining the consent of the holder of such Unit.

Rights of Unitholders

The rights of the Unitholders have been established by the Trust Indenture. A Unitholder of the Trust has all of the material protections, rights and remedies a shareholder of a corporation would have under the OBCA, except as described below.

Many of the provisions of the OBCA respecting the governance and management of a corporation have been incorporated in the Trust Indenture. For example, Unitholders are entitled to exercise voting rights in respect of their holdings of Units in a manner comparable to shareholders of an OBCA corporation, including the right to elect Administrator Directors and to appoint auditors. The Trust Indenture also includes provisions modeled after comparable provisions of the OBCA dealing with the calling and holding of meetings of Unitholders, the quorum for, and procedures at such meetings, and the right of Unitholders to participate in the decision making process where certain fundamental actions are proposed to be undertaken. Unlike shareholders of an OBCA corporation, Unitholders do not have a comparable right to make a Unitholder proposal at a general meeting of the Trust. The matters in respect of which Unitholder approval is required under the Trust Indenture are generally less extensive than the rights conferred on the shareholders of an OBCA corporation, but effectively extend to certain fundamental actions that may be undertaken by the Trust and its subsidiary entities. These Unitholder approval rights are supplemented by provisions of applicable securities laws that are generally applicable to issuers (whether corporations, trusts or other entities) that are "reporting issuers" as defined under applicable securities laws or the equivalent or listed on the TSX.

Unitholders do not have recourse to a dissent right under which shareholders of an OBCA corporation are entitled to receive the fair value of their shares where certain fundamental changes affecting the corporation are undertaken (such as an amalgamation, a continuance under the laws of another jurisdiction, the sale of all or substantially all of its property, a going private transaction or the addition, change or removal of provisions restricting (i) the business or businesses that the corporation can carry on, or (ii) the

issue, transfer or ownership of shares). As an alternative, Unitholders seeking to terminate their investment in the Trust are entitled to redeem their Units, as described under "Description of the Trust — Redemption at the Option of Unitholders".

Unitholders similarly do not have recourse to the statutory oppression remedy that is available to shareholders of an OBCA corporation where the corporation undertakes actions that are oppressive, unfairly prejudicial or disregard the interests of security holders and certain other parties. Shareholders of an OBCA corporation may apply to a court to order the liquidation and dissolution of the corporation in those circumstances, whereas Unitholders can rely only on the general provisions of the Trust Indenture which permit the winding up of the Trust with the approval of a Special Resolution of the Unitholders. Shareholders of an OBCA corporation may also apply to a court for the appointment of an inspector, subject to court oversight and other investigative procedures, to investigate the manner in which the business of the corporation and its affiliates is being carried on where there is reason to believe that fraudulent, dishonest or oppressive conduct has occurred. By virtue of the right to requisition a meeting of Unitholders, the Trust Indenture allows Unitholders to call meetings to consider the appointment or removal of the Trustee and the Administrator Directors, but does not specifically contemplate the appointment of an inspector. Further, a meeting of Unitholders may be requisitioned in writing by Unitholders representing not less than 20% of all votes entitled to be voted at a meeting of Unitholders, while the equivalent threshold for shareholders of an OBCA corporation who wish to requisition a shareholder meeting is 5%. The OBCA also permits shareholders to bring or intervene in derivative actions in the name of the corporation or any of its subsidiaries, with the leave of a court. The Trust Indenture does not include a comparable right of the Unitholders to commence or participate in legal proceedings with respect to the Trust. The protections, rights and remedies available to a Unitholder are described in the Trust Indenture. See "Risk Factors". The above mentioned protections, rights and remedies are contained in the Trust Indenture, a copy of which is available on SEDAR at www.sedar.com under the Trust's profile.

Meetings of Unitholders

The Trust Indenture provides that there shall be an annual meeting of the Unitholders, commencing in 2013, for the purpose of: (i) presentation of the financial statements of the Trust for the immediately preceding fiscal year; (ii) appointing the auditors of the Trust for the ensuing year; (iii) directing and instructing the Trustee how to vote (or how to compel the voting), as agent for the Unitholders, pursuant to the Voting Agreement for the election of the Administrator Directors; and (iv) transacting such other business as the Trustee or the Administrator may determine, or as may be properly brought before the meeting. Pursuant to the Voting Agreement, the Administrator Shareholder has agreed to vote its shares in the Administrator at the direction of the Unitholders, as communicated by the Trustee as agent for the Unitholders, with regard to, among other things, the election or removal of the Administrator Directors, setting the number of Administrator Directors from time to time and the appointment of an auditor of the Administrator from time to time. See "Voting Agreement".

The Trust Indenture provides that special meetings of Unitholders may be convened at any time and for any purpose by the Trustee, and must be convened upon the request of the Administrator or, except in certain circumstances, if requisitioned in writing by Unitholders representing not less than 20% of all votes entitled to be voted at a meeting of Unitholders. A requisition is required to state in reasonable detail the business proposed to be transacted at the meeting.

Unitholders may attend and vote at all meetings of the Unitholders either in person or by proxy. A proxyholder will not be required to be a Unitholder. Two or more persons present in person and being Unitholders or representing, by proxy, Unitholders who hold in the aggregate not less than 10% of all votes entitled to be voted at a meeting of Unitholders shall constitute a quorum for the transaction of business at all such meetings. At any meeting at which a quorum is not present within 30 minutes after the time fixed for the holding of such meeting, the meeting, if convened upon the requisition of the Unitholders, shall be terminated, but in any other case, the meeting will stand adjourned to a day not less than 14 days later and to a place and time as determined by the chairman of the meeting and if at such adjourned meeting a quorum is not present, the Unitholders present either in person or by proxy shall be deemed to constitute a quorum.

Every question submitted to a meeting, other than questions to be decided by Special Resolution, shall, unless a poll vote is demanded, be decided by a show of hands on which every person present and entitled to vote shall be entitled to one vote. On a poll vote at any meeting of Unitholders, each Unit shall entitle the holder thereof to one vote.

The Trust Indenture contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Unitholders. A resolution signed in writing by Unitholders holding a proportion of all the outstanding votes entitled to be voted at a meeting of Unitholders, where such proportion is equal to or greater than the proportion of votes required to be voted in favour of such resolution at a meeting of Unitholders to approve that resolution, is as valid as if it had been passed at a meeting

of Unitholders duly called and convened for the purpose of approving that resolution, provided that, if such written resolution is not a unanimous written resolution of the Unitholders, then in addition to the written resolution of the Unitholders, the Administrator Directors must have unanimously approved such resolution whether by written resolution or at a duly convened meeting of the Administrator Directors.

Information and Reports

The Trust Indenture requires the Trustee to furnish to Unitholders, in accordance with applicable law, the annual consolidated financial statements of the Trust for the preceding year, along with the report of the auditors thereon. In addition, if the Trust is a "reporting issuer" under applicable securities law, the Trustee is required to furnish to Unitholders the annual consolidated financial statements of the Trust, together with comparative consolidated financial statements for the preceding fiscal year, if any, and the report of the auditors thereon on, or before any date prescribed by applicable law, as well as the unaudited quarterly consolidated financial statements of the Trust for a fiscal quarter, together with comparative consolidated financial statements for the same fiscal quarter in the preceding fiscal year, if any, on or before any date prescribed by applicable law. The Trustee is also required, on or before the 90th day in each year or such earlier date as may be required under applicable law, to furnish to Unitholders who received distributions from the Trust in the prior calendar year, such information regarding the Trust required by Canadian law, to be submitted to Unitholders for income tax purposes, to enable Unitholders to complete their tax returns in respect of the prior calendar year. Under the Administration Agreement, the Trustee has delegated to the Administrator the responsibility to prepare and provide the foregoing information to Unitholders on a timely basis.

Each Unitholder has the right to obtain, on demand and without fee, from the head office of the Trust, a copy of the Trust Indenture and any amendments thereto and minutes of the meetings of Unitholders and any written resolutions of Unitholders passed in lieu of holding a meeting of Unitholders, and is also entitled to examine a list of Unitholders (subject to providing an affidavit to the Administrator, as administrator of the Trust, similar to the affidavit required under the OBCA for a shareholder to obtain a list of shareholders).

Prior to each meeting of Unitholders, the Administrator, as administrator of the Trust, will provide to the Unitholders (along with notice of the meeting) all information, together with such certifications, as are required by applicable law and by the Trust Indenture to be provided to Unitholders.

Term of the Trust

The Trust has been established for a term ending 21 years after the date of death of the last surviving issue of Her Majesty, Queen Elizabeth II, alive on September 7, 2012. The termination or winding-up of the Trust may also be effected by passage of a Special Resolution authorizing the same.

Delegation to the Administrator

Under the terms of the Trust Indenture, the Trustee is authorized to delegate most of the powers and duties granted to it (to the extent not prohibited by law) to any person as the Trustee may deem necessary or desirable. The Trustee has delegated most of its powers and duties to the Administrator, as administrator of the Trust, pursuant to the terms of the Administration Agreement. Among other things, the Administration Agreement sets forth all of the rights, restrictions and limitations (including, without limitation, limitations of liability and indemnification rights) which pertain to the performance by the Administrator of the duties delegated to it by the Trustee. Pursuant to the terms of the Trust Indenture, those rights, restrictions and limitations also apply in all respects to the Administrator, as administrator of the Trust, in the exercise and performance by it of all powers, duties and authorities conferred upon or delegated to the Administrator under the terms of the Trust Indenture. In the event of a termination of the Administration Agreement, the Trustee will, until a successor administrator is appointed, perform the duties otherwise to have been performed by the Administrator under the Administration Agreement and the Trust Indenture on the same terms and conditions as they were performed by the Administrator. See "Administration Agreement". The Trust Indenture provides that the Trustee shall have no liability to any Unitholder as a result of the delegation by the Trustee of its powers and duties to the Administrator.

In performing the duties delegated to it, the Administrator must exercise its power and carry out its function honestly, in good faith and in the best interests of the Trust, and will also be obligated to exercise that degree of care, diligence and skill as would be exercised, in Canada, by a reasonably prudent administrator having responsibilities of a similar nature to those under the Administration Agreement in comparable circumstances. The Administrator Directors will be indemnified by the Trust in respect

of their activities on behalf of the Trust, as referred to above, unless the Administrator Directors act in a manner which constitutes wilful misconduct, fraud, gross negligence or breach of their standard of care.

Power of Attorney

Upon becoming a Unitholder, each Unitholder, pursuant to the terms of the Trust Indenture, grants to the Trustee a power of attorney constituting the Trustee, with full power of substitution, as the true and lawful attorney of such Unitholder to act on his behalf, with full power and authority in his name, place and stead, to execute, swear to, acknowledge, deliver, make, file or record (and to take all requisite action in connection with such matters), when, as and where required with respect to: (i) the Trust Indenture and any other instrument required or desirable to qualify, continue and keep in good standing the Trust as a "mutual fund trust" under the Tax Act and to ensure that the Trust is not a "SIFT trust" under the Tax Act; (ii) any instrument, deed, agreement or document in connection with carrying on the affairs of the Trust as authorized in the Trust Indenture, including all conveyances, transfers and other documents required in connection with any disposition of Units; (iii) all conveyances, transfers and other documents required in connection with the dissolution, liquidation or termination of the Trust; (iv) any and all elections, determinations or designations whether jointly with third parties or otherwise, under the Tax Act or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Trust or of a Unitholder's interest in the Trust; (v) any instrument, certificate and other documents necessary or appropriate to reflect and give effect to any duly authorized amendment to the Trust Indenture; and (vi) all transfers, conveyances and other documents required to facilitate the acquisition of Units or Other Trust Securities of non-tendering offerees in the event of a take-over bid.

Each Unitholder agrees that the power of attorney is, to the extent permitted by applicable law, irrevocable, is a power coupled with an interest, and shall survive the death, mental incompetence, disability and any subsequent legal incapacity of the Unitholder and shall survive the assignment by the Unitholder of all or part of the Unitholder's interest in the Trust and will extend to, and bind the heirs, executors, administrators and other legal representatives and successors and assigns of the Unitholder. Each Unitholder agrees to be bound by any representations or actions made or taken by the Trustee or its delegate pursuant to the power of attorney and waives any and all defences which may be available to contest, negate or disaffirm any actions taken by the Trustee or its delegate in good faith under the power of attorney.

DESCRIPTION OF THE COMMERCIAL TRUST

General

The Commercial Trust is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario on November 7, 2012 pursuant to the Commercial Trust Indenture. All of the issued and outstanding Commercial Trust Units are held by the Trust. The Commercial Trust's sole function is to own debt of the Trust's subsidiaries, including the US Holdco Note. The Administrator is the trustee of the Commercial Trust and will continue in this capacity until it resigns or is replaced by the Trust in accordance with the provisions of the Commercial Trust Indenture.

Distributions

The amount and payment of distributions by the Commercial Trust on the Commercial Trust Units is an amount determined in the discretion of the Administrator, as trustee of the Commercial Trust. The Administrator Directors intend to cause the Commercial Trust to make monthly distributions, funded by payments of interest and/or principal received by the Commercial Trust from US Holdco under the US Holdco Note, to the Trust so as to facilitate the Trust's monthly cash distributions to Unitholders.

DESCRIPTION OF CDN HOLDCO

General

Cdn Holdco is a corporation formed under the OBCA on October 23, 2012. The sole shareholder of Cdn Holdco is the Trust. The purpose of Cdn Holdco is to hold all of the issued and outstanding US Holdco Shares and make distributions to the Trust to the extent possible.

The articles of Cdn Holdco (i) provide that Cdn Holdco is constituted exclusively for the purpose of investing in equity and debt securities of its affiliates, (ii) prohibit Cdn Holdco from carrying on any business in Canada for purposes of the Tax Act, (iii) prohibit Cdn Holdco from acquiring or holding any "non-portfolio property" (as defined in the Tax Act) or property which would cause Cdn Holdco to case to qualify as a "portfolio investment entity" (as defined in the Tax Act), and (iv) prohibit Cdn Holdco from taking any action, or acquiring, retaining or holding any investment in any entity or other property that would result in the Trust or any of its subsidiaries being a "SIFT trust" or "SIFT partnership" (each as defined in the Tax Act).

Distributions

The amount and payment of dividends or returns of capital by Cdn Holdco is an amount determined in the discretion of Cdn Holdco's board of directors, subject to applicable corporate law. The board of directors of Cdn Holdco intends to make monthly cash distributions, funded by distributions received by Cdn Holdco from US Holdco, to the Trust so as to facilitate the Trust's monthly cash distributions to Unitholders.

DESCRIPTION OF US HOLDCO

General

US Holdco is a corporation formed under the laws of the State of Delaware on October 26, 2012. The sole shareholder of US Holdco is Cdn Holdco. US Holdco was created to acquire the Company Interest, to pay interest on the US Holdco Note held by the Commercial Trust and to declare and pay distributions to Cdn Holdco on the US Holdco Shares.

Distributions

In addition to causing US Holdco to make monthly interest payments to the Commercial Trust on the US Holdco Note, the board of directors of US Holdco is expected to make monthly cash distributions to Cdn Holdco on the US Holdco Shares to facilitate the Trust's monthly cash distributions to Unitholders. The amount and payment of dividends or returns of capital by US Holdco to Cdn Holdco is determined in the discretion of US Holdco board of directors, subject to applicable corporate law.

The US Holdco Note

The following is a summary of the material terms of the US Holdco Note, as set out in a loan agreement to be entered into by Cdn Holdco, as lender, and US Holdco, as borrower, on November 13, 2012 (the "**Loan Agreement**"). This summary is qualified in its entirety by reference to the provisions of the Loan Agreement.

The US Holdco Note was issued by US Holdco to Cdn Holdco immediately following the closing of the IPO in consideration for the loan made by Cdn Holdco to US Holdco, out of a portion of the net proceeds of the IPO received by Cdn Holdco from the Trust. Immediately following the issuance of the US Holdco Note to Cdn Holdco, Cdn Holdco distributed the US Holdco Note to the Trust by way of a reduction of capital on the Cdn Holdco Shares, following which the Trust contributed the US Holdco Note to the Commercial Trust in consideration for additional Commercial Trust Units, so that following such transactions the US Holdco Note was held by the Commercial Trust.

Interest

The US Holdco Note bears interest at the rate of 11% per annum. Interest on the US Holdco Note is payable quarterly, in arrears, commencing on November 13, 2015. Accrued and unpaid interest prior to such date will be capitalized by increasing the outstanding principal balance of the US Holdco Note by the amount of such accrued and unpaid interest; however, US Holdco may elect to pay all or any portion of the accrued but unpaid interest at any time prior to such date. US Holdco intends to pay interest on the US Holdco Note on a monthly basis in order to enable the Trust to pay monthly distributions to Unitholders.

Maturity and Repayment

The US Holdco Note will mature ten years after issuance. On maturity, US Holdco is required to repay the outstanding principal amount of the US Holdco Note, together with accrued and unpaid interest thereon.

Except as otherwise provided under the US Holdco Note, upon a liquidation, winding up, merger, sale or other disposition of all or substantially all of the assets of US Holdco and its subsidiaries, taken as a whole, the holder of the US Holdco Note can, at its option, require US Holdco to repay the entire outstanding balance of the US Holdco Note.

Additional Covenants

The US Holdco Note restricts US Holdco and its subsidiaries from incurring certain indebtedness or granting liens or security interests on certain property without the prior consent of the holder. The US Holdco Note also restricts US Holdco from making distributions without the prior consent of the holder unless, after giving effect to the distributions, the value of US Holdco's assets less its liabilities (other than amounts owing under the US Holdco Note) is greater than or equal to 105% of the principal balance owing under the US Holdco Note. The US Holdco Note also restricts US Holdco and its subsidiaries from selling certain assets or making certain capital expenditures without the prior consent in writing of the holder.

Subordination/Security

The payment of principal and interest on the US Holdco Note is required to be guaranteed pursuant to a guaranty agreement (the "**Guaranty Agreement**") from all present or future subsidiaries of US Holdco (other than Regional Energy and its subsidiaries) (the "**Subsidiary Guarantors**"). The payment of amounts owed by the Subsidiary Guarantors under the Guaranty Agreement is junior and subordinate to the amounts owed by such Subsidiary Guarantors to Macquarie Energy under the Base Confirmation Agreement, in accordance with the terms of a subordination and intercreditor agreement (the "**Subordination Agreement**") among Macquarie Energy, the Subsidiary Guarantors and Cdn Holdco.

The Subordination Agreement prohibits the Subsidiary Guarantors from making any payments to the holder of the US Holdco Note under the Guaranty Agreement, or taking certain collection or enforcement actions against the Subsidiary Guarantors under the Guaranty Agreement or applicable law, unless and until all obligations and indebtedness owed to Macquarie Energy have been paid in full and Macquarie Energy has no further commitment to extend any credit or other financial accommodation to any of the Subsidiary Guarantors. The Subordination Agreement also provides that a sale or other disposition of the equity interests of any Subsidiary Guarantor in connection with the exercise of remedies by Macquarie Energy or which is otherwise permitted under the terms of the US Holdco Note or the Guaranty Agreement shall automatically terminate such Subsidiary Guarantor's obligations and indebtedness under the Guaranty Agreement.

The indebtedness of US Holdco under the US Holdco Note is secured by a pledge of the Membership Units in the Company owned by US Holdco.

Default

The Loan Agreement sets out various events of default, including any of the following: (i) failure to pay any principal of, or interest on, the US Holdco Note within 10 days of the date such payment was due; (ii) default in the observance or performance of any covenant of the US Holdco Note; (iii) if the Borrower fails to make any payment in respect of any other indebtedness in excess of $500,000; (iv) certain events of dissolution, liquidation, reorganization or other similar insolvency proceedings, or the failure to satisfy certain final judgments relative to US Holdco or any of its subsidiaries that have guaranteed the US Holdco Note; and (v) the Trust or any subsidiary of the Trust ceases to own and control 100% of the equity interests of US Holdco free and clear of all liens. Upon an event of default, following any applicable grace period, and subject to the terms of the Subordination Agreement, the holder of the US Holdco Note may declare the principal amount of the US Holdco Note and any accrued and unpaid interest thereon forthwith due and payable.

DESCRIPTION OF THE COMPANY

General

The Company, a limited liability company, was formed on August 7, 2012 in Delaware. US Holdco owns approximately 26.8% of the Membership Units in the Company. The remaining 73.2% of the Membership Units in the Company are held by the Regional Energy Members (36.6%) and the Public Power Members (36.6%). The Company may also be considered to be the promoter of the Trust. See "Promoter".

The directors of the Company are Mr. Ajello, Mr. Burden, Mr. Sullivan, Mr. Gries and a nominee of the Regional Energy Members. Each of Mr. Ajello, Mr. Burden and Mr. Sullivan are the nominees of US Holdco. Mr. Gries is the nominee of the Public Power Members. The executive officers of the Company are the same as the executive officers of the Administrator. See " — Company LLC Agreement"

Governance

US Holdco is entitled to appoint three out of the five directors to the Company's board of directors, and thereby control the Company. Until such time as the Regional Energy Members and Public Power Members, in the aggregate, own less than 20% of the outstanding Membership Units in the Company, the Regional Energy Members, collectively, and Public Power Members, collectively, are each be entitled to appoint one director to the Company's board of directors, for a total of two directors. The business and affairs of the Company are required to be managed by or under the Company's board of directors, and the board of directors has the power and authority to appoint the officers of the Company and to determine the level of distributions by the Company out of distributable cash, if any. See " — Company LLC Agreement"

See "Trustee, Directors and Management" for the biographies of the directors of the Company who are also Administrator Directors.

Distributions

Within 15 days following the end of each month, the Company is required to distribute the Company Distributable Cash to its members in accordance with their respective Percentage Interests (as that term is defined in the Company LLC Agreement). See " — Company LLC Agreement - Distributions".

Company LLC Agreement

The Company entered into a Second Amended and Restated Limited Liability Company Agreement of Crius Energy, LLC (the "**Company LLC Agreement**") on November 13, 2012 which governs the business and affairs of the Company and set out the rights and obligations of the members of the Company with respect to their ownership interests in the Company.

The following is a summary of the material terms of the Company LLC Agreement. The summary below is qualified in its entirety by reference to the text of the Company LLC Agreement. A copy of the Company LLC Agreement is available on SEDAR at www.sedar.com under the Trust's profile. See "Material Contracts".

General

The Company is a limited liability company formed on August 7, 2012 pursuant to the laws of Delaware. Except as otherwise provided in the Company LLC Agreement, the rights and liabilities of the members of the Company are governed by the *Delaware Limited Liability Company Act* (the "**Delaware Act**").

The purpose of the Company is to serve as a member or stockholder of Regional Energy, Public Power and any other operating subsidiaries of the Company (collectively, the "**Operating Companies**"). In addition, the Company may engage in, or form any corporation, partnership, joint venture, limited liability corporation or other arrangement to engage in, any business that the Operating Companies are permitted to engage in or that the Company's board of directors may approve and that may lawfully be conducted by a limited liability company pursuant to the Delaware Act. Title to Company assets are deemed to be owned by the Company as an entity, and no member, director or officer of the Company shall have an ownership interest in such Company assets. The Company shall continue as a separate legal entity unless and until it is dissolved in accordance with the provisions of the Company LLC Agreement.

Management and Operation of Company Business

US Holdco is the managing member of the Company. In its capacity as managing member, US Holdco has the right to appoint a majority of the members of the Company's board of directors. The directors of the Company, because it is a limited liability company rather than a corporation, have the power and authority provided for in the Company LLC Agreement. Under the Company LLC Agreement, the board of directors has all the authority that directors of a Delaware corporation would have, which are discussed below.

Except as otherwise provided in the Company LLC Agreement, the business and affairs of the Company are managed by, or under the direction of, the Company's board of directors. The board of directors has the power and authority to appoint officers of the Company. No member, by virtue of its status as such, has any management power over the business and affairs of the Company or actual or apparent authority to enter into, execute or deliver contracts on behalf of, or to otherwise bind, the Company. In addition, the Company LLC Agreement provides that the only matters that the holders of Membership Units are entitled to approve are the amendment of the Company LLC Agreement, the dissolution and liquidation of the Company and the merger or amalgamation of the Company with another entity. These transactions generally require the approval of the Company's board of directors, as well as the approval of US Holdco and the Regional Energy Members and Public Power Members by an Act of the Members (defined herein). If the Regional Energy Members and Public Power Members, in the aggregate, own less than 20% of the outstanding Membership Units, such transactions will no longer require the approval of the Regional Energy Members and Public Power Members, and will instead only require approval by holders of a majority of Membership Units. See "— Matters Requiring Approval by an Act of the Members."

The Company's board of directors has full power and authority to do, and to direct the officers of the Company to do, all things and on such terms as it determines to be necessary or appropriate to conduct the business of the Company, including:

- making expenditures, lending or borrowing money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness, including indebtedness that is convertible into membership interests, and the incurring of any other obligations;
- making tax, regulatory and other filings, and rendering reports to governmental or other agencies having jurisdiction over the business or assets of the Company;
- the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any or all of the assets of the Company;
- the merger or other combination of the Company with or into another person (subject to such prior approval of the members as may be required by the Company LLC Agreement);
- use of the Company's assets (including cash on hand) for any purpose consistent with the terms of the Company LLC Agreement;
- the negotiation, execution and performance of any contracts, conveyances or other instruments;
- the distribution of Company cash, including Company Distributable Cash;
- the selection and dismissal of officers, employees, agents, outside attorneys, accountants, consultants and contractors and the determination of their compensation and other terms of employment or hiring, the creation and operation of employee benefit plans, employee programs and employee practices;
- the formation of, or acquisition of an interest in, and the contribution of property and the making of loans to, any limited or general partnerships, joint ventures, corporations, limited liability companies or other relationships in accordance with the purposes of the Company;
- the control of any matters affecting the Company's rights and obligations, including the bringing and defending of actions at law or in equity and otherwise engaging in the conduct of litigation, arbitration or mediation and the incurring of legal expense and the settlement of claims and litigation;
- the indemnification of any person against liabilities and contingencies to the extent permitted by law;
- the entering into of agreements with any of the Company's affiliates to render services to the Company;
- unless otherwise restricted by the Company LLC Agreement, the purchase, sale or other acquisition or disposition of equity interests in the Company, or the issuance of additional options, rights, warrants and appreciation rights relating to equity interests in the Company.

Rights of Members

Under the Company LLC Agreement, members of the Company are entitled, among other things, to the following rights:

- the right to receive distributions of distributable cash as determined by the board of directors of the Company;
- the right to appoint directors of the Company, as described in greater detail below;
- the right to vote on certain fundamental transactions relating to the Company, as described in greater detail below;
- the right to receive audited annual financial statements and unaudited quarterly financial statements of the Company;
- the right, upon reasonable written demand, to obtain true and full information regarding the status of the business and financial condition of the Company;
- the right, upon reasonable written demand, to obtain a copy of the Company's federal, state and local income tax returns for each year;
- the right, following the dissolution of the Company and after payment of amounts owed to the creditors of the Company and after the setting aside of certain reserves as the board of directors deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company, to receive any remaining assets of the Company.

In addition to the foregoing, the Company LLC Agreement provides that the Company shall:

- make available to US Holdco such officers of the Company and the Company's subsidiaries as US Holdco may reasonably request to meet or participate in conference calls or "road shows" with owners or potential owners of Units of the Trust, analysts who report on or who may report on the Trust, and lenders to the Trust or any of its subsidiaries;
- provide to US Holdco all information reasonably available to the Company and required or convenient for the preparation of financial statements and accompanying Management's Discussion and Analysis of Financial Condition and Results of Operations of the Trust in accordance with applicable securities law;
- cooperate in all reasonable respects with requests from US Holdco in the preparation and audit of the consolidated financial statements of the Trust and any related due diligence review of the financial statements;
- provide reasonable assistance in order to permit the Trust to comply with the Trust's timely and continuous disclosure obligations under applicable securities law;
- use all reasonable efforts to establish and maintain such internal controls over financial reporting and disclosure controls and procedures as may be reasonably necessary in order to permit the Trust to comply with applicable securities law;
- adopt and use all reasonable efforts to enforce internal policies with regards to insider trading and reporting in a manner reasonably acceptable to US Holdco;
- provide to US Holdco certain information available to the Company and each of its subsidiaries as US Holdco may reasonably request in order to permit US Holdco to compute certain amounts required to be computed by it for Canadian tax purposes.

Capital Contributions

Members are not obligated to make additional capital contributions, except as described below under " — Limited Liability and Unlawful Distributions."

No member is entitled to the withdrawal or return of its capital contribution to the Company (except to the extent of any distributions made pursuant to the Company LLC Agreement or upon termination of the Company to the extent provided for in the Company LLC Agreement). Except to the extent expressly provided in the Company LLC Agreement, no member is entitled to the withdrawal or return of its capital contribution to the Company and no member shall have priority over any other member as to the return of capital contributions or as to profits, losses or distributions.

Company Board of Directors

The Company LLC Agreement provides that the Company's board of directors shall consist of five natural persons. Each director shall serve in such capacity until his or her successor has been duly elected and qualified or until such director dies, resigns or is removed. A director may resign at any time upon written notice to the Company.

Pursuant to the Company LLC Agreement, US Holdco shall have the right to appoint three persons, and the Regional Energy Members, collectively, and the Public Power Members, collectively, shall each have the right to appoint one person to the Company's board of directors. However, if the Regional Energy Members and the Public Power Members in the aggregate own less than 20% of the outstanding Membership Units, the Regional Energy Members and the Public Power Members shall cease to have a right to appoint any person to the Company's board of directors and US Holdco will have the sole right to appoint all of the members to the Company's board of directors and determine the size of the board. Vacancies on the board of directors may be filled, and directors may be removed, only by the party entitled to appoint the director.

The Company LLC Agreement requires that a majority of the Company's board of directors, and all of the nominees of US Holdco to the Company's board of directors, must be independent directors who satisfy the independence criteria under Canadian securities law for membership on the audit committee of the board of directors of the Administrator.

Unless otherwise required by the Delaware Act or the provisions of the Company LLC Agreement, each member of the Company's board of directors shall have one vote, a majority of the members of the board of directors shall constitute a quorum at any meeting of the board of directors, and the act of a majority of the directors present at a meeting of the board of directors at which a quorum is present shall be deemed to constitute the act of the board of directors. Any action required or permitted to be taken at a meeting of the board of directors, or any committee thereof, may be taken without a meeting and without a vote if a consent or consents in writing, setting forth the action so taken, are signed by all members of the board of directors or committee.

In addition to the five members of the Company's board of directors, the Company LLC Agreement provides for a "Special Member" appointed by the Company's board of directors. The Special Member is not entitled to vote, and is not otherwise counted for a quorum or entitled to participate in meetings of the board of directors, except with respect to the following matters relating to the Company or any of its subsidiaries: (i) filing or consenting to the filing of any bankruptcy, insolvency or reorganization case or proceeding, instituting proceedings under any applicable insolvency law or otherwise seeking relief from debts or the protection of debtors generally, (ii) seeking or consenting to the appointment of a receiver, liquidator, trustee or similar person, and (iii) making any assignment for the benefit of creditors. The appointment of a Special Member is a requirement of Macquarie Energy.

The Company's board of directors may, by resolution of a majority of the full board of directors, designate one or more committees. Any such committee shall consist of three or more of the directors, and a majority of the members of each committee must be directors appointed by US Holdco. Any committee of the board of directors, to the extent provided in the resolution of the board of directors or in the Company LLC Agreement, shall have and may exercise all powers and authority of the board of directors in the management of the business and affairs of the Company, provided that no such committee shall have the power or authority to approve or adopt, or recommend to the members, any action or matter expressly required by the Company LLC Agreement or the Delaware Act to be submitted to the members for approval, or to adopt, amend or repeal any provision of the Company LLC Agreement.

Issuance of Membership Units

The Company may issue Membership Units for any Company purpose at any time and from time to time to US Holdco for such consideration and on such terms and conditions as the Company's board of directors determines without the approval of the members of the Company, except that if the issuance is for more than $75 million the Company must receive a fairness opinion from a nationally recognized investment banker as to the fairness, from a financial point of view, of the price paid for the Membership Units. The Company LLC Agreement restricts the Company from issuing Membership Units to any person other

than US Holdco without the approval of US Holdco, the Regional Energy Members and Public Power Members by an Act of the Members. Notwithstanding the forgoing, no such approval is required for the issuance of up to three million Membership Units pursuant to a long-term incentive plan adopted by the Company's board of directors.

Transfers of Membership Units

Subject to the provisions of the Company LLC Agreement, any applicable law, including securities law, and any contractual provision binding any member (including, without limitation, the Governance Agreement), Membership Units in the Company are generally freely transferable to any person.

The Company may impose restrictions on the transfers of Membership Units if it receives an opinion from counsel that such restrictions are necessary to avoid a significant risk of the Company or any subsidiary of the Company becoming taxable as a corporation or otherwise becoming taxable as an entity for United States federal income tax purposes.

Transfers or proposed transfers of Membership Units may trigger "right of first refusal" provisions in the Governance Agreement. See "- Governance Agreement - Transfer Restrictions."

Distributions

Within 15 days following the end of each month, the Company is required to distribute the Company Distributable Cash (as defined below) to the members in accordance with their respective Percentage Interests (as that term is defined in the Company LLC Agreement). For these purposes, "Company Distributable Cash" means the amount of cash that the Company's board of directors determines, in its sole and absolute discretion, is available for distribution to the members as of the end of any month, after establishing reserves for any proper purpose as determined by the board of directors, including the making of future distributions; provided, however, that for the 2019 and any subsequent fiscal year of the Company, the amount of Company Distributable Cash shall not exceed the amount of Company Distributable Cash determined by the Company's board of directors for the 2018 fiscal year of the Company unless the Company has previously made a Liquidity Offer to acquire all of the then outstanding Membership Units owned by the Regional Energy Members and Public Power Members (other than Non-Tendered Membership Units).

In addition to the foregoing, the Company is required to make cash distributions to the members to allow the members to pay the United States federal income tax (including, without limitation, estimated tax payments) attributable to the Company's taxable income for that relevant fiscal year that is passed through the Company to the members. Any such distributions are to be treated as an advance on the monthly distributions referred to in the preceding paragraph.

To the extent the Company's board of directors decides to distribute the proceeds from the sale, condemnation or refinancing of any of the Company's assets (after payment of, or reserve for, Company liabilities) to the members, payments on certain Membership Units issued to management are generally deferred until such time as distributions on the remaining Membership Units have attained certain specified levels.

Limited Liability and Unlawful Distributions

The Delaware Act provides that a member who receives a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Act shall be liable to the Company for the amount of the distribution for three years. Under the Delaware Act, a limited liability company may not make a distribution to a member if, after the distribution, all liabilities of the company, other than liabilities to members on account of their membership interests and liabilities for which the recourse of creditors is limited to specific property of the company, would exceed the fair value of the assets of the company. For the purpose of determining the fair value of the assets of a company, the Delaware Act provides that the fair value of property subject to liability for which recourse of creditors is limited shall be included in the assets of the company only to the extent that the fair value of that property exceeds the nonrecourse liability. Under the Delaware Act, an assignee who becomes a substituted unitholder of a company is liable for the obligations of his assignor to make contributions to the company, except the assignee is not obligated for liabilities unknown to him at the time he became a unitholder and that could not be ascertained from the limited liability company agreement.

Mandatory Redemption Upon Ceasing to be Eligible Member

In certain cases, the Company may have the right to redeem Membership Units or substitute itself as the owner of a member's interests where the member is or becomes subject to any federal, state or local law or regulation that the board of directors determines would create a substantial risk of a burdensome regulatory requirement. These provisions do not apply to Membership Units held by US Holdco.

Offer to Purchase Membership Units Upon Trust Change of Control

Within 30 days following the occurrence of a Trust Change of Control (as defined below), the Company or US Holdco is required to make an offer to purchase all of the Membership Units of each Regional Energy Member and Public Power Member at a price per Membership Unit equal to the Change of Control Purchase Price (as defined below).

For these purposes, a "Trust Change of Control" means the occurrence of any of the following: (i) the adoption by the Trust of a plan relating to the liquidation or dissolution of the Trust; (ii) the consummation of any transaction (including, without limitation, any merger, consolidation or amalgamation) the result of which is that any person becomes the beneficial owner, directly or indirectly, of more than 50% of the Units of the Trust; (iii) the first day on which a majority of the members of the board of directors of the Administrator are not Continuing Directors (as that term is defined in the Company LLC Agreement); or (iv) the first day on which the Trust does not own, directly or indirectly through other wholly-owned subsidiaries, all of the outstanding equity interests in US Holdco.

The "Change of Control Purchase Price" per Membership Unit is equal to (i) 6.5 times the Company's Consolidated Cash Flow (as that term is defined in the Company LLC Agreement) for the preceding four full fiscal quarters (subject to certain adjustments in the event the Company has made a material acquisition or disposition during that period), plus the amount of the Company's cash and cash equivalents on a consolidated basis as of the preceding fiscal quarter, minus the amount of debt as of the end of the preceding fiscal quarter, divided by (ii) the number of outstanding Membership Units; provided that if the Regional Energy Members and Public Power Members, in the aggregate, own less than 20% of the outstanding Membership Units, the Change of Control Purchase Price per Membership Unit shall be the fair market value of a Membership Unit as determined by the Company's board of directors in good faith.

Offer to Purchase Membership Units in Connection with Company Change of Control

US Holdco agrees not to permit a Company Change of Control (as defined below) to occur unless US Holdco or the Company offers to purchase all of the Membership Units of each Regional Energy Member and Public Power Member at a price per Membership Unit equal to the Change of Control Purchase Price prior to the Company Change of Control. These provisions do not apply if the Company Change of Control is approved by an Act of the Members.

For these purposes, a "Company Change of Control" means the occurrence of any of the following: (i) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets (including equity interests of its subsidiaries) of the Company and its subsidiaries, taken as a whole, to any person, except pursuant to certain internal reorganizations of the Company; (ii) the adoption by the Company of a plan relating to the liquidation or dissolution of the Company; or (iii) the consummation of any transaction (including, without limitation, any merger, consolidation or amalgamation) or any voting agreement, proxy or similar arrangement pursuant to which US Holdco transfers beneficial ownership of any Membership Units then owned by US Holdco, other than a transfer of beneficial ownership to the Company or an affiliate of US Holdco.

Offer to Purchase Membership Units from Excess Cash

In each fiscal year of the Company, commencing with the 2019 fiscal year, the Company is required make an offer, on or before the 90th day of such fiscal year, to purchase the maximum number of Membership Units of the Regional Energy Members and Public Power Members that may be purchased out of Excess Cash (as defined below), at a price per Membership Unit equal to the Liquidity Offer Purchase Price (as defined below). If, in any year, a Liquidity Offer is made by the Company for all or a portion of the Membership Units held by the Regional Energy Members and Public Power Members and any Regional Energy Member or Public Power Members refuses to accept such Liquidity Offer with respect to any of the member's Membership Units that are subject to the Liquidity Offer (the "**Non-Tendered Membership Units**"), the Company is not required to make a further Liquidity Offer for any of the member's Non-Tendered Membership Units in any subsequent year.

For these purposes, "Excess Cash" means an amount, as of the end of the immediately preceding fiscal year of the Company, determined by the Company's board of directors, in its sole and absolute discretion, which is not required to be retained in order to permit the Company to make distributions (including future distributions) at the then current level of distributions and which is in excess of any other reasonable reserves established by the Company's board of directors for any proper purpose. The "Liquidity Offer Purchase Price" per Membership Unit means, in respect of a Liquidity Offer made in any fiscal year of the Company, an amount equal to (i) five times the Company's Consolidated Cash Flow (as that term is defined in the Company LLC Agreement) for the immediately preceding fiscal year, plus the Company's cash and cash equivalents on a consolidated basis as of the end of such preceding fiscal year, minus the Company's debt as of the end of such preceding fiscal year, divided by (ii) the number of outstanding Membership Units as of the date of such Liquidity Offer.

Company Right to Acquire Membership Units

If at any time US Holdco and its affiliates hold more than 80% of the Membership Units then outstanding, the Company has the right, exercisable at its option, to purchase all, but not less than all, of the outstanding Membership Units held by persons other than US Holdco and its affiliates, at a price per Membership Unit equal to the greater of (i) the fair market value of the Membership Unit, determined by the Company's board of directors in good faith, and (ii) the highest price paid by US Holdco or any of its affiliates for any Membership Unit purchased during the 90-day period preceding the date notice of the Company's intention to exercise its right is mailed.

Matters Requiring Approval by an Act of the Members

The following matters generally require approval by an Act of the Members, except that such approval is generally not required if the Regional Energy Members and Public Power Members collectively own less than 20% of the Membership Units:

Issuance of Membership Units. See "— Issuance of Membership Units."

Amendment of the Company LLC Agreement. See "— Amendment of the Company LLC Agreement."

Merger of the Company. See "— Merger or Consolidation."

Dissolution of the Company. See "— Termination and Dissolution."

Provided the Regional Energy Members and Public Power Members, in the aggregate, own at least 20% of the outstanding Membership Units, an action is deemed to have been approved by an "Act of the Members" where: (i) with respect to US Holdco, a director appointed by US Holdco executes and delivers to the Chairman of the Company's board of directors a certificate stating that US Holdco has approved such action; (ii) with respect to the Regional Energy Members, the director appointed by the Regional Energy Members executes and delivers to the Chairman of the Company's board of directors a certificate stating that the Regional Energy Members have approved such action pursuant to the Governance Agreement; and (iii) with respect to the Public Power Members, the director appointed by the Public Power Members executes and delivers to the Chairman of the Company's board of directors a certificate stating that the Public Power Members have approved such action pursuant to the Governance Agreement. If the Regional Energy Members and Public Power Members, in the aggregate, own less than 20% of the outstanding Membership Units, an Act of the Members shall only acquire approval by holders of a majority of the Membership Units. See also "- Governance Agreement - Act of the Members."

Amendment of the Company LLC Agreement

Amendments to the Company LLC Agreement may be proposed only by or with the consent of the board of directors, and generally require the approval of the members by an Act of the Members. In addition, any proposed amendment that would disproportionately affect the economic interests or voting rights of one or more members may not be adopted without the approval of each member that would be disproportionately affected thereby.

The Company's board of directors may, without the approval of any member, amend the Company LLC Agreement to reflect:

- a change in the name of the Company, the location of the principal place of business of the Company, the registered agent of the Company or the registered office of the Company;

- the admission, substitution, withdrawal or removal of members in accordance with the Company LLC Agreement;

- a change that the board of directors determines to be necessary or appropriate to qualify or continue the qualification of the Company as a limited liability company under the laws of any state, or to ensure that the Company and its subsidiaries will not be treated as associations taxable as corporations or otherwise taxed as entities for United States federal income tax purposes;

- a change that the board of directors determines (i) does not adversely affect the members in any material respect, or (ii) is necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute (including the Delaware Act);

- a change in the fiscal year or taxable year of the Company and any other changes that the board of directors determines to be necessary or appropriate as a result of a change in the fiscal year or taxable year of the Company, including, if the board of directors so determines, a change in the dates on which distributions are to be made by the Company;

- an amendment that is necessary, in the opinion of counsel, to prevent the Company or its directors, officers, trustees or agents from being subjected to the provisions of the *Investment Company Act* of 1940, as amended, the *Investment Advisers Act* of 1940, as amended, or "plan asset" regulations adopted under the *Employee Retirement Income Security Act* of 1974, as amended;

- an amendment that the board of directors determines to be necessary or appropriate to reflect and account for the formation by the Company of, or investment by the Company in, any corporation, partnership, joint venture, limited liability company or other entity, in connection with the conduct by the Company of activities permitted by the Company LLC Agreement; and

- any other amendments substantially similar to the foregoing.

Merger or Consolidation

The board of directors is prohibited from causing the Company to merge or consolidate with any other entity without approval by an Act of the Members.

Termination and Dissolution

The Company will continue until terminated under the Company LLC Agreement and will dissolve upon: (1) the election of the board of directors to dissolve, if approved by the members pursuant to an Act of the Members; (2) the sale, exchange or other disposition of all or substantially all of the assets and properties of the Company and its subsidiaries; or (3) the entry of a decree of judicial dissolution of the Company.

Liquidation and Distribution of Proceeds

Upon dissolution, the liquidator authorized to wind up the Company's affairs will, acting with all of the powers of the board of directors that the liquidator deems necessary or desirable in its judgment, liquidate the Company's assets and apply the proceeds of the liquidation as provided in the Company LLC Agreement.

Indemnification

Under the Company LLC Agreement and subject to specified limitations, the Company will indemnify to the fullest extent permitted by law, from and against all losses, claims, damages or similar events, any director or officer, or while serving as a director or officer, any person who is or was serving as a tax matters member or as a director, officer, tax matters member, employee, partner, manager, fiduciary or trustee of the Company or its affiliates. Additionally, the Company shall indemnify to the fullest extent permitted by law, from and against all losses, claims, damages or similar events, any person who is or was an employee (other than an officer) or agent of the Company.

Any indemnification under the Company LLC Agreement will only be out of the Company's assets. The Company is authorized to purchase insurance against liabilities asserted against and expenses incurred by persons for Company activities, regardless of whether the Company would have the power to indemnify the person against liabilities under the Company LLC Agreement.

Conflicts of Interest

Certain officers of the Administrator and certain Administrator Directors are also securityholders, officers and/or directors of the Company and other companies engaged in the electricity business generally. The Company LLC Agreement contains provisions that modify and limit the directors' fiduciary duties to the members. The Company LLC Agreement also restricts the remedies available to members for actions taken that, without those limitations, might constitute breaches of fiduciary duty. The board of directors or its affiliates will not be in breach of its obligations under the Company LLC Agreement or its duties to the Company or the members if the resolution of the conflict is:

- approved by the vote of a majority of the outstanding Membership Units held by disinterested parties;
- on terms no less favorable to the Company than those generally being provided to or available from unrelated third parties; or
- fair and reasonable to the Company, taking into account the totality of the relationships among the parties involved, including other transactions that may be particularly favorable or advantageous to the Company or if the board of directors receives a fairness opinion from a nationally recognized investment bank that the course of action, resolution or transaction which created the conflict is fair to the Company from a financial point of view.

The board of directors is authorized, but not required, to seek a fairness opinion. If the board of directors determines that the resolution or course of action taken with respect to the conflict of interest satisfies any of the standards set forth in the bullet points above, then it will be presumed that, in making its decision, the board of directors acted in good faith, and in any proceeding brought by or on behalf of any member or by or on behalf of such member or any other member or the Company challenging such approval, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption.

Conflicts of interest could arise in the situations described below, among others:

- affiliates of directors are not limited in their ability to compete with the Company, which could cause conflicts of interest and limit the Company's ability to acquire additional assets or businesses which in turn could adversely affect the Company's results of operations;
- directors have no obligation under the Company LLC Agreement, or as a result of any duty expressed or implied by law, to present business opportunities to the Company that may become available to such director or affiliates of such director; and
- none of the Company and the Operating Companies, any member or any other person has rights, by virtue of a director's duties as a director, the Company LLC Agreement or any other agreement between the Company and the Operating Companies, in any business ventures of a director.

Fiduciary Duties

The Company LLC Agreement provides that the Company's business and affairs shall be managed under the direction of the board of directors, which shall have the power to appoint officers. The Company LLC Agreement further provides that the authority and function of the board of directors and officers shall be identical to the authority and functions of a board of directors and officers of a corporation organized under the Delaware General Corporation Law ("**DGCL**"). Finally, the Company LLC Agreement provides that except as specifically provided therein, the fiduciary duties and obligations owed to the Company and to the members shall be the same as the respective duties and obligations owed by officers and directors of a corporation organized under the DGCL to their corporation and stockholders, respectively.

The Company LLC Agreement permits affiliates of the directors to invest or engage in other businesses or activities that compete with the Company. In addition, the Company LLC Agreement provides that the directors have no obligations to present business opportunities to the Company. The Company may lend or contribute funds to the Operating Companies on terms and conditions

determined by the board of directors in order to directly or indirectly enable distributions to the members and members will not be able to assert that such action constituted a breach of fiduciary duties owed to the members by the directors and officers.

In performing their duties, directors will be fully protected in relying in good faith upon the Company's officers or employees, or committees of the board of directors or by any other person as to matters the director reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by the Company. In the case of such reliance, members will not be able to assert that such action constituted a breach of fiduciary duties owed to them by the directors and officers.

The Company LLC Agreement contains provisions that reduce the standards to which the directors would otherwise be held by state fiduciary duty law and has also restricted the remedies available to members for actions that, without the limitations, might constitute breaches of fiduciary duty. For example, the Company LLC Agreement:

- provides that directors shall not have any liability to the Company or its members so long as they acted in good faith, meaning they believed that the decision was in the best interests of the Company; and

- provides that no director will have any duty to any member (other than the member that appointed the director) or be liable to the Company or its members for monetary damages for breach of fiduciary duty as a director except for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or for any transaction from which the director derived an improper personal benefit.

In addition, borrowings by the Company and its affiliates do not constitute a breach of any duty owed by the board of directors to the members, including borrowings that have the purpose or effect of directly or indirectly enabling distributions to the members.

Governance Agreement

On September 18, 2012, the Company, the Regional Energy Members and the Public Power Members entered into a governance agreement (the "**Governance Agreement**") and upon closing of the IPO, US Holdco became a party to the Governance Agreement. The Governance Agreement provides, among other things, restrictions on the transfer of Membership Units.

Transfer Restrictions

Rights of Refusal. Under the Governance Agreement, the Company has a right of first refusal to purchase all or any portion of any Membership Units that any member may propose to transfer, at the same price and on the same terms as those offered to a prospective transferee. The Company may assign to US Holdco its right to acquire all or any portion of the Membership Units proposed to be transferred. The non-selling members have a secondary refusal right to purchase all or any portion of the Membership Units not purchased by the Company pursuant to the right of first refusal. If rights to purchase have been exercised by the Company and the non-selling members with respect to some but not all of the Membership Units, the non-selling members who exercised their option to purchase will have an additional option period to purchase all or any part of the remaining Membership Units proposed to be sold. If the total number of Membership Units purchased pursuant to the first and second rights of first refusal are less than the total number of Membership Units proposed to be sold to a third party by the selling member, the selling member can sell all, but not less than all, of the remaining Membership Units proposed to be sold. The Governance Agreement limits the ability of a member to transfer Membership Units in certain circumstances where the conditions giving rise to the right of first refusal with respect to another proposed transfer have been triggered.

Tag Along Right. Where any portion of Membership Units subject to a proposed transfer is not sold pursuant to the first and second rights of refusal, each non-selling member may elect to participate on a pro-rata basis in the proposed transfer.

Drag Along Right. If, pursuant to the Company LLC Agreement, the Company is required to make an offer to acquire all of the Membership Units (other than those owned by US Holdco) in connection with a Company Change of Control, each member who does not sell their Membership Units to the Company agrees to sell such member's pro rata percentage of Membership Units to the prospective transferee at the same price and on the same terms and conditions. See "- The Company LLC Agreement - Offer to Purchase Membership Units in Connection with Company Change of Control".

Offer to Sell to the Company. Each Regional Energy Member and Public Power Member who is considering making a transfer of 300,000 or more Membership Units (other than an exempt transfer, as described below) is first required to notify the Company of

the proposed transfer and the price at which the member would be willing to sell such Membership Units to the Company (the "**Proposed Price**"). Upon receipt of any such notice, the Company is required to notify the other members of the offer and such other members shall have 10 days to indicate to the Company whether they also wish to sell Membership Units to the Company at the Proposed Price. Following any such notice, the Company and the members proposing to sell Membership Units to the Company shall negotiate in good faith regarding the sale to the Company of such Membership Units. The closing of such agreement to sell Membership Units to the Company may, if requested by the Company, be conditional upon the ability of the Company to arrange financing for the purchase. If the Company purchases Membership Units pursuant to such a transaction, each member of the Company agrees not to sell any Membership Units for 120 days following such purchase. If the Company does not complete the purchase, the member initially proposing to sell Membership Units may sell all or a portion of such Membership Units to a proposed transferee at a price equal to or greater than the Proposed Price, subject to the refusal rights, drag along and tag along provisions described above.

Exempt Transfers. The refusal rights, tag along and drag along provisions do not apply (i) in the case of a bona fide pledge of Membership Units, for the purpose of providing collateral for a bona fide debt of the owner, provided the pledgee agrees to be bound by the Governance Agreement, (ii) to the sale or transfer of Membership Units to an affiliate of the member or to any other member, (iii) to a transfer to the Company, and (iv) to transfers made for bona fide estate planning purposes.

Purchase by US Holdco. US Holdco agrees that, except in connection with refusal rights assigned by the Company to US Holdco, neither it nor its affiliates, other than the Company or any subsidiary of the Company, will purchase or otherwise acquire Membership Units from any of the members unless US Holdco makes an offer to acquire a proportionate number of Membership Units owned by all of the members for the same consideration.

Act of the Members

Under the Governance Agreement, an "Act" of the Regional Energy Members means the consent or approval by the holders of a majority of the outstanding Membership Units owned by all of the Regional Energy Members, and an "Act" of the Public Power Members means the consent or approval by the holders of a majority of the outstanding Membership Units owned by all of the Public Power Members. Certain Regional Energy Members have agreed to vote their Membership Units in the same proportion as other of the Regional Energy Members.

PRICE RANGE AND TRADING VOLUME OF UNITS

The Units are listed and posted for trading on the TSX. The trading symbol for the Units is KWH.UN. The following table sets forth the high and low closing prices and the aggregate volume of trading of the Units on the TSX for the periods indicated (as quoted by the TSX):

	Toronto Stock Exchange				
	Open C$	High C$	Low C$	Close C$	Volume
2012 Period					
November	9.85	10.00	9.25	9.25	1,995,561
December	9.50	9.88	8.95	9.49	404,013
2013 Period					
January	9.61	10.10	9.61	10.00	668,047
February	9.95	10.09	9.67	9.90	701,915
March 1 - 27	9.90	9.90	7.77	7.82	594,716

RESTRICTIONS ON THE SALE OF UNITS OF THE TRUST AND OTHER SECURITIES OF THE CRIUS GROUP

The securities that are held in escrow or that are subject to a contractual restriction on transfer and the percentage that number represents as at December 31, 2012 are summarized below.

Restrictions on the Crius Group

The parties to the Underwriting Agreement have agreed that without the prior consent of Scotia Capital Inc., RBC Dominion Securities Inc. and UBS Securities Canada Inc. on behalf of the Underwriters, which consent shall not be unreasonably withheld, delayed or refused, none of the Crius Group will, directly or indirectly, during the period ending on May 12, 2013: (i) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, any equity securities of the Crius Group or any securities convertible into, or exchangeable or exercisable for, equity securities of the Crius Group; or (ii) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of equity securities of the Crius Group, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of such securities, or other securities or interests, in cash or otherwise; or (iii) agree or, within such period, announce any intention to do so; other than: (a) as part of the transactions contemplated by the Purchase Agreement or the Retained Security Option Agreement, (b) Units issuable under the RTUP, and (c) Units issued as full or partial consideration for arm's length acquisitions of assets or equity securities, provided that the aggregate consideration for all acquisitions during the period ending on May 12, 2013 does not exceed 5% of the Trust's outstanding equity.

Restrictions on Company Members

The Underwriters have entered into Lock-up Agreements with the Locked-up Parties, holding in the aggregate 19,308,704 Membership Units in the Company (representing approximately 56.5% of the outstanding Membership Units in the Company on the closing of the IPO). Pursuant to the Lock-up Agreements, the Locked-up Parties have agreed for a period ending May 12, 2013, subject to certain exceptions (which exceptions include the transactions contemplated by the Retained Security Option Agreement), not to offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any equity securities of any of the Crius Group or securities convertible into, or exchangeable or exercisable for, equity securities of the Crius Group, enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of equity securities of the Crius Group, whether any such aforementioned transaction is to be settled by delivery of such securities or other securities or interests, in cash or otherwise, or announce the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Scotia Capital Inc., RBC Dominion Securities Inc. and UBS Securities Canada Inc., on behalf of the Underwriters.

Pursuant to the Lock-up Agreements, the Locked-up Parties are permitted to make transfers, sales, tenders or other dispositions of equity securities of the Crius Group in connection with a take-over bid for securities of the Crius Group or any other transaction, including, without limitation, a merger, arrangement or amalgamation, involving a change of control of the Crius Group (including, without limitation, entering into any lock-up, voting or similar agreement pursuant to which the Locked-up Parties may agree to transfer, sell, tender or otherwise dispose of equity securities of the Crius Group), in connection with any such transaction, or vote any equity securities of the Crius Group in favour of any such transaction), provided that all equity securities of the Crius Group subject to the Lock-up Agreements that are not so transferred, sold, tendered or otherwise disposed of remain subject to the Lock-up Agreements; and provided further that it shall be a condition of transfer, sale, tender or other disposition that if such take-over bid or other transaction is not completed, any equity securities of the Crius Group subject to the Lock-up Agreements shall remain subject to the restrictions therein.

The Lock-up Agreements do not apply to the disposition of Units acquired by the Locked-up Parties in the open market after the completion of the IPO. In addition, Scotia Capital Inc., RBC Dominion Securities Inc. and UBS Securities Canada Inc. have the authority, on behalf of the Underwriters, to provide consents to release any one or all of the Locked-up Parties from their respective Lock-up Agreements.

TRUSTEE, DIRECTORS AND MANAGEMENT

The Trustee

Computershare has been appointed as the Trustee of the Trust and will continue in that capacity until it resigns or is replaced by the Unitholders. Pursuant to the terms of the Administration Agreement, the Trustee has delegated most of the administrative and governance functions relating to the Trust to the Administrator. As a result, the Administrator Directors fulfill the majority of the

oversight and governance roles for the Trust, with the balance of those duties remaining with the Trustee. See "Administration Agreement".

The Administrator

The Administrator is a corporation formed under the laws of Ontario on July 25, 2012, and is the administrator of the Trust. The sole shareholder of the Administrator is the Administrator Shareholder. Mr. Fallquist, the Chief Executive Officer of the Administrator and an Administrator Director, is the sole shareholder of the Administrator Shareholder. Under the terms of the Administration Agreement, the Administrator has certain management, administrative and governance duties with respect to the Trust. The Administrator performs its services pursuant to the Administration Agreement on a cost recovery basis. See "Administration Agreement".

The number of the Administrator Directors is fixed at seven until such time as the Unitholders pass a resolution to fix the number of the Administrator Directors at a new number, subject to the Voting Agreement and articles and bylaws of the Administrator. The Voting Agreement provides that following the closing of the IPO the Administrator Shareholder will vote its shares of the Administrator with regard to the election of the Administrator Directors as directed by the Trustee pursuant to an Ordinary Resolution of the Unitholders, with the result that the Unitholders are entitled to elect all of the Administrator Directors. See "Voting Agreement".

Directors and Executive Officers of the Administrator

The following table provides the names and municipalities of residence of the executive officers of the Administrator and the Administrator Directors, as well as their offices held with the Administrator, the date they were first appointed as Administrator Directors or executive officers of the Administrator and their principal occupation. Each executive officer of the Administrator is employed by the Company and holds the same office(s) indicated below at both the Administrator and at the Company. Each of the executive officers devotes 100% of their working time to the business and affairs of the Crius Group.

Name and Municipality of Residence	Position and Office Held at Administrator	Principal Occupation	Director or Officer Since
MICHAEL FALLQUIST Connecticut, United States	Chief Executive Officer Director	Chief Executive Officer, Crius Energy, LLC	September 12, 2012 September 14, 2012
ROOP BHULLAR Connecticut, United States	Chief Financial Officer	Chief Financial Officer, Crius Energy, LLC	September 12, 2012
ROBERT GRIES, JR.[1] Florida, United States	Chairman Director	Managing Member and Director, Gries Investment Fund I, LLC	September 14, 2012
JAMES A. AJELLO[1] Hawaii, United States	Independent Director	Executive Vice President, Chief Financial Officer, Treasurer and Chief Risk Officer, Hawaiian Electric Industries, Inc.	November 13, 2012
CAMI BOEHME Connecticut, United States	Senior Vice President, Marketing & Brand Communications	Senior Vice President, Marketing & Brand Communications, Crius Energy, LLC	September 12, 2012
BRIAN BURDEN[1][2] Alberta, Canada	Independent Director	Former Chief Financial Officer, TransAlta Corporation	September 13, 2012
MICHAEL CHESTER Connecticut, United States	Vice President, Operations	Vice President, Operations, Crius Energy, LLC	September 12, 2012
JAN FOX Pennsylvania, United States	Senior Vice President and General Counsel	Senior Vice President and General Counsel, Crius Energy, LLC	September 12, 2012
ROBERT HUGGARD[2][3] Ontario, Canada	Independent Director	President, Lindaura Consulting	September 12, 2012
DAVID C. KERR[2][3] Ontario, Canada	Independent Director	Chief Executive Officer, Thorium Power Canada Inc.	September 12, 2012
DANIEL SULLIVAN[1][3] Ontario, Canada	Independent Director	Corporate Director	October 29, 2012

Notes

(1) Member of the board of directors of the Company. See "Description of the Company".
(2) Member of the Audit and Risk Committee. Mr. Burden is the Chair of the Audit and Risk Committee.
(3) Member of the Governance, Nomination & Compensation Committee. Mr. Sullivan is the Chair of the Governance, Nomination & Compensation Committee.

The term of office of each Administrator Director will expire at the first annual meeting of Unitholders and, thereafter, at each annual meeting of Unitholders or at the time at which his or her successor is elected or appointed, or earlier if any Administrator Director otherwise dies, resigns, is removed or is disqualified. Pursuant to the Voting Agreement, the Administrator Shareholder has agreed to elect the Administrator Directors, immediately following each annual meeting of the Trust as directed by the Trustee in accordance with an Ordinary Resolution approved by the Unitholders at the annual meeting of Unitholders. Each Administrator Director will devote the amount of time as is required to fulfill his or her obligations to the Administrator. The Administrator's officers are appointed by and serve at the discretion of the Administrator Directors.

Directors' and Officers' Biographical Information

The following are brief profiles of each of the Administrator Directors and the executive officers of the Administrator, which include a description of their present occupation and their principal occupations for the past five years.

Michael Fallquist is the Chief Executive Officer of the Administrator and the Company and an Administrator Director. Mr. Fallquist founded Regional Energy in 2009 and served as CEO of Regional Energy until its acquisition by the Company. Prior to founding Regional Energy in January 2009, Mr. Fallquist served as the Chief Operating Officer of Commerce Energy Group, Inc. from March 2008 to January 2009. Mr. Fallquist also worked for the Macquarie Group in Australia and in the United States as a member of the Central Executive Strategy Group and in various energy roles with Macquarie Cook Energy from August 2004 to February 2008. Mr. Fallquist holds a B.A. in Economics from Colgate University and an M.B.A. from Cornell University.

Roop Bhullar is the Chief Financial Officer of the Administrator and the Company. Mr. Bhullar joined Regional Energy in April 2010 and served most recently as Chief Financial Officer of Regional Energy until its acquisition by the Company. Prior to joining Regional Energy, Mr. Bhullar was the Finance Director of Commerce Energy from August 2008 to March 2010 and Financial Controller of King Country Energy from October 2003 to August 2006. Mr. Bhullar's prior experience also includes working as a Tax Manager at Deloitte from 1998 to 2003, where he provided consulting advice to energy clients and co-headed the specialist M&A group. Mr. Bhullar holds two bachelor's degrees from the University of Waikato in New Zealand, in Management Studies (Accounting) and Laws (Corporate and Commercial law), and an M.B.A. in Finance & Strategy from the UCLA Anderson School of Management.

Robert Gries, Jr. is an Administrator Director, the Chairman of the Board and a director of the Company. Mr. Gries served as Chief Executive Officer of Public Power from September 2009 until the acquisition of Public Power by the Company. Mr. Gries is also director of several investment funds, through which he has managed investments in excess of $100 million, excluding the interests in Public Power. Mr. Gries also sits on various boards, including the University of Tampa. Mr. Gries, formerly a director of the Cleveland Browns, assisted in the sale of his family's 43% ownership interest in the franchise in 1996. Mr. Gries' family were minority owners of the Cleveland Browns from inception in 1936 until 1996. From 1991 to 1994, Mr. Gries was the majority owner, President and Chief Executive Officer of the Tampa Bay Storm, an Arena Football franchise and was elected League Executive of the Year in 1993. Mr. Gries holds a B.A. in Education from the University of Michigan.

James A. Ajello is an Administrator Director and a director of the Company. Mr. Ajello is the Executive Vice President, Chief Financial Officer, Treasurer and Chief Risk Officer of Hawaiian Electric Industries, Inc. (HEI), NYSE: HE. Mr. Ajello's prior experience includes serving Reliant Energy Inc. from 2000 to 2009, most recently as Senior Vice President of Business Development and also as Senior Vice President and General Manager of Commercial and Industrial Marketing and President of Reliant Energy Solutions LLC. In addition, Mr. Ajello was a Senior Banker/Managing Director of the Energy and Natural Resources Group of UBS Warburg/UBS Securities LLC and affiliates from 1984 to 1998. Currently, Mr. Ajello is chairman of the U.S. Department of Energy's Environmental Management Advisory Board and serves on the board of trustees of Hawaii Pacific University and its affiliate The Oceanic Institute. Mr. Ajello also serves on the Board of the HEI Community Foundation and is a member of the Board of Trustees of Enterprise Honolulu (Oahu Economic Development Board). Mr. Ajello holds a bachelor's degree from the State University of New York, an M.P.A. from Syracuse University and is a graduate of the Advanced Management Program of the European Institute of Business Administration in Fontainebleau, France.

Cami Boehme is the Senior Vice President of Marketing & Brand Strategy of the Administrator and the Company. Ms. Boehme served as the Senior Vice President of Marketing and Brand Strategy of Regional Energy from September 2010 until its acquisition by the Company. Prior to joining Regional Energy, Ms. Boehme was the Associate Director of Marketing for the Huntsman School of Business of Utah State University from March 2009 to September 2009, a Partner and Brand Director of Advent Creative from September 2009 to September 2010 and the Founder, President and Brand Director of Digital Slant from August 1998 to September 2009. Ms. Boehme taught as an adjunct instructor in the Department of Journalism and Communication at Utah State University from August 1999 to December 2008 and holds a B.Sc. (Journalism and Communications) and an M.B.A. from Utah State University.

Brian Burden is an Administrator Director and a director of the Company. Mr. Burden's prior experience includes working as the Chief Financial Officer of TransAlta Corporation from 2005 to 2010. Prior to joining TransAlta, Mr. Burden was the Chief Financial Officer of Molson from 2002 to 2005, a senior finance executive at Diageo PLC from 1997 to 2002 and a Finance Director of United Distillers in the United Kingdom from 1989 to 1997. Mr. Burden holds a diploma in Business Studies from Rotherham College, is a member of the Associated Chartered Institute of Management Accountants of the United Kingdom and received an ICD.D Certification from the Institute of Corporate Directors.

Michael Chester is the Vice President, Operations of the Administrator and the Company. Mr. Chester served as the Vice President, Operations of Regional Energy from January 2012 until its acquisition by the Company. Prior to joining Regional Energy, Mr. Chester was the Director of Billing & Credit Management for First Choice Power from 2009 to 2012. From 2007 to 2009, Mr. Chester was the Director of Billing and Revenue Assurance for Commerce Energy. Mr. Chester was also the Senior Consulting Services Manager for AEP Mutual Energy from 2001 to 2007. Mr. Chester holds a B.S. in Business Administration (Systems Management) from the State University of New York at Brockport.

Jan Fox is the Senior Vice President and General Counsel of the Administrator and the Company. Ms. Fox served as the Vice President and General Counsel of Regional Energy from January 2012 until its acquisition by the Company. Ms. Fox was the former president and founder of JLF Energy Consulting from January 2010 to July 2011. Her prior experience includes working

for Great Plains Energy's competitive energy subsidiary, Strategic Energy, as General Counsel and Executive Vice President of Regulatory Affairs from 2002 to 2008. Ms. Fox holds a B.F.A. from Syracuse University and J.D. *cum laude* from the University of Pittsburgh School of Law.

Robert Huggard is an Administrator Director. He is the President of Lindaura Consulting. Mr. Huggard's prior experience includes leading Direct Energy as President of Home and Business Services from 2008 to 2009, as President of Canadian Operations from 2005 to 2007 and as Executive Vice President from 2002 to 2005. Prior to joining Direct Energy, Mr. Huggard was the Vice President and General Manager of Home and Business Services at Enbridge from 1999 to 2002, the Vice President of Retail Services at Enbridge Gas Distribution from 1997 to 1999 and the Vice President of Marketing at Enbridge Gas Distribution from 1994 to 1997. In addition, Mr. Huggard was Chairman and director of SCITI TR Limited and the Trustee of SCITI Total Return Trust from May 2006 to May 2011, and was also the CEO of the Administrative Agent of The Consumers' Waterheater Income Fund from 2002 to 2006. Mr. Huggard holds a B.A. *Honors* (Economics) from Dartmouth College, an M.B.A. from the Schulich School of Business and an ICD.D Certification from the Institute of Corporate Directors.

David C. Kerr is an Administrator Director. Mr. Kerr is the Chief Executive Officer of Thorium Power Canada Inc. Mr. Kerr currently serves as director of Magellan Fuel Solutions Inc. and as director of Algonquin Power Management Inc. Mr. Kerr was a founder and executive of Algonquin Power Income Fund from 1996 to 2010 and served as head of safety and environmental compliance from 1996 to 2010. Mr. Kerr holds a B.Sc. *Honours* from the University of Western Ontario.

Daniel Sullivan is an Administrator Director and a director of the Company. He is a director of the Ontario Teachers' Pension Plan, Allied Properties Real Estate Investment Trust and IMP Group International Inc. Mr. Sullivan was appointed by the Right Honourable Stephen Harper, Prime Minister of Canada, as Consul General for Canada in New York from 2006 to 2011. Prior to his appointment as Consul General for Canada, Mr. Sullivan was Deputy Chairman of Scotia Capital Inc., the corporate and investment banking division of Scotiabank, where he had a successful 38 year career. Mr. Sullivan served as Chair and Director of the Toronto Stock Exchange from 1999 to 2002 and was the former Chairman of the Investment Dealers Association of Canada from 1991 to 1992. Mr. Sullivan is a former Director of a number of public companies, including Allstream Inc., Cadillac Fairview Corporation, Cameo Inc., Monarch Development Corporation and Schneider Corporation. He has served on advisory boards or committees of Canada Post Corporation, Canada Deposit Insurance Corporation, the Canadian Securities Administrators and the Ontario Securities Commission. Mr. Sullivan holds a B.A. and an M.B.A. from Columbia University and an M.B.A. from University of Toronto.

Security Ownership by Directors and Executive Officers

As of the date of this Annual Information Form, none of the Administrator Directors, directors of the Company and executive officers of the Administrator and the Company beneficially own or exercise control or direction over, directly or indirectly, any Units, except that the Administrator is wholly-owned by the Administrator Shareholder (of which Mr. Fallquist, the CEO and an Administrator Director, is the President and sole shareholder). A description of the ownership of the Company or its subsidiaries, as applicable, by the respective Administrator Directors, directors of the Company and executive officers of the Administrator and the Company are set out in the table below.

Name / Position	Number and Percentage of Ownership in the Company (1)
ROBERT GRIES, JR. ..... Chairman of the Board and director of the Company	
MICHAEL FALLQUIST ..... Chief Executive Officer of the Administrator and the Company, and Administrator Director	1,756,536 (5.1%)
ROOP BHULLAR ..... Chief Financial Officer of the Administrator and the Company, and Administrator Director	62,221 (0.2%)
JAN FOX ..... Senior Vice President and General Counsel of the Administrator and the Company	21,548 (0.1%)
CAMI BOEHME ..... Senior Vice President, Marketing & Brand Strategy of the Administrator and the Company	38,060 (0.1%)
MICHAEL CHESTER ..... Vice President, Operations of the Administrator and the Company	nil

Notes:

(1) Mr. Gries, Chairman of the Board, and a director of the Company, is the Managing Member and Director of GF Power I, LLC and GF Factoring, LP. GF Power I, LLC and GF Factoring, LP, which are controlled by Mr. Gries, own a combined 12,070,453 (35.3%) Membership Units in the Company. Mr. Gries is the beneficial owner of 92,571 (0.3%) Membership Units in the Company through his ownership interest in the Gries Fund which has an ownership interest in GF Power I, LLC and GF Factoring, LP.

Bankruptcies, Cease Trade Orders, Penalties or Sanctions

Bankruptcies

To the knowledge of the Administrator, other than disclosed below, no Administrator Director or executive officer of the Administrator (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of the Administrator to affect materially the control of the Administrator: (i) is, as of the date of this Annual Information Form, or has been within the ten years before the date of this Annual Information Form, a director or executive officer of any company (including the Administrator) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Cami Boehme, Senior Vice President, Marketing & Brand Strategy of the Administrator and the Company, declared bankruptcy in September 2009.

Cease Trade Orders

To the knowledge of the Administrator, no Administrator Director or executive officer of the Administrator (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of the Administrator to affect

materially the control of the Administrator is, as of the date of this Annual Information Form, or was within ten years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Administrator), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Penalties or Sanctions

To the knowledge of the Administrator, no Administrator Director or executive officer of the Administrator (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of the Administrator to affect materially the control of the Administrator, has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain officers of the Administrator and certain Administrator Directors are also officers and/or directors of the Company and other companies engaged in the electricity business generally. As a result, situations may arise where the duties of such officers of the Administrator and Administrator Directors conflict with their interests as directors and officers of other companies. The resolution of such conflicts is governed by applicable corporate laws, which require that directors and officers act honestly, in good faith, and with a view to the best interests of the Administrator. In addition, pursuant to the Administration Agreement, the Administrator is required to give prompt written notice to the Trustee of any material conflict between the interests of an affiliate or associate of the Administrator with those of the Trust or its affiliates or associates. The OBCA provides that in the event that a director or officer has an interest in a contract or proposed contract or agreement, the director or officer shall disclose his interest in such contract or agreement and, in the case of a director, shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the OBCA. Management is not aware of any existing or potential material conflicts of interest between the Administrator, the Trust or a subsidiary of the Trust and any officer of the Administrator or Administrator Director.

Insurance Coverage and Indemnification

The Administrator obtained a policy of insurance for the Administrator Directors, officers of the Administrator and the directors and officers of the Trust's other direct and indirect subsidiaries. Under the policy, each entity has reimbursement coverage to the extent that it has indemnified the directors and officers. The policy includes securities claims coverage, insuring against any legal obligation to pay on account of any securities claims brought against the Trust, the Administrator, a Trust Subsidiary or any of their respective subsidiaries and their respective trustees, directors and officers. The total limit of liability is shared among the Trust, the Administrator, the Trust Subsidiaries and their respective subsidiaries and their respective trustees, directors and officers, so that the limit of liability is not exclusive to any one of the entities or their respective trustees, directors and officers.

The by-laws of the Administrator and each of the Trust Subsidiaries provide for the indemnification of their respective directors and officers from and against liability and costs in respect of any action or suit brought against them in connection with the execution of their duties of office, subject to certain limitations. The Trust Indenture also provides for the indemnification of the Administrator from and against liability and costs in respect of any action or suit brought against it in connection with the execution of its duties of office, subject to certain limitations.

Under the Administration Agreement, the Administrator, its affiliates and associates and any person who is serving or shall have served as a director, officer, employee or agent of the Administrator, a Trust Subsidiary, or of their respective affiliates or associates, or any respective heirs, legal representatives and successors of any of the foregoing will be indemnified by the Trust in respect of such activities undertaken on its behalf unless the claim arises from the fraud, wilful misconduct, gross negligence or breach of the applicable standard of care of the person claiming indemnification.

The Administrator Directors and officers of the Administrator have entered into indemnity agreements with the Administrator, Cdn Holdco, US Holdco and the Commercial Trust under which such directors and officers will be indemnified by such entities in respect of claims that may arise as a result of acting as a director and/or officer of such entities.

AUDIT AND RISK COMMITTEE DISCLOSURES

The written charter for the Audit and Risk Committee is attached hereto as Appendix "A".

The Audit and Risk Committee is comprised of three Administrator Directors, Mr. Burden, Mr. Huggard and Mr. Kerr, each of whom is considered "independent" and "financially literate" within the meaning of National Instrument 52-110 - *Audit Committees* of the Canadian Securities Administrators. Mr. Burden is the chair of the Audit and Risk Committee.

The Audit and Risk Committee's primary responsibilities are to: (i) identify and monitor the management of the principal risks that could impact the financial reporting of the Crius Group; (ii) monitor the integrity of the Crius Group's financial reporting process and system of internal controls regarding financial reporting and accounting compliance; (iii) monitor the independence and performance of the Crius Group's external auditors; (iv) deal directly with the external auditors to approve external audit plans, other services (if any) and fees; (v) directly oversee the external audit process and results; (vi) provide an avenue of communication among the external auditors, management and the Board; and (vii) ensure that an effective "whistle blowing" procedure exists to permit stakeholders to express any concerns regarding accounting or financial matters to an appropriately independent individual.

The Trust believes that each of the members of the Audit and Risk Committee possesses: (i) an understanding of the accounting principles used by the Trust to prepare its consolidated financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Trust's consolidated financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting. For a summary of the education and experience of each member of the Audit and Risk Committee that is relevant to the performance of his responsibilities as a member of the Audit and Risk Committee, see "Trustee, Directors and Management — Directors' and Executive Officers' Biographical Information".

Pre-Approval Policies and Procedures

The Audit and Risk Committee has not adopted specific policies and procedures for the engagement of non-audit services and pre-approves each such engagement or type of engagement for every fiscal year or as services are required.

Principal Accountant Fees and Services

The auditor of the Trust is Ernst & Young LLP. Ernst & Young LLP has been the Trust's external auditors since the formation of the Trust on September 7, 2012. The following table is a summary of the services fees billed by the auditor in the year ended December 31, 2012 (in thousands of U.S. dollars):

	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2012	$250[1]	$90[2]	$0	$1,437[3]

Notes:

(1) Audit fees consist of fees for the audit of the Trust's consolidated annual financial statements

(2) Audit-related fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Trust's financial statements and are not reported as Audit Fees. These fees are for the review of the quarterly and pro forma financial statements prepared in connection with the Company Interest Acquisition that were included in the business acquisition report of the Trust filed January 16, 2013.

(3) These fees are for services, including translation services, audit fees for the audit of financial statements for Public Power and Regional Energy and review of *pro forma* financial statements of the Trust, performed in connection with the prospectus of the Trust dated November 2, 2012 and a sustainability report for Regional Energy Holdings, Inc.

ADMINISTRATION AGREEMENT

The following is a summary of the material terms of the Administration Agreement pursuant to which the Trustee has delegated to the Administrator responsibility for the general administration of the affairs of the Trust. The description below is qualified in its entirety by reference to the text of the Administration Agreement. The Administration Agreement is available on SEDAR at www.sedar.com under the Trust's profile. See "Material Contracts".

The Administrator provides administrative services to the Trust. These arrangements are set forth in the Administration Agreement. In exercising its powers and discharging its duties under the Administration Agreement, the Administrator's standard of care requires it to act honestly, in good faith, and in the best interests of the Trust and exercise the degree of care, diligence and skill that a reasonably prudent administrator having responsibility for services similar to the Administrative Services (as defined below) would exercise in comparable circumstances.

Pursuant to the Administration Agreement, the Administrator, on an exclusive basis, performs or procures all administrative, advisory, operational, technical and governance services as may be required to administer the affairs of the Trust (the "**Administrative Services**"), other than the excluded services described below (the "**Excluded Services**").

Without limiting the scope thereof, the Administrative Services provided by the Administrator under the Administration Agreement include: (i) preparing all returns, filings and other documents and making all determinations and taking all other actions necessary to discharge the Trustee's obligations under the Trust Indenture; (ii) preparing or causing to be prepared the annual audited and interim unaudited financial statements of the Trust; (iii) operating bank accounts and making banking arrangements on behalf of the Trust; (iv) assisting with the calculation of distributions to Unitholders, withholding all amounts required by applicable tax law, and making the remittances and filings in connection with such withholdings; (v) ensuring compliance by the Trust with all applicable laws, including securities laws and stock exchange requirements; (vi) providing investor relations services; (vii) calling and holding all annual and/or special meetings of Unitholders pursuant to the Trust Indenture and preparing, approving and arranging for the distribution of all materials including notices of meetings and information circulars in respect thereof; (viii) monitoring the investments of the Trust to ensure they comply with the investment restrictions in the Trust Indenture; (ix) performing all acts, duties and responsibilities in connection with acquiring or disposing of assets and property for and on behalf of the Trust; (x) voting all securities owned by the Trust; (xi) performing all acts, duties and responsibilities in connection with any sale of securities of the Trust; (xii) establishing and implementing any distribution reinvestment plans, Unit purchase plans, incentive option or other compensation plans and Unitholder rights plans; (xiii) engaging and overseeing third party providers of services to the Trust in connection with provision of administrative services; (xiv) monitoring and overseeing the Trust's direct and indirect investments in the Commercial Trust, Cdn Holdco, US Holdco and the Company; and (xv) providing all other services as may be necessary, or requested by the Trustee, for the administration of the Trust (other than the Excluded Services).

The Excluded Services consist of: (i) the issue, certification, exchange or cancellation of Units; (ii) the maintenance of registers of Unitholders; (iii) making the distribution of payments or property to Unitholders and statements in respect thereof; (iv) any mailings to Unitholders; (v) executing any amendment to the Trust Indenture or any amended and restated Trust Indenture following any amendment thereto; and (vi) any matters ancillary or incidental to any of those set forth in (i) through (v) immediately above.

Fees and Expenses

Under the Administration Agreement, the Administrator receives no fees in consideration of the services it provides as Administrator of the Trust. The Administrator is entitled to the reimbursement of all costs and expenses reasonably incurred by the Administrator in carrying out its obligations and duties under the Administration Agreement and the Trust Indenture.

Reliance, Limitation of Liability and Indemnification

The Administration Agreement provides that, in carrying out the Administrative Services, the Administrator and its delegates are entitled to rely on: (i) statements of fact of other persons (any of which may be persons with whom the Administrator is affiliated or associated) who are considered by the Administrator to be knowledgeable of such facts, provided that the Administrator has satisfied its standard of care under the Administration Agreement in making the assessment as to whether such persons are knowledgeable of such facts (each, a "**Knowledgeable Person**"); and (ii) statements or information from, or the opinion or advice of, any solicitor, auditor, valuator, financial advisor, engineer, surveyor, appraiser or other expert selected by the Administrator

("**Experts**"), provided that the Administrator has satisfied its standard of care under the Administration Agreement in selecting such Expert to provide such statements, information, opinion or advice.

The Administration Agreement provides that the Administrator, its affiliates and associates and each of their respective directors, officers, employees, contractors and agents (collectively, the "**Administrator Service Providers**"), will not, either directly or indirectly, be liable, answerable or accountable to the Trust, the Trustee or any Beneficiary for: (i) any loss or damage resulting from, or incidental or relating to, the performance or non-performance of the Administrative Services by any of the Administrator Service Providers, or any act or omission believed by an Administrator Service Provider to be within the scope of authority conferred thereon by the Administration Agreement or the Trust Indenture, unless such loss or damage resulted from the fraud, wilful misconduct or gross negligence of, or breach of the applicable standard of care by, an Administrator Service Provider, in which case the benefit of this limitation will not apply to such Administrator Service Provider; (ii) any loss or damage resulting from, or incidental or relating to, the performance or non-performance of the Administrative Services by any of the Administrator Service Providers, where such loss or damage is attributable to acting in accordance with the instructions of the Trustee, provided that the Administrator Service Providers will bear, on a several basis, their proportionate share of liability in the event of joint or contributory liability with the Trustee; (iii) any loss or damage resulting from, or incidental or relating to, any act or omission by any of the Administrator Service Providers, provided that such act or omission is based upon the Administrator Service Provider's reliance on (A) statements of fact of Knowledgeable Persons (excluding persons with whom the Administrator is affiliated); or (B) the opinion or advice of or information obtained from any Expert; and (iv) any damage, injury or loss of an indirect or consequential nature, including loss of profits, suffered by the Trust, the Trustee or any Beneficiary, or any of their respective affiliates, which is in any way connected with the activities, investments or affairs of the Trust or the performance or non-performance of the Administrative Services or any other aspect of the Administration Agreement or the Trust Indenture.

The Administration Agreement provides that the Administrator, its affiliates, associates and any person who is serving or shall have served as a director, officer, employee or agent of the Administrator, a Trust Subsidiary, or of their respective affiliates or associates (including the Company) and any respective heirs, legal representatives and successors of the foregoing (collectively the "**Administrator Indemnitees**"), will be indemnified out of the Trust Property from and against, all losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement (with the approval of the Trustee, acting reasonably), legal fees and disbursements) ("**Claims**") incurred by, borne by or asserted against, any of the Administrator Indemnitees and which in any way arise from or relate in any manner to the Administration Agreement, the Trust Indenture or the performance or non-performance of the Administrative Services, unless such Claims arise from the fraud, wilful misconduct, gross negligence or breach of the terms and conditions of the Administration Agreement (including the applicable standard of care), by any of the Administrator Indemnitees, provided that in such case only the Administrator Indemnitee guilty of the same will lose its right of indemnity as long as such Administrator Indemnitee was delegated its responsibility in accordance with the Administrator's standard of care under the Administration Agreement.

The Administration Agreement further provides that, subject to limitations on liability of the Administrator described above, the Trust, the Trustee and any person who is serving or shall have served as a director, officer or employee of the Trustee, and any respective heirs, legal representatives and successors of the foregoing (the "**Trust Indemnitees**") will be indemnified by the Administrator from and against all losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement (with the approval of the Administrator, acting reasonably), legal fees and disbursements) ("**Trust Claims**") incurred by, borne by or asserted against any of the Trust Indemnitees and which arise from the fraud, wilful misconduct or gross negligence of, or breach of the terms and conditions of the Administration Agreement by, the Administrator in the performance of the Administrative Services, unless such Trust Claims arise from the fraud, wilful misconduct or gross negligence of, or breach of the terms and conditions of the Administration Agreement by, the Trust Indemnitee, or are attributable to actions undertaken on the specific instructions of the Trustee.

Term and Termination

The Administration Agreement had an initial term to December 31, 2012 and was automatically renewed for an additional one year term. The Administration Agreement is automatically renewable for additional successive terms of one year unless terminated by the Administrator on prior written notice which is provided at least 30 days before the expiry of any renewal term. The Administration Agreement also provides that it may, by written notice given by one party to the other, be immediately terminated in the event of: (i) certain events of bankruptcy, insolvency, receivership or liquidation of the other party; or (ii) a breach by the other party in the performance of a material obligation, covenant or responsibility under the agreement (other than as a result of the occurrence of a force majeure event) which is not remedied, within 60 days after notice of such breach has been delivered (or when not reasonably capable of being remedied within such 60-day period, such party nonetheless fails to commence

and diligently pursue steps to remedy such default, provided that, prior to the Trust or Trustee being entitled to terminate the Administration Agreement for breach by the Administrator of performance of a material obligation, covenant or responsibility, approval of the Unitholders by Ordinary Resolution must be obtained authorizing such termination.

A direct or indirect change of control of the Administrator will require the prior consent of the Unitholders by Ordinary Resolution, provided that the shares of the Administrator may be transferred in compliance with the terms and conditions of the Voting Agreement without the prior consent of the Unitholders. The Administration Agreement permits the Administrator to delegate its responsibilities to any person without prior written consent of the Trustee, but no such delegation will relieve the Administrator of its responsibility for ensuring the performance of its duties and obligations, under each such agreement unless otherwise agreed by the Trustee in writing. If, however, the Administrator delegates its responsibilities to a third party and in so doing does not breach its standard of care under the Administration Agreement, the Administrator will not be liable for the acts or omissions of such delegate (except where such delegate is an affiliate of the Administrator). It is anticipated that the Administrator may, from time to time, delegate certain responsibilities to US Holdco.

VOTING AGREEMENT

The following is a summary of the material terms of the Voting Agreement pursuant to which the Administrator Shareholder has agreed to vote its shares in the Administrator at the direction of the Unitholders, as communicated by the Trustee as agent for the Unitholders. The description below is qualified in its entirety by reference to the text of the Voting Agreement. The Voting Agreement is available on SEDAR at www.sedar.com under the Trust's profile. See "Material Contracts".

The Administrator Shareholder, as the sole shareholder of the Administrator, has entered into the Voting Agreement with the Trustee, as agent for the Unitholders, and the Administrator pursuant to which the Administrator Shareholder has agreed to vote its shares in the Administrator at the direction of the Unitholders, as communicated by the Trustee as agent for the Unitholders, with regard to, among other things, the election or removal of the Administrator Directors, setting the number of Administrator Directors from time to time, the appointment of any auditor of the Administrator from time to time and any other matter in respect of which the Administrator Shareholder otherwise would have the right to vote under the OBCA. The Voting Agreement is a unanimous shareholder agreement pursuant to the OBCA and will restrict the business of the Administrator to: (i) acting as administrator of the Trust pursuant to the terms of the Trust Indenture and the Administration Agreement; (ii) acting as trustee of the Commercial Trust pursuant to the terms of the Commercial Trust Indenture; and (iii) such other activities ancillary to the activities in (i) and (ii) and necessary to perform the obligations of the Administrator. The Voting Agreement also provides that in exercising their powers and discharging their duties as directors of the Administrator, the Administrator Directors shall act honestly, in good faith and in the best interests of the Trust and the Unitholders and will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

The Administrator Shareholder has also waived certain shareholder rights afforded to it under the OBCA, including the right to appoint an auditor, dissent rights and oppression rights. The Voting Agreement requires the Administrator Shareholder to be a director or officer of the Administrator or of a Trust Subsidiary (or a corporation wholly-owned by such director or officer) and also provides the Board with the right, under certain circumstances, to compel the Administrator Shareholder to transfer its shares in the Administrator to the Administrator for cancellation or to a director or officer of the Administrator or of a Trust Subsidiary (or a corporation wholly-owned by such director or officer) designated by the Board, for nominal consideration equal to the original subscription price at which the shares were issued by the Administrator. The Administrator's articles require that all transfers of its shares require the approval of the Board.

FIDUCIARY RESPONSIBILITY OF THE ADMINISTRATOR

The Administrator, as administrator of the Trust, has a contractual duty to administer the Trust in a manner beneficial to the Unitholders thereof. As well, the Administrator Directors and officers of the Administrator have contractual obligations in that capacity to the Unitholders of the Trust and the directors and officers of each Trust Subsidiary have fiduciary obligations in that capacity to such Trust Subsidiary, respectively. Situations may arise in which the interests of the Trust and its affiliates and associates may conflict with the interests of the directors of the Company and the Trust Subsidiaries, such directors and the Administrator Directors will be obligated to resolve such conflicts.

PROMOTER

The Company may be considered to be the promoter of the Trust in that it directly took the initiative in founding and organizing the Trust and its affiliates in connection with the IPO. The Trust indirectly owns an approximate 26.8% interest in the Company. The Company does not own, directly or indirectly, any Units. See "Description of the Company".

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or elsewhere in this Annual Information Form, there is no material interest, direct or indirect, of: (i) any Administrator Director or executive officer of the Administrator; (ii) any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Units; or (iii) any associate or affiliate of the persons or companies referred to above in (i) or (ii), in any transaction within the three years before the date of this Annual Information Form that has materially affected or is reasonably expected to materially affect the Trust or a subsidiary of the Trust. See "Administration Agreement".

The Trust has filed a Form 51-102F4 *Business Acquisition Report* in respect of the acquisition of the Company Interest, which report is available under the Trust's profile on SEDAR at www.sedar.com.

Pursuant to the terms of the Voting Agreement, the Administrator Shareholder, a company which all shares are held by Michael Fallquist, the Chief Executive Officer of the Administrator and the Company and an Administrator Director, has granted all of the voting rights to elect the Administrator Directors to the Unitholders of the Trust.

The Company entered into an arm's length transition services agreement for professional services with Gries Management, LLC, which indirectly owns units in the Company, during the year for an initial period of six months, with the option to extend the agreement for an additional six months. As at December 31, 2012, included in trade and other payables is a payable balance in the amount of $0.02 million. For the period from inception on September 7, 2012 to December 31, 2012, included in general and administrative expenses are charges in the amount of $0.08 related to this agreement. The Company has given notice that it will not extend the agreement subsequent to the initial 6 month term.

The Company is a party to the Base Confirmation Agreement with Macquarie Energy, which is related to Macquarie Americas Corporation which holds a membership interest in the Company. Details of this arrangement are discussed under the heading "Principal Agreement with Macquarie Energy".

RISK FACTORS

A prospective investor should carefully consider the risks described below before making an investment decision. The risks set out below are not an exhaustive description of all the risks associated with the Trust's business, the Company and the retail energy market generally. In addition, prospective investors should carefully review and consider all other information contained in this Annual Information Form before making an investment decision. An investment in Units should only be made by persons who can afford a significant or total loss of their investment. Residents of the United States and other non-residents of Canada should have additional regard to the risk factors under the subheading "Risk Factors Applicable to Residents of the United States and Other Non-Residents of Canada".

Risks Relating to the Commodity Market, Credit Market and Other Markets

Significant and prolonged increases in the wholesale price of natural gas and electricity could negatively affect operating margins and the Company's financial performance.

In certain states in which the Company operates, we are exposed to market risk in the event of significant and prolonged increases in the price of natural gas and electricity. If energy prices are significantly above the utility service rate over a prolonged period of time, our pricing strategy may not be competitive. In states where the utility service rate is set through the procurement of energy over a period of months or years, the Company may reduce its operating margins in order to price more competitively with the utility service rate and may experience increased customer attrition, as some customers may switch to the utility service offer from

the utility. While the utility service rate will eventually reflect the increased wholesale natural gas and electricity prices, the procurement of energy over a period of months or years will cause the utility service rate to lag the market conditions.

We are exposed to commodity risk in the ordinary course of business activities.

We are subject to the risks associated with electricity and natural gas procurement activities including price and volumetric risk. The Company enters into hedging transactions in order to mitigate price and volumetric risks. The Company utilizes futures to lock in a fixed quantity of electricity and natural gas supply at a fixed cost for hedging the expected energy consumption of its customers. The Company is then at risk of either under- or over-hedging, to the extent the consumption quantity of its customers deviates from the amount hedged by the futures contracts. If the customers' energy consumption level is significantly higher than the hedged quantity, for example, as a result of extreme weather conditions or other factors, the Company could be under- hedged relative to its load obligation and must purchase energy in the open market to serve its customers. If the spot price exceeds the contracted price paid by customers, the Company may supply energy at a loss to its customers. Conversely, where customer consumption is lower than expected, the Company faces the risk of being over-hedged and having to sell surplus in the spot market or sell it financially at a price below its long-term contract price. In addition, the Company's effectiveness of its hedging activities is dependent on accurate energy load forecasting. The Company uses third party energy forecasting services that utilize, among other factors customer load profiles, customer usage factors and weather data, to forecast the Company's energy load.

Hedging arrangements also expose the Company to the risk of financial loss in situations where the other party to the hedging contract defaults on its contract or, in the case of exchange-traded contracts, where there is a change in the expected differential between the underlying price in the hedging agreement and the actual prices paid or received by the Company. Hedging activities can themselves result in losses when a position is purchased in a declining market or a position is sold in a rising market. The Company may experience hedging losses in the future.

We are exposed to credit risk in the ordinary course of our business activities.

The Company is exposed to credit risk in all markets in which we operate. In POR markets, the Company is exposed to credit risk from the LDC. In non-POR markets, the Company is exposed to credit risk from the end-use customer.

In the POR markets in which we operate, the Company is exposed to payment default from LDCs for the customer receivables they have collected on behalf of the Company. The Company monitors the credit rating of the LDCs with POR programs to ensure credit exposure is limited. If an LDC defaults on payment obligations to the Company, it could have a material adverse effect on the results of operations and cash flows of the Company.

In non-POR markets in which the Company currently operates, credit review processes have been implemented to manage the Company's customer credit risk. The Company obtains credit scores from all new customers in non-POR markets as part of its screening process. The credit screening process utilizes credit report models and industry specific risk models to determine creditworthiness and balance bad debt targets through credit scores. These models may provide an inaccurate prediction of actual customer default and bad debt experienced by the Company. If customers default on their payments and bad debts are significantly higher than anticipated, it could have a material adverse effect on the results of operations and cash flow of the Company. As the Company's operations expand into new non-POR states, the Company's bad debt profile may change.

We may have insufficient financial liquidity to carry on our business.

Our business requires us to maintain sufficient financial liquidity to absorb the impact of seasonal energy consumption, volatile wholesale energy prices or other significant events. The seasonality of customer energy consumption and / or volatility in wholesale energy prices may create increased liquidity requirements as a result of the potential difference between energy payables and receivables. Similarly, the Company is required to post collateral in connection with some energy supply contracts, license obligations and obligations owed to certain LDCs, which may change over time as a result of unforeseen market events. Management expects that the Company's principal source of liquidity will be cash generated from its operating activities, existing working capital, the cash to be retained by the Company for working capital purposes out of the gross proceeds of the IPO and borrowing capacity under our Base Confirmation Agreement with Macquarie Energy. The Company may require additional equity or debt financing to meet its financial requirements or undertake acquisitions. Financial covenants and restrictions under the Base Confirmation Agreement and Guarantee Agreement may make it difficult for the Company to borrow money from other lenders. There can be no assurance that additional equity or debt financing will be available when required or available on commercially

favourable terms or on terms that are otherwise satisfactory to the Company, in which event the financial condition of the Company may be materially adversely affected.

Restrictive covenants and the terms of the Base Confirmation Agreement with Macquarie Energy may make it more difficult for us to operate.

The terms of the Base Confirmation Agreement may constrain the ability of the Company to operate because it must comply with certain financial, organizational, operational and other restrictive covenants. Among other things, the Base Confirmation Agreement will restrict the Company's ability to undertake the following activities, subject to the approval of Macquarie Energy: (i) deal with other energy suppliers; (ii) enter into hedging transactions (iii) amend or terminate material contracts; (iv) amend or modify the Risk Management Policy; (v) make capital expenditures; (vi) make distributions or pay dividends on its Membership Units; (vii) invest in or acquire certain other businesses or entities; (viii) enter new markets and expand its business; (ix) enter into certain commercial transactions; (x) incur indebtedness, suffer liens or grant security on its assets; (xi) sell, liquidate or dissolve its assets; (xii) merge, amalgamate or consolidate with another entity; (xiii) release any utility, LDC or ISO from its contractual obligations; and (xiv) alter its accounting policies or organizational documents. In addition, the Base Confirmation Agreement requires that the Company and its subsidiaries, among other things, at all times maintain a minimum total net worth and minimum margin ratio, and comply with certain financial covenants.

Our business is dependent on our contracts with Macquarie Energy, and Macquarie Energy's inability to perform its obligations under the contracts could adversely affect our margins on electricity and natural gas sales.

Our business model is based on contracting for supply of natural gas and electricity, through physical and financial transactions, to fix margins. If Macquarie Energy experiences financial difficulties or is otherwise unable to perform its obligations to us, we may suffer losses, including as a result of being unable to secure energy supply on a timely basis. As a result, our ability to earn margins on electricity and natural gas sales could be affected. If the Company cannot identify an alternative supply of natural gas and electricity in a timely manner, our business will be adversely affected as the Company may not be able to meet its obligations to its customers.

A default under the Base Confirmation Agreement could adversely affect our business.

The Base Confirmation Agreement contains numerous covenants by the Company, including covenants relating to the operation and conduct of its business, ownership and maintenance of assets, regulatory approvals and licenses, compliance with laws, delivery of financial information, the incurrence of indebtedness, its Risk Management Policy, the maintenance of certain financial ratios, and restrictions on undertaking certain transactions without Macquarie Energy's consent. A breach of any of the covenants in the Base Confirmation Agreement constitutes an event of default, subject to cure periods in limited circumstances. Additional events of default include the revocation of certain licenses, exceeding certain exposure limits, the loss of key employees, the existence of unsatisfied judgments in excess of a threshold, the termination of material contracts and change of control. Upon an event of default, Macquarie Energy is entitled to suspend its performance under or terminate the Base Confirmation Agreement, including the supply of energy to the Company under the Base Confirmation Agreement, to accelerate any advances under the Working Capital Facility and to enforce its liens on the Company's assets. In addition, Macquarie Energy may elect not to enter into any further transactions under the Base Confirmation Agreement unless the representations and warranties contained in the Base Confirmation Agreement are true and correct and there has not been a material adverse change (as defined in the Base Confirmation Agreement). Any such termination or election not to enter into further transactions by Macquarie Energy would likely have an adverse economic impact on the business of the Company and on the Company's ability to make distributions on its Membership Units, which would reduce the distributable cash of the Trust.

We are exposed to interest rate risk and foreign currency exchange risk in the ordinary course of business.

The Company is exposed to interest rate risk associated with its credit facility, and the Trust and/or Trust Subsidiaries are exposed to foreign currency exchange rates associated with the repatriation of U.S. dollar denominated funds in order to pay Canadian dollar denominated distributions. The Trust Subsidiaries have entered into derivative instruments in order to manage exposures to changes in foreign currency rates and to mitigate the currency risk impact on the long-term sustainability of distributions to Unitholders. Derivative instruments are generally transacted over-the-counter. The inability or failure of the Company or the Trust Subsidiaries to manage and monitor interest rate and foreign currency exchange risks could have a material adverse effect on the results of operations and cash flow of the Company and distributions to Unitholders. See "Our Business — Business Strengths —

Prudent Risk Management Culture — Foreign Currency Exchange Risk" for further details on the Company's foreign currency exchange risk strategy.

We may suffer economic losses where risk management policy and programs do not work as planned.

The Company's risk management programs may not work as planned. For example, actual electricity and natural gas prices may be significantly different or more volatile than the historical trends and assumptions upon which the Company based its risk management calculations. In addition, unforeseen market disruptions could decrease market depth and liquidity, negatively impacting the Company's ability to enter into new transactions. The Company enters into financial contracts to hedge commodity basis risk, and as a result is exposed to the risk that the correlation between delivery points could change with actual physical delivery. Similarly, interest rates or foreign currency exchange rates could change in significant ways that the Company's risk management procedures were not designed to address. As a result, the Company cannot always predict the impact that its risk management decisions may have on its business if actual events result in greater losses or costs than predicted by the Company's risk models, or if there is greater than expected volatility in the Company's results of operations.

In addition, the Company's trading, marketing and hedging activities are exposed to counterparty credit risk and market liquidity risk. If counterparties fail to perform, the risk of which has increased due to the economic downturn, the Company may be forced to enter into alternative arrangements at then-current market prices. In that event, the Company's results of operations are likely to be adversely affected.

Our business is reliant on the services provided by LDCs, and any disruptions to these services could adversely impact our results of operations and cash flow.

LDCs provides many essential services to the Company, including energy delivery, billing and collections and meter reading. The Company is reliant on LDCs to deliver the electricity and natural gas that it sells to customers. LDCs are reliant upon the continuing availability of existing distribution infrastructure. Any disruptions in this infrastructure could result in the Company invoking force majeure clauses in its contracts. Under such severe circumstances there would be no revenue or gross margin to report for the affected areas as the Company would have no alternative way to deliver energy to its customers.

The Company is reliant on LDCs to perform billing and collection services in utility consolidated billing markets, which includes paying the Company for its energy service delivered to customers. If LDCs cease to perform these services, the Company would have to seek a third party billing provider or develop internal systems and processes to perform these functions, which may require a significant capital expenditure and increased operating expenses to support the internal billing and collections functions.

The Company is reliant on LDCs to measure and record customer electricity and natural gas meter usage rates, which is used to calculate commodity charges billed to the customer. If the LDCs do not accurately measure or record customer usage rates and the customer is under-billed relative to their actual usage rates, the Company may not receive full payment for energy that has been supplied to its customers.

There can be no assurance that the practices or policies of LDCs in the future will not limit the growth or profitability of the Company.

The global economy has not fully recovered and unforeseen events may negatively impact our financial condition.

Market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, caused significant volatility to commodity prices over the last few years. These conditions have resulted in a loss of confidence in the broader U.S. and global credit and financial markets, resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers, and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. These factors have negatively impacted public entity valuations and continue to impact the performance of the global economy going forward.

If the economic climate in the U.S. or the world generally deteriorates further, demand for energy products could diminish further and prices for electricity and natural gas could decrease further, which could adversely impact our results of operations, liquidity and financial condition.

Risk Relating to the Retail Energy Industry

We operate in a highly competitive market and our customers may switch to another Energy Retailer.

A number of Energy Retailers compete with the Company in the residential and commercial markets. It is possible that the existing competition and additional new entrants may compete directly for the customer base that the Company targets, slowing growth or reducing its market share. It is also possible that new entrants may be better capitalized, or their existing customer bases will provide them with a competitive advantage over the Company. Changes in customer behaviour, government regulation or increased competition may affect (potentially adversely) attrition and retention rates in the future, and these changes could adversely impact the future cash flow or margin of the Company.

Our revenues and results from operations may fluctuate on a seasonal and quarterly basis as a result of our high concentration of residential customers.

The Company's revenues and results of operations may fluctuate significantly on a seasonal basis depending on the demand for electricity and natural gas. Generally demand for electricity peaks in winter and summer months while demand for natural gas peaks in the winter months for residential customers. The impact may be exaggerated as a result of extreme weather conditions, resulting in variances in forecasted electricity and natural gas consumption. Depending on prevailing market prices for electricity and natural gas, these and other unexpected circumstances may reduce our revenues and results of operations. Fluctuations in our revenues and results from operations will directly affect the amount of cash available to the Trust for distribution to Unitholders. Distributions may be reduced, or even eliminated, at times where revenues and results from operations are not sufficient to support a distribution.

Customers may not widely accept Energy Retailers as their energy supplier.

The Company believes that its profitability and growth will depend upon the broad acceptance of Energy Retailers in the United States. There can be no assurance that customers will widely accept Energy Retailers as their energy supplier. The acceptance of our products may be adversely affected by our ability to offer a competitive value proposition, concerns relating to product reliability, general resistance to change, and price of alternative methods of supply (e.g. residential and commercial solar programs). Unfavourable publicity involving customer experiences with other Energy Retailers could also adversely affect its acceptance. Market acceptance could also be affected by regulatory developments. The failure of Energy Retailers to achieve deep market penetration may have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is required to be licenced by the public utility commissions in each state in which we operate, and the denial of a new licence or revocation of an existing licence may impact the Company's financial results.

In each state in which we operate, the Company is required to be licenced by the relevant state utility commission. The Company's expansion strategy is dependent on continuing to be licenced in existing markets and receiving approval for additional licences in new and existing markets. For example, at the current time, the Company is in the process of applying for or renewing its electricity or natural gas licence in the following states: Illinois, Massachusetts, New Jersey and Pennsylvania. If the Company is denied a licence, has a licence revoked or is not granted renewal of a licence, the Company's financial results may be negatively impacted.

Changes by state regulators to the utility service rate may affect the Company's ability to remain competitive.

The Company considers the utility service rate in each state to be the competitive benchmark for our products. The utility service rate in each state is regulated by the state's public utility commission. From time to time, utilities and government agencies propose changes to the utility service rate structure which may impact the Company's ability to offer a competitive value proposition to customers, which may increase customer attrition and negatively impact the Company's financial performance.

The utility service rate may not reflect actual wholesale energy market conditions, which may make the Company's value proposition for customers less competitive.

The Company considers the utility service rate in each state to be the competitive benchmark for our products. The utility service rate in each state is regulated by the state's public utility commission. In many of the states in which the Company operates, the utility service rate charged to customers is set yearly, quarterly, or monthly by the utility and is based on the price paid by the utility to procure electricity or natural gas for that period of time, which may have occurred over a period of up to three years. As a result, the service rate does not necessarily reflect actual market conditions, which may create circumstances where the Company is unable to offer a competitive value proposition to the customer and, as a result, may increase customer attrition and negatively impact the Company's financial performance.

Increases in state renewable portfolio standards and a further reduction in available production tax credits may adversely impact the price, availability and marketability of our renewable energy products.

We are required to purchase RECs for our electricity products. We purchase RECs to comply with state regulatory requirements under the state's renewable portfolio standards, if applicable. In addition, we purchase RECs to satisfy our voluntary requirements under the terms of our contracts with our customers, if applicable. Pursuant to state renewable portfolio standards, we must purchase a specified amount of RECs based on the amount of electricity sold by the Company in a state in a year. In addition, we have contracts with certain customers which require us to purchase voluntary RECs ranging from 20% to 100% of our power sold.

If a state increases its renewable portfolio standards, the demand for RECs within that state will increase, and therefore the market price for RECs will increase. While we attempt to forecast the price for the required RECs at the end of each month and incorporate this forecast into our customer pricing models, the price paid for RECs may be higher than forecasted. Despite our attempt to pass the higher cost of RECs onto our customers, unexpected increases in the price of RECs may decrease our results of operations and effect our ability to compete with other Energy Retailers that have not contracted with customers to purchase voluntary RECs. Further, a price increase for RECs may require the Company to decrease the renewable portion of its energy products, which may result in a loss of customers and possibly some independent contractors representing the Viridian Energy brand.

A further reduction in benefits received by LDCs from production tax credits in respect of renewable energy may adversely impact the availability to the Company, and marketability by the Company, of renewable energy under its brands. Accordingly, such decrease may result in reduced revenue for the Company.

Risks Relating to the Operations of the Company

The Company and its predecessors have limited historical data that can be utilized to assess the performance of the Company.

The Company was incorporated in August 2012 and acquired Regional Energy and Public Power in September 2012. Each of Regional Energy and Public Power has a limited operating history from which investors can evaluate its business and prospects. Regional Energy commenced marketing to customers in July 2009 and Public Power & Utility, a predecessor to Public Power, began operations in December 2008.

The Company's prospects must be considered in light of the risks and uncertainties encountered by an early stage company, and in rapidly evolving markets such as the retail electricity and natural gas markets. Some of these risks relate to the Company's potential inability to: effectively manage its business and operations; recruit and retain key personnel; successfully maintain a low-cost structure as it expands the scale of its business; manage rapid growth in personnel and operations; develop new products that complement its existing business; and successfully address the other risks it faces, as described throughout this Annual Information Form.

If the Company cannot successfully address these risks, its business, future results of operations and financial condition may be materially adversely affected.

The Company's management may not successfully manage the Company's rapid growth.

The Company's success will depend on its ability to expand and manage its rapid growth. The Company's growth and expansion has resulted in, and may continue to result in, new and increased responsibilities for management and additional demands on

management, operating and financial systems and resources. The Company's ability to continue to expand is dependent upon factors such as its ability to: hire and train new staff, managerial personnel and independent contractors; expand the Company's infrastructure; and adapt or amend the Company's structure to comply with present or future state legal requirements. Any failure or inability to successfully implement these and other factors may have a material adverse effect on the Company's business, financial condition and results of operations. There can be no assurance that the Company will be able to successfully integrate, manage and retain the customer accounts it acquires. If management is unable to successfully implement its growth strategy or manage growth effectively, the Company's business, financial condition and results of operations could be materially adversely affected.

Historical performance of the Company's operations may not be indicative of its future performance.

The Company's historical growth rate may not be indicative of its future growth rate. Accordingly, there can be no assurance that the Company's future customer acquisition rate will be consistent with its historical performance. Furthermore, the Company's current results of operations, including payback periods and customer acquisition costs in our marketing channels, may not be indicative of future performance. The Company's performance may change as the result of several factors including, but not limited to, wholesale market conditions and competitive considerations.

The Combination between Public Power and Regional Energy involved numerous risks that could have a material adverse effect on the Company's business, results of operations and financial condition.

The Combination of Public Power and Regional Energy involved numerous risks, which could have a material adverse effect on the Company's business, results of operations and financial condition, including: difficulties in integrating operations, technologies, products, marketing channels, existing contracts, accounting processes, personnel and customers; the potential loss of key employees and independent contractors; or the assumption of unanticipated risk, problems or latent liabilities. The anticipated benefits from the Combination, including a diverse energy platform, cost savings and access to capital, may not materialize. Additionally, the Company may not realize the expected benefit of the win back program in reducing customer attrition for new brands as has been the historical experience with Public Power. The failure to successfully realize the anticipated benefits of the combined businesses could have a material adverse effect on the Company's business, results of operations and financial condition.

Our business is dependent on information systems to support business operations, and any failures or disruptions in our information systems could have a material adverse effect on our results of operations.

The Company is dependent on third party information systems to track, monitor and correct or otherwise verify a high volume of data to ensure the accuracy of our sales, financial, accounting and other data. The Company has arrangements with various third parties to provide support for its energy load forecasting, electronic data interchange services, billing services and various marketing channels. Management also relies on information systems to provide the Company's independent contractors with updated marketing and compensation information and record each customer interaction. Our business and results of operations could be materially adversely affected if any of our information systems fail or have other significant shortcomings. We may also be subject to disruptions of our informational systems arising from events that are wholly or partially beyond our control (such as natural disasters, acts of terrorism, epidemics, computer viruses and telecommunications outages). Third party systems on which we rely could also suffer disruptions. Any failure of the information systems on which we rely or our failure to maintain and upgrade our information systems could have a material adverse effect on our business and results of operations.

In the future, it may no longer be feasible for the Company to continue to grow through strategic acquisition opportunities.

The Company's acquisition strategy is dependent on the Company's ability to identify suitable acquisition opportunities. We face competition for acquisitions primarily from other Energy Retailers, many of which are substantially larger and have considerably greater financial, technical and marketing resources than are available to us. Some of these competitors may also have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of acquisitions. The ability to consummate acquisitions will be dependent on capital being available at an acceptable cost.

As a result of competitive pressures, we may not be able to identify and make acquisitions that are consistent with our objectives or that generate attractive returns to our Unitholders. We may lose acquisition opportunities in the future if we do not match prices, structures and terms offered by competitors, or if we are unable to access sources of capital at attractive rates. Alternatively, we may experience decreased rates of return and increased risks of loss if we match prices, structures and terms

offered by competitors. Although management believes there is significant opportunity for strategic acquisitions as a result of fragmentation and consolidation in the current retail energy market, there is no assurance that acquisition opportunities will continue to exist in the future, which could have a material adverse effect on our business, financial condition and results of operations.

Our expansion strategy involves numerous risks that could impact our viability and harm our business.

The Company plans to grow its business by expansion in new and existing deregulated markets through organic growth and acquisitions. The Company's expansion strategy involves numerous risks, which could harm the Company's business and results of operations, including: difficulties in integrating, supporting and transitioning customers accounts; difficulties in realizing value from the expansion of new and existing products and marketing channels; assets of the target company may exceed the value the Company realizes, or the value it could have realized if it had allocated the purchase price or other resources to another opportunity; risks of entering new markets or customer segments in which the Company has limited or no experience or are outside its core competencies; and inability to generate sufficient revenue to offset acquisition or expansion costs.

The Company may require additional financing should an appropriate acquisition be identified and it may not have access to the funding required for the expansion of its business or such funding may not be available to the Company on acceptable terms. Future acquisitions or expansion could result in the incurrence of additional debt and related interest expense, as well as unforeseen liabilities, all of which could have a material adverse effect on business, results of operations and financial condition. The failure to successfully evaluate and execute acquisitions or otherwise adequately address the risks associated with acquisitions could have a material adverse effect on the Company's business, results of operations and financial condition. There can be no assurance that the Company will determine to pursue any acquisition or that such an opportunity, if pursued, will be successful.

The Company's success depends upon the continued involvement of its present management.

The Company's success depends upon the continued involvement of its management, who are in charge of the Company's strategic planning and operations. In particular, the founders of each of Regional Energy and Public Power will form part of the management and the board of directors of the Company. The loss to the Company of any of these founders could have a material adverse impact on the operations of the Company. The Company may need to attract and retain additional talented individuals in order to carry out its business objectives. The competition for such persons could be intense and the Company may be unable to recruit the people it needs.

The Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers.

As a public issuer, the Trust is subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Trust's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on our personnel, systems and resources, which could adversely affect our business and financial condition.

The Trust and its subsidiaries are subject to reporting and other obligations under applicable Canadian securities laws and TSX rules, including National Instrument 52-109 — *Certification of Disclosure in Issuers' Annual and Interim Filings* (**"NI 52-109"**). NI 52-109 requires annual management assessment of the effectiveness of the Trust's internal controls over financial reporting. Effective internal controls, including financial reporting and disclosure controls and procedures, are necessary for the Trust to provide reliable financial reports, to effectively reduce the risk of fraud and to operate successfully as a public company. These reporting and other obligations will place significant demands on the Trust as well as on the Company's management, administrative, operational and accounting resources. The Crius Group anticipates that it will need to upgrade its systems, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. If the Crius Group is unable to accomplish these objectives in a timely and effective fashion, the Trust's ability to comply with its financial reporting requirements and other rules that apply to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls, including a failure to implement new or improved controls in response to identified material weaknesses in the Company's system of internal controls, could cause the Trust to fail to meet its reporting obligations or result in material misstatements in its financial statements. If the Trust cannot provide reliable financial reports or prevent fraud,

its reputation and operating results could be materially harmed which could also cause investors to lose confidence in its reported financial information, which could result in a lower trading price of the Units.

If we are unable to maintain relationships with our exclusive marketing partners, our revenues may decline.

Our exclusive marketing partners represent an important channel for marketing and selling our products in many states. Our ability to increase revenues in the future will depend significantly on our ability to maintain our existing contractual relationships with our exclusive marketing partners and to sell more energy products through existing exclusive marketing partners. There can be no assurance that we will be successful in maintaining our existing contractual relationships with our exclusive marketing partners. Our exclusive marketing partners have in the past negotiated arrangements that are short-term and terminable on relatively short notice without penalty. In addition, our exclusive marketing partners may, in the future, negotiate arrangements that are short-term and subject to renewal, non-exclusive and/or terminable at the option of the partner on relatively short notice without penalty. Exclusive marketing partners that have not provided a long-term commitment or guarantee of exclusivity, or that have the ability to terminate on short notice, may exercise this flexibility to end their relationship with us or to negotiate from time to time more preferential financial and other terms than originally contracted for. We cannot ensure that such negotiations will not have a material adverse effect on our financial condition or results of operations.

Further, if our products do not generate sufficient revenue for our exclusive marketing partners, we may lose our exclusive marketing partners. The loss of any one or more of our exclusive marketing partners could have a material adverse effect on our business, revenues, results of operations and financial condition. There can also be no assurance that we will be able to establish relationships with new exclusive marketing partners, which represents an important part of the Company's overall growth strategy.

Marketing partner launches are dependent on the resources available at that time. Marketing partners may be selling other non-energy products which may impact the availability of resources that the marketing partner can leverage to distribute our energy products or delay the launch of our energy products. This may impact the performance of the marketing partner.

We are subject to reputational and regulatory risks that may arise from the actions of our exclusive marketing partners, their employees or their independent contractors that are wholly or partially beyond our control, such as negative publicity, bankruptcy or insolvency proceedings or regulatory issues or sanctions faced by our exclusive marketing partners.

The residual commissions paid to independent contractors and exclusive marketing partners could adversely affect the Company's operating margins and financial performance, particularly if our costs rise and we do not adjust our pricing strategy.

Some of our independent contractors and exclusive marketing partners earn ongoing residual commissions. Residual commissions are calculated based on a fixed percentage of revenues attributable to a customer's energy consumption, without regard to the Company's wholesale supply costs. Should the Company's supply costs rise, our operating margins and results of operations could be adversely affected if the Company does not appropriately adjust its pricing strategy to reflect cost increases.

If the Company is unable to maintain relationships with certain independent contractors in our network marketing channel, we may lose customers and other independent contractors, resulting in adverse financial consequences to the Company.

Our network marketing channel relies on independent contractors to market and sell our products. Within the network marketing channel, independent contractors create networks, referred to as a marketing organization, encompassing both independent contractors and customers. The Company has identified several key independent contractors who have large marketing organizations, which represent a significant portion of the Company's network marketing business. If the Company is unable to retain our key independent contractors, we may lose a significant number of customers and independent contractors, which could result in adverse financial consequences to the Company.

Our marketing channels may be contingent upon the viability of our independent sales contractors, telemarketing, door-to-door and outsourcing arrangements.

Our independent contractors are essential to our telemarketing, door-to-door and network marketing sales activities. Our ability to increase revenues in the future will depend significantly on the services of our independent contractors. If the Company is unable to attract new independent contractors and retain existing independent contractors, the Company's growth may be materially reduced. There can be no assurance that competitive conditions will allow these independent contractors, who are not employees of the Company, to continue to successfully sign up new customers or independent contractors. Further, if our products are not

attractive to, or do not generate sufficient revenue for, our independent contractors, we may lose our existing relationships, which would have a material adverse effect on our business, revenues, results of operations and financial condition. In addition, the decline in landlines reduces the number of potential customers that may be reached by our independent telemarketers and as a result our telemarketing sales channel may become less viable, which may materially impact our business and results of operations.

Our independent contractors may expose us to risks.

We are subject to reputational risks that may arise from the actions of our independent contractors that are wholly or partially beyond our control, such as violations of our marketing policies and procedures as well as any failure to comply with applicable laws and regulations. If our independent contractors engage in marketing practices that are not in compliance with local laws and regulations, we may be in breach of applicable laws and regulations which may result in regulatory proceeding or the revocation of our Energy Retailer licence, which would materially impact our results of operations.

Changes to the Code regarding the employment status of independent contractors or a successful challenge by the IRS regarding the employment status of our independent contractors could result in adverse financial consequences to the Company.

Our independent contractors are essential to our marketing channels and sales. Independent contractors are not considered employees under the Code. The Company monitors and complies with regulations in the Code regarding the tax status of independent contractors. If the Code was amended in a way that altered the employment status of independent contractors, or if the Company was successfully challenged by the IRS or its independent contractors regarding the employment status of our independent contractors, our independent contractors could be considered employees of the Company. This could result in adverse financial consequences to the Company.

Capital investment requirements may affect the distributions available to Unitholders.

The timing and amount of capital expenditures incurred by the Company or by its subsidiaries will directly affect the amount of cash available to the Trust for distributions to Unitholders. Distributions may be reduced, or even eliminated, at times when capital expenditures are incurred or other unusual expenditures are made.

Risks Relating to the Legal and Regulatory Environment

If energy deregulation is reversed or discontinued, the Company's prospects and financial condition could be materially adversely affected.

In some retail energy markets, state legislators, government agencies and other interested parties, have made proposals to change the use of market-based pricing, re-regulate areas of these markets that have previously been competitive, or permit electricity delivery companies to construct or acquire generating facilities. Although the Company generally expects retail electricity and natural gas markets to continue to be competitive, other proposals to re-regulate this industry may be made, and legislative or other actions affecting the electricity and natural gas restructuring process may cause the process to be delayed, discontinued or reversed in states in which the Company currently operates or may in the future operate.

The Company operates in a regulated industry and is exposed to legislative and regulatory risks that could harm the Company's interests.

The Company currently operates in the regulated electricity and natural gas retail sales sectors in all of its jurisdictions. The Company must comply with the legislation and regulations in these jurisdictions in order to maintain its licenced status to continue its operations and to expand to new markets and/or products. Regulatory compliance affects how quickly we can expand organically or through acquisitions. Compliance is costly and we may be prohibited from expanding or operating if we fail to comply with regulations. There is potential for changes to the legislation and regulatory requirements that may unfavourably impact the Company's business model. As part of doing business through the Company's various marketing channels, the Company receives complaints from customers. The failure of the Company to successfully resolve complaints could result in sanctions by the state public utility commission, such as a loss of a licence, which would have a material adverse effect on the Company. Increased fragmentation of the retail energy industry, resulting in a greater number of Energy Retail providers operating in the same jurisdictions as the Company, may result in more customer complaints and heightened customer protection legislation. Similarly, changes to customer protection regulation in the states where the Company markets to non-commercial

customers may unfavourably impact the Company's business model. There can be no assurance that future decisions of U.S. federal and state regulatory bodies having jurisdiction over the Company's business activities, or rules enacted by them, or new legislation or regulations or changes to existing legislation or regulations, will not adversely affect the operations or cash flow of the Company. There can be no assurance that future decisions of the regulatory bodies having jurisdiction over the Company's business activities, or rules enacted by them, or new legislation or regulations or changes to existing legislation or regulations, including any change in regulatory policy, rules, legislation or regulations which would impact the Company's ability to renew customer contracts on the expiration of their term, will not adversely affect the results of operations or cash flow of the Company.

The Company's telemarketing channel may be eliminated or rendered unfeasible by state or federal legislation or regulation or by increased participation on "do not call" lists.

Some jurisdictions in which the Company operates have implemented "do not call" lists through industry organizations or legislation, including the National Do Not Call Registry implemented by the U.S. Federal Trade Commission, which restricts telemarketers from initiating contact with participating consumers. The "do not call" lists and other United States federal and state legislation and regulation restrict the Company's ability to initiate contact with customers through our telemarketing channel which is currently operated by third party companies and their agents. In the event that telemarketing becomes unprofitable for third party companies or their agents, they may cease to provide telemarketing services altogether. As a result, the Company's ability to initiate contact with potential customers through the telemarketing channel may be reduced, eliminated or rendered unfeasible in the future.

The Company may also face heavy penalties, PUC license revocation and lawsuits in that event of a violation of United States federal and state legislation and regulation relating to telemarketing.

The Company is subject to extensive local, state and federal regulation, including the Dodd-Frank Act, and is regulated by FERC.

We are subject to regulation by federal, state, and local regulatory authorities and are exposed to public policy decisions that may negatively impact the Company's earnings. Further, there are customer advocates and other parties which may intervene in regulatory proceedings and affect regulatory outcomes. In general, increasing regulation could affect the rates we charge to customers, our costs, and our profitability. Any additional expenses or capital incurred by the Company, as it relates to complying with increasing regulation, could adversely impact the Company's financial position.

In particular, the Company is subject to regulation by FERC and the North American Electricity Reliability Corporation ("**NERC**"). FERC regulates transportation of natural gas by interstate pipelines. Such regulation affects the Company's access to natural gas supplies. As to the wholesale electricity sector, FERC has issued regulations that require wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. Although these regulations are designed to encourage competition in wholesale market transactions for electricity, there is potential that fair and equal access to transmission systems will not be available or that transmission capacity will not be available in the amounts the Company requires. The Company cannot predict the timing of industry changes as a result of these initiatives or the adequacy of transmission facilities in specific markets or whether ISOs and RTOs in applicable markets will efficiently operate transmission networks and provide related services.

FERC also regulates the sale of wholesale electricity by requiring companies who sell in the wholesale market to obtain a market-based rates authority license. If the Company did not receive market-based rates authority or its authority were revoked, it may adversely impact operations.

We are also subject to mandatory reliability standards enacted by the NERC and enforced by FERC. Compliance with the mandatory reliability standards may subject us to higher operating costs and may result in increased capital expenditures. If we are found to be in noncompliance with the mandatory reliability standards, we could be subject to sanctions, including substantial monetary penalties.

In addition, the Dodd-Frank Act provides a regulatory regime for derivatives addressing collateral requirements, exchange margin cash postings, and other aspects of derivative transactions, and generally requires swaps to be cleared. The Company may qualify for the commercial end-user exception to clearing, however, which would allow it to continue to enter into swaps in the over-the-counter market. Even if the Company qualifies for the commercial end-use exception, the Company will have increased costs related to compliance under the Dodd-Frank Act and the Dodd-Frank Act may affect the market for swaps generally, including increased costs passed through to the Company from swap providers.

Further, federal and/or state regulatory approval may be necessary for us to complete future acquisitions. As part of the regulatory approval process, governmental entities may impose terms and conditions on the transaction or our business that are unfavourable or add significant additional costs to our future operations. The regulatory and legislative process may restrict our ability to grow earnings in certain parts of our business, cause delays in or affect business planning and transactions and increase the Company's costs.

The Company's energy procurement from ISOs and RTOs is based on load forecasting. Positive differences may arise between day-ahead purchases and customers' real-time load, which under ISO and RTO tariffs are sold in the real-time energy market. If such positive differences arise, the sales may be deemed wholesale sales of energy subject to the jurisdiction of FERC.

The Company's subsidiaries may purchase energy from ISOs and RTOs in the service area of the subsidiary's retail load to meet our contractual obligations with our retail customers. These subsidiaries schedule the purchases of energy in the day-ahead market based on load forecasting. Because forecasting is not precise, the day-ahead market purchases may differ from the real-time load. When a subsidiary's day-ahead market purchases exceed the actual real-time load, the subsidiary's sales of excess energy back to the ISO or RTO in real time may be considered wholesale sales of energy subject to the jurisdiction of FERC.

If a Company subsidiary's purchases in the day-ahead markets exceed the actual real-time load, the subsidiary may be deemed to be an energy wholesaler under the jurisdiction of FERC, and under FERC regulations would be required to obtain market-based rates authority to authorize such wholesale sales. If a subsidiary does not have such authority during any period when such net sales were made, the subsidiary may be subject to refund liability.

The Company is exposed to the risk of current, pending and future legal proceedings that could harm the Company's interests.

The Company is a party to several legal proceedings, and may in the future be subject to class actions, other litigation and other actions, including those arising in relation to its customer contracts and marketing practices. This litigation is, and any such additional litigation could be, time consuming and expensive and could distract our management team from the conduct of our business. The adverse resolution or reputational damage of any specific lawsuit could have a material adverse effect on our ability to favourably resolve other lawsuits and on the Company's financial condition and liquidity.

Risks Relating to the Business and Operations of the Trust and the Trust Subsidiaries

Regional Energy Members and Public Power Members may not have interests that are aligned with the Unitholders.

The Trust indirectly controls the Company as a result of US Holdco's ability to appoint a majority of the directors of the Company pursuant to the Company LLC Agreement. Although, pursuant to the Company LLC Agreement, the Company's board of directors generally has the power and authority over the Company's business and operations, certain fundamental transactions will require approval by an Act of the Members, notably a merger or consolidation of the Company with another entity and certain amendments to the Company LLC Agreement. As long as the Regional Energy Members and Public Power Members, in the aggregate, own 20% or more of the outstanding Membership Units, they could prevent the Company from undertaking such transactions that require approval by an Act of the Members. Depending on the circumstances, the interests of the Regional Energy Members and the Public Power Members may not be aligned with those of the Unitholders and, as a result, the Regional Energy Members and Public Power Members may in certain circumstances be able to prevent the Company from undertaking transactions that might otherwise be beneficial to the Unitholders.

Certain provisions of the Company LLC Agreement may inhibit change of control transactions of the Trust or may result in higher or lower consideration being paid for the Trust Units than the Membership Units or require an offer to be made to owners of Membership Units of the Company when there are no payments being made to the Unitholders.

The Company LLC Agreement requires the Company or US Holdco to make an offer to purchase the outstanding Membership Units held by persons other than US Holdco, at a price equal to the Change of Control Purchase Price, if a Trust Change of Control occurs. See "Funding and Acquisition of the Company Interest — Company LLC Agreement — Offer to Purchase Membership Units Upon Trust Change of Control". The Change of Control Purchase Price for the Membership Units is not determined by reference to the price at which the Units are trading from time to time, or at which any offer might be made for Units. Accordingly, it may be more or less than those amounts. If the Change of Control Purchase Price for the Membership Units is higher than the price that a potential acquirer is prepared to pay for the Units, it could discourage potential acquirers from making a take-over bid for the Units or make it difficult for any bid to be completed. In addition, since a Trust Change of Control

requires an offer to be made on the first day on which a majority of the members of the board of directors of the Administrators are not Continuing Directors, it could discourage Unitholders or others from initiating a proxy battle to replace all or a portion of the Administrator Directors. As a result, this requirement could potentially have an adverse impact on the trading price of the Units or the ability to replace the Administrator Directors. Canadian securities regulatory authorities may also consider the payment on a Trust Change of Control to be non-identical consideration for the purpose of applicable take-over bid rules, in which case they could intervene in the public interest to prevent the Trust Change of Control or the offer being made or completed (either on application by an interested party or by staff or a Canadian securities regulatory authority). Similarly, Canadian securities regulatory authorities may consider the repurchase of Membership Units by the Company pursuant to a Trust Change of Control following the replacement of all or a portion of the Administrator Directors to be a formal issuer bid that is made only to holders of Membership Units other than US Holdco, in which case they could intervene in the public interest to prevent the repurchase of such securities (either on application by an interested party or by staff of a Canadian securities regulatory authority). The Company, US Holdco and the holders of Membership Units other than US Holdco have filed undertakings, Non-Issuer Forms of Submission to Jurisdiction and Appointment of Agent for Service of Process and the Company LLC Agreement provides and ensures that Canadian securities regulatory authorities have the requisite authority to cease, halt or rescind any purchase of Membership Units by the Company, or sale of Membership Units by the holders of Membership Units other than US Holdco, following a Trust Change of Control, Company Change of Control or Liquidity Offer should they determine it appropriate to intervene in the public interest.

Certain provisions of the Company LLC Agreement may require the Company to repurchase Membership Units at a price that may be uneconomic, or to use cash resources that could be used for other, more accretive transactions.

Commencing in the 2019 fiscal year, the Company is required, within the first 90 days of each fiscal year of the Company, to make a Liquidity Offer to purchase the maximum number of Membership Units from the Regional Energy Members and Public Power Members that may be purchased out of Excess Cash, at a price per Membership Unit equal to the Liquidity Offer Purchase Price. The Liquidity Offer Purchase Price is based on a multiple of the Company's Consolidated Cash Flow (as defined in the Company LLC Agreement), and may differ from and could potentially exceed the fair market value of such Membership Units at the relevant time. In addition, this use of the Company's cash resources may not be as attractive or accretive to Unitholders as other potential uses by the Company, such as to fund future acquisitions or otherwise expand the Company's business.

The value of the Canadian dollar against the U.S. dollar will affect the Trust's results and distributions.

All of the assets of the Company are located in the United States. The Company's revenues are also received in U.S. dollars. US Holdco will receive distributions from the Company in U.S. dollars and the Trust pays distributions to Unitholders in Canadian dollars. The Trust also raises funds primarily in Canada from the sale of Units in Canadian dollars and invests indirectly through the Company in U.S. assets, using U.S. dollars. Thus, when the Canadian dollar increases in value against the U.S. dollar, the Trust's indirect investments in U.S. assets will be less expensive; however, distributions received by the Trust directly or indirectly from the Company will also be reduced. When the Canadian dollar decreases in value against the U.S. dollar, the Trust's indirect investments in U.S. assets will be more expensive. However, distributions received by the Trust directly or indirectly from the Company will increase.

The Trust is dependent upon the Company's operations and assets.

The Trust is a limited purpose trust and is entirely dependent upon the operations and assets of the Company through the Trust's indirect ownership of the Company Interest. Accordingly, the Trust's ability to pay distributions to Unitholders is dependent upon the ability of the Company to make distributions on its Membership Units. The Company's income is derived from the sale of electricity and natural gas and is susceptible to the risks and uncertainties associated with the energy industry generally, and the retail energy industry specifically, in the United States.

The ability of the Trust to make cash distributions, and the actual amount distributed, is entirely dependent on the operations and assets of the Company.

There can be no assurance regarding the amounts of income to be generated by the Company's business or ultimately distributed to the Trust. The ability of the Trust to make cash distributions, and the actual amount distributed, is entirely dependent on the operations and assets of the Company, and is subject to various factors including the Company's financial performance, its obligations under applicable credit facilities, fluctuations in its working capital, the sustainability of its margins and its capital

expenditure requirements. The market value of the Units may deteriorate if the Trust is unable to meet its distribution targets in the future, and that deterioration may be significant.

The actual distributable cash available to the Unitholders is dependent on the amount of cash flow received by the Trust Subsidiaries from the Company and paid to the Trust, and can vary significantly from period to period for a number of reasons including, among other things: (i) the Company's operational and financial performance; (ii) fluctuations in the costs of electricity and natural gas; (iii) changes to the regulatory or competitive environment in the retail energy market; (iv) the amount of cash required or retained for debt service or repayment; (v) amounts required to fund capital expenditures and working capital requirements; (vi) foreign currency exchange rates and interest rates; and (vii) other obligations and liabilities such as environmental, contractual or legal liabilities and obligations. In addition, the Trust's level of distributions per Unit is affected by the number of outstanding Units and other securities that may be entitled to receive cash distributions or payments. Distributions may be increased, reduced or suspended entirely depending on the performance of the Company.

The Trust is dependent upon distributions from the Company and the Trust Subsidiaries.

The Trust does not carry on any business operations directly, and is entirely dependent on receiving distributions from its direct and indirect investments in the Trust Subsidiaries and the Company to enable the Trust to make cash distributions to Unitholders on the Units. The boards of directors of the Company, US Holdco and Cdn Holdco, and the Administrator Directors on behalf of the Commercial Trust, each have considerable discretion in deciding whether to make cash distributions, if any, and the amount of any such distributions. The ability of the Company, US Holdco, Cdn Holdco and the Commercial Trust to make cash distributions is subject to, among other things, applicable laws and regulations as well as contractual restrictions contained in instruments governing any indebtedness of those entities, including pursuant to the Base Confirmation Agreement and US Holdco Note. There can be no guarantee or assurance that the Company and/or the Trust Subsidiaries will make sufficient distributions in order to permit the Trust to make cash distributions to its Unitholders.

Forward-looking information, projections, estimates, and assumptions may prove inaccurate.

Numerous statements containing forward-looking information are found in this Annual Information Form. Such statements and information are subject to risks and uncertainties and involve certain assumptions, some, but not all, of which are discussed elsewhere in this document. The occurrence or non-occurrence, as the case may be, of any of the events described in such risks could cause actual results to differ materially from those expressed in the forward-looking information.

Risks Relating to the Trust's Structure and Ownership of Units

Distributions do not represent a similar "yield" and are not comparable to that of debt instruments, and rights of redemption have limited liquidity.

Units will have no value when reserves from the properties owned by the Trust can no longer be economically produced and, as a result, distributions do not represent a "yield" in the traditional sense and are not comparable to bonds or other fixed yield securities, where investors are entitled to a full return of the principal amount of debt on maturity in addition to a return on investment through interest payments. Distributions represent a blend of return of Unitholders' initial investment and a return on that investment. Unitholders have a limited right to require a repurchase of their Units, which is referred to as a redemption right. It is anticipated that the redemption right will not be the primary mechanism for Unitholders to liquidate their investment. The right to receive cash in connection with a redemption is subject to material limitations. Any securities which may be distributed in specie to Unitholders in connection with a redemption may not be listed on any stock exchange and a market may not develop for such securities and such securities may be illiquid. In addition, there may be resale restrictions imposed by law upon the recipients of the securities pursuant to the redemption right.

The Units are not shares in a corporation and carry different risks.

The Units represent a fractional interest in the Trust. Corporate law does not govern the Trust and the rights of Unitholders. Unitholders will not have all of the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring oppression or derivative actions. The rights of Unitholders are specifically set forth in the Trust Indenture. In addition, trusts are not defined as recognized entities within the definitions of legislation such as the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) and in some cases the *Winding Up and Restructuring Act* (Canada). As a result, in the event of an insolvency or restructuring, a Unitholder's position as such may be

quite different than that of a shareholder of a corporation. The Trust's sole directly-held assets are Cdn Holdco Shares and Commercial Trust Units. The price per Unit is a function of anticipated distributable income, the properties acquired by the Trust and the ability to effect long-term growth in value. The market price of the Units are sensitive to a variety of market conditions including, but not limited to, interest rates and wholesale energy prices. Changes in market conditions may adversely affect the trading price of the Units.

The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that Act or any other legislation. Furthermore, the Trust is not a trust company and, accordingly, is not registered under any trust and loan company legislation and does not carry on or intend to carry on the business of a trust company.

Unitholder limited liability is subject to contractual and statutory assurances that may have some enforcement risks.

The Trust Indenture provides that no Unitholder is subject to any liability in connection with the Trust or its obligations and affairs and, in the event that a court determines Unitholders are subject to any such liabilities, the liabilities are only enforceable against, and will be satisfied only out of, the Trust's assets. However, there remains a risk, which is considered by the Trust to be remote in the circumstances, that a Unitholder could be held personally liable, despite such statement in the Trust Indenture, for the obligations of the Trust to the extent that claims are not satisfied out of the assets of the Trust.

Distributions on the Units are Subject to the Discretion of the Administrator.

Although the Trust intends to make monthly distributions to Unitholders, the payment and amount of any distribution is subject to the discretion of the Administrator, as well as to applicable laws, and may be subject to contractual restrictions in instruments governing the indebtedness of the Trust or other members of the Crius Group. Accordingly, there can be no guarantee or assurance that the Trust will be able to, or will, make distributions on its Units to Unitholders. In addition, the Trust Indenture allows for the payment of distributions in a form other than cash, and Unitholders could have taxable income and cash taxes payable in excess of the amount of cash distributions they receive from the Trust.

The issuance of additional Units may dilute existing Unitholders.

The Trust Indenture authorizes the Trust to issue an unlimited number of Units for that consideration and on those terms and conditions as shall be established by the Trustees without the approval of any Unitholders. The Unitholders will have no pre-emptive rights in connection with such further issues.

The market price for Units may be volatile, and Unitholders may not be able to sell the stock at a favorable price or at all.

Many factors could cause the market price of the Units to rise and fall, including:

- actual or anticipated variations in quarterly results of operations;
- changes in the federal or state regulatory environment;
- changes in market valuations of companies in the industry;
- fluctuations in prevailing market interest rates or foreign exchange rates;
- changes in expectations of future financial performance;
- fluctuations in stock market prices and volumes;
- publicity about us, our industry, our independent contractors or our exclusive marketing partners;
- regulatory or other investigations into us or others operating in our industry;
- issuances of dilutive Units or other securities in the future;
- the addition or departure of key personnel; and
- announcements by the Trust or its competitors of acquisitions, investments or strategic alliances.

It is possible that the proceeds from sales of the Units may not equal or exceed the prices Unitholders paid for the Units.

Substantial sales of Units, or the perception that such sales might occur, could depress the market price of the Units.

Whether future issuances of the Units or resale in the open market will decrease the market price of the Units cannot be predicted. The consequence of any such issuances or resale of the Units on the market price may be increased to the extent the Units are thinly, or infrequently, traded. The exercise of any options, or the vesting of any restricted Units that may be granted to directors, executive officers and other employees in the future, the issuance of Units in connection with acquisitions and other issuances of Units may decrease the market price of the Units.

The Trust may issue additional Units diluting existing Unitholders' interests.

The Trust Indenture authorizes the Administrator to cause the Trust to issue an unlimited number of Units for such consideration and on such terms and conditions as shall be established by the Administrator without the approval of any Unitholders. The future issuance of additional Units would cause immediate, and potentially substantial, dilution to the net tangible book value of those Units that are issued and outstanding immediately prior to such transaction. Any future decrease in the net tangible book value of the issued and outstanding Units could have a material adverse effect on the market value of the Units.

There can be no assurance that an active trading market in the Units will be sustained.

There can be no assurance that an active trading market will be sustained. This may affect the pricing of the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Units and the extent of issuer regulation.

The market price for the Units could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Trust's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Units. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the energy sector, which have often been unrelated to the operating performance of particular companies.

Risk Factors Relating to Taxation

Income tax laws relating to mutual fund trusts may in the future be changed or interpreted in a manner that adversely affects the Trust and its Unitholders.

The Trust intends to qualify as a "unit trust" and a "mutual fund trust" for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency respecting mutual fund trusts will not be changed in a manner that adversely affects the Trust or Unitholders. Should the Trust cease to qualify as a mutual fund trust under the Tax Act, the income tax considerations to the Trust and Unitholders could be materially and adversely affected in certain respects, including that the Units would not be eligible investments for Registered Plans.

The SIFT Rules apply to a trust that is a SIFT trust. If the SIFT Rules were to apply to the Trust, they would have an adverse impact on the Trust and on the level of distributions received by the Unitholders. The Trust will not be a SIFT trust for the purposes of these rules by virtue of not holding any "non-portfolio property" (as defined in the Tax Act), based on its investment restrictions. There can be no assurance that there will not be changes to the SIFT Rules or to the administrative policies or assessing practices of the Canada Revenue Agency which will adversely affect the Trust and its Unitholders.

Canadian tax laws may be changed or certain tax positions taken by the Trust and its subsidiaries may be challenged.

The income of the Trust and Trust Subsidiaries must be computed in accordance with Canadian and U.S. laws, as applicable, and the Trust, Cdn Holdco and the Commercial Trust are subject to Canadian tax laws. There can be no assurance that Canadian federal income tax laws, the judicial interpretation thereof, or the administrative and assessing practices and policies of the Canada Revenue Agency and the Department of Finance (Canada) will not be changed, possibly on a retroactive basis, in a manner that adversely affects Unitholders. Any such change could increase the amount of tax payable by the Trust or Cdn Holdco or could otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment available to Unitholders in respect of such distributions.

The Trust, Cdn Holdco, the Company and US Holdco are subject to United States tax laws.

There can be no assurance that U.S. federal income tax laws and Internal Revenue Service and Department of the Treasury administrative and legislative policies respecting the U.S. federal income tax consequences described herein will not be changed, possibly on a retroactive basis, in a manner that adversely affects the Unitholders. In particular, any such change could increase the amount of U.S. federal income tax or withholding tax payable by US Holdco, Cdn Holdco, the Company or the Trust, reducing the amount of distributions which the Trust would otherwise receive and thereby reducing the amount available to pay distributions to Unitholders.

Future tax measures could impact the viability of the Trust.

There can be no assurance that future revisions to Canadian or United States tax law, or to the terms of the Treaty, will not result in an adverse change to the tax treatment of the operations of the Company, the amounts paid by US Holdco to Cdn Holdco and the Trust or a denial of treaty benefits to Cdn Holdco or the Trust with respect to such payments.

An IRS contest of the U.S. federal income tax positions taken may adversely affect distributable cash available to the Unitholders.

The IRS may challenge certain tax positions taken by the Trust, Cdn Holdco, the Company, US Holdco and Regional Energy, including the position that the interest on the US Holdco Note and Regional Energy Note is deductible, or that the interest on the US Holdco Note is exempt from U.S. withholding tax or the position that the Trust is not a U.S. corporation for U.S. tax purpose under Code section 7874. It may be necessary to resort to administrative or court proceedings to sustain some or all of the positions taken by the Trust, Cdn Holdco, the Company, US Holdco and Regional Energy. A U.S. court may not agree with some or all of the positions taken. Any contest with the IRS may materially and adversely impact the after-tax cash flow of US Holdco, the distributable cash available to the Unitholders and the price at which the Units trade.

Unitholders may be subject to Canadian income tax with respect to any foreign exchange gain realized on a future repayment of the US Holdco Note:

Unitholders may be subject to Canadian income tax attributable to any foreign exchange gain realized by the Commercial Trust upon the repayment of the principal amount of the US Holdco Note.

Risk Factors Applicable to Residents of the United States and Other Non-Residents of Canada

Persons not resident in Canada may have difficulty enforcing civil remedies.

The Trust and Cdn Holdco are organized under the laws of Ontario and have their principal place of business in Canada. US Holdco and the Company are organized under the laws of the State of Delaware. The Trustee of the Trust and a majority of the Administrator's and the Trust Subsidiaries' directors and all or a substantial portion of the assets of such persons, as well as all of the assets held directly by the Trust, are located in Canada. As a result, it may be difficult for investors in the United States to effect service of process within the United States upon such directors, officers and representatives of experts who are not residents of the United States or to enforce against them judgments of the United States courts based upon civil liability under the U.S. federal securities laws or the securities laws of any state within the United States. There is doubt as to the enforceability in Canada against the Trust, the Administrator and Cdn Holdco or against any of their respective directors or officers who are not residents of the United States, in original actions or in actions for enforcement of judgments of United States courts of liabilities based solely upon the U.S. federal securities laws or securities laws of any state within the United States.

The Trust has the authority to impose restrictions on the ownership of Units by, and the issuance or transfer of Units to, non-residents or U.S. residents in certain circumstances.

The Trust intends to comply at all relevant times with the requirements under the Tax Act to qualify as a "mutual fund trust" for purposes of the Tax Act. A mutual fund trust may lose its status under the Tax Act as a mutual fund trust if it can reasonably be considered that the trust was established or is maintained primarily for the benefit of non-residents of Canada (including partnerships owned in whole or in part by non-residents), subject to certain limited exceptions. One of those exceptions applies where, in general terms, substantially all of the mutual fund trust's property is not "taxable Canadian property" (as defined in the Tax Act).

As a result of the Trust's investment restrictions, the Trust is not expected to hold any taxable Canadian property and should therefore not be subject to the Tax Act's non-resident ownership restrictions. However, in the event the Trust acquires any taxable Canadian property so that the non-resident ownership restrictions are potentially engaged, the Trustee has various powers that can be used for the purpose of monitoring and controlling the extent of non-resident ownership of the Units. See "Description of the Trust — Limitation on Non-Resident Ownership".

The Trust also intends to comply with the requirements under the U.S. Securities Act to qualify as a "foreign private issuer" (as defined in the U.S. Securities Act). Those requirements generally prohibit more than 50% of the outstanding Units from being directly or indirectly owned of record by U.S. residents. The Trustee has various powers that can be used for the purpose of monitoring and controlling the extent of U.S. resident ownership of the Units. See "Description of the Trust — U.S. Resident Restriction".

The above restrictions may limit or prevent Unitholders from selling or otherwise transferring Units to persons who are non-residents or U.S. residents. In certain circumstances, the Administrator may also require non-resident or U.S. resident Unitholders, or holders whom the Administrator believes may be non-residents or U.S. residents, to dispose of all or a portion of their Units. If restrictions on the issuance of Units by the Trust to non-residents or U.S. residents are imposed by the Trust, the ability of the Trust to raise financing for future acquisitions or operations could be negatively affected. In addition, the fact that such restrictions may be implemented in the future may limit the ability of Unitholders to sell their Units at the best price, and could discourage certain categories of investors from purchasing Units in the open market, which could negatively affect the liquidity of the Units and the future market price for Units.

Non-residents of Canada are subject to additional taxation requirements.

Net income of the Trust, other than certain net realized capital gains, distributed to non-residents is subject to withholding tax under the Tax Act at a 25% rate, subject to reduction under an applicable income tax treaty.

An additional 15% Canadian withholding tax also applies to the return of capital portion of distributions made to non-resident Unitholders for publicly traded trusts whose trust units derive more than 50% of their value from any combination of real property situated in Canada, "Canadian resource property" (as defined in the Tax Act), or "timber resource property" (as defined in the Tax Act). The Trust and its affiliates do not expect to hold any of the properties referred to above, and accordingly, the additional withholding tax should not apply to the Trust and its Unitholders. There can be no assurance that Canadian tax laws or international tax treaties will not be changed in a manner which adversely affects the rate of withholding on distributions of the Trust's capital and/or income.

If the Trust ceases to qualify as a mutual fund trust for purposes of the Tax Act, non-resident Unitholders may be subject to Canadian tax (subject to any treaty relief) on gains realized on a disposition of Units if, at any time in the 60 month period preceding the disposition of the Units, more than 50% of the value of the Units was derived, directly or indirectly, from real or immovable property situated in Canada, Canadian resource property, timber resource property (each as defined in the Tax Act) and/or options and interests in any of the foregoing. The Trust and its affiliates do not expect to hold any of the properties referred to above and, accordingly, non-resident Unitholders should not be subject to Canadian tax on a disposition of Units; however, no assurances can be given in this regard.

Non-resident Unitholders are subject to additional foreign exchange risk.

The Trust's distributions are declared in Canadian dollars and converted to foreign denominated currencies at the spot exchange rate at the time of payment. As a consequence, non-resident Unitholders are subject to foreign exchange risk. To the extent that the Canadian dollar strengthens with respect to their currency, the amount of the distribution will be reduced when converted to their home currency.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management is not aware of any material outstanding, threatened or pending litigation by or against the Trust, the Commercial Trust, Cdn Holdco, US Holdco, the Company, the Administrator or any direct and indirect subsidiaries of the Trust.

There have not been any penalties or sanctions imposed against the Trust by a court relating to provincial and territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Trust, and the Trust has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Ernst & Young LLP, 225 Asylum Street, Hartford, Connecticut, 06103, the auditors of the Trust have advised that they are independent within the meaning of the Rules of the American Institute of Certified Public Accountants (the "**AICPA**").

The transfer agent and registrar for the Units is Computershare, at its principal offices in Toronto, Ontario and Calgary, Alberta where transfers of securities may be recorded.

MATERIAL CONTRACTS

Copies of the following documents are available for inspection during normal business hours at the Administrator's principal head and registered office located at Suite 3400, 1 First Canadian Place, P.O. Box 130, Toronto, Ontario M5X 1A4 or on SEDAR at www.sedar.com under the Trust's profile.

1. Trust Indenture. See "Description of the Trust".
2. Administration Agreement. See "Administration Agreement".
3. The US Holdco Note. See "Description of US Holdco — The US Holdco Note".
4. Voting Agreement. See "Voting Agreement".
5. Purchase Agreement.
6. Company LLC Agreement. See "Description of the Company – Company LLC Agreement".
7. Governance Agreement. See "Description of the Company – Governance Agreement".
8. Retained Security Option Agreement.
9. Exchange Agreement.
10. Base Confirmation Agreement. See "Our Business — Principal Agreement with Macquarie Energy".

INTERESTS OF EXPERTS

No person or company whose profession or business gives authority to a report, valuation, statement or opinion made by such person or company and who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by the Trust during, or related to, the Trust's most recently completed financial year has received or shall receive a direct or indirect interest in any securities or other property of the Trust or any associate or affiliate of the Trust.

The Trust's auditors are Ernst & Young LLP, Chartered Accountants, who have prepared an auditors' report dated March 28, 2013 in respect of the Trust's consolidated financial statements as of December 31, 2012 and for the period ended December 31, 2012. Ernst & Young LLP has advised they are independent with respect to the Trust within the meaning of the Rules of the AICPA.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Trust or of any of the associates or affiliate entities of the Trust.

ADDITIONAL INFORMATION

Additional information about the Trust may be found on SEDAR at www.sedar.com.

Additional information including remuneration and indebtedness of directors and officers of the Administrator, principal holders of the Units, and securities authorized for issuance under equity compensation plans, is contained in the Management Information Circular of the Trust for its annual meeting of unitholders to be held May 14, 2013.

Additional financial information is provided in the Trust's consolidated financial statements and accompanying management's discussion and analysis for the year ended December 31, 2012, which have been filed on SEDAR at www.sedar.com.

GLOSSARY

Definitions

In this Annual Information Form, unless otherwise indicated or the context otherwise requires, the following terms shall have the meaning attributed hereto. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

"**$**" means dollar amounts expressed in United States dollars;

"**Act of the Members**" has the meaning set out under the heading "Description of the Company — Company LLC Agreement — Matters Requiring Approval by an Act of the Members";

"**adjusted taxable income**" means "adjustable taxable income" as defined in the Tax Act;

"**Administration Agreement**" means the administration services agreement dated September 7, 2012, between the Trustee and the Administrator, pursuant to which the Administrator has agreed to provide administrative services to the Trust and pursuant to which the Administrator has been delegated certain duties in connection with the governance of the Trust;

"**Administrative Services**" means the services the Administrator will provide to the Trust pursuant to the Administration Agreement;

"**Administrator**" means Crius Energy Administrator Inc., or such other party as may be appointed as administrator of the Trust from time to time pursuant to the Administration Agreement;

"**Administrator Directors**" means the directors of the Administrator from time to time, and "Administrator Director" means any one of them;

"**Administrator Indemnitees**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**Administrator Service Providers**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**Administrator Shareholder**" means 664848 N.B. Inc.;

"**affiliate**" or "**associate**" has the meaning ascribed thereto in the *Securities Act* (Ontario);

"**AICPA**" has the meaning set out under the heading "Auditors, Transfer Agent and Registrar";

"**Base Confirmation Agreement**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy";

"**Beneficial Owner**" has the meaning set out under the heading "Description of the Trust — Book Entry Only System";

"**Beneficiary**" means a Unitholder, beneficial owner of Units, holder of Other Trust Securities or "**annuitant**" (as defined in the Trust Indenture);

"**Bid Units**" has the meaning set out under the heading "Description of the Trust — Take-over Bids";

"**Board**" means all of the Administrator Directors;

"**business day**" means a day other than a Saturday, Sunday or a day on which the principal chartered banks located at Toronto, Ontario are not open for business;

"**Buyer Group**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy";

"**C$**" means dollar amounts expressed in Canadian dollars;

"**Cdn Holdco**" means Crius Energy Holdings Inc., a corporation to be formed pursuant to the OBCA and a wholly-owned subsidiary of the Trust;

"**Cdn Holdco Shares**" means the common shares in the capital of Cdn Holdco;

"**CDS**" means CDS Clearing and Depository Services Inc. or its nominee;

"**CDS Participants**" has the meaning set out under the heading "Description of the Trust — Book Entry Only System";

"**Change of Control Purchase Price**" has the meaning set out under the heading "Description of the Company — Company LLC Agreement — Offer to Purchase Membership Units Upon Trust Change of Control

"**Charter**" has the meaning set out under the heading "Corporate Governance — Charter";

"**Cincinnati Bell**" means Cincinnati Bell Inc.;

"**CIS**" means customer information systems

"**Claims**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**Closing Date**" means November 13, 2012, which is the date the closing of the IPO occurred;

"**Code**" means the United States Internal Revenue Code of 1986, as amended;

"**Collateral**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Security Interest Given Under Base Confirmation Agreement";

"**Combination**" has the meaning set out under the heading "History of the Company";

"**commercial platform**" means the Company's proprietary web-based commercial sales platform;

"**Commercial Trust**" means Crius Energy Commercial Trust, a trust formed pursuant to the laws of the Province of Ontario and a wholly-owned associate of the Trust;

"**Commercial Trust Indenture**" means the trust indenture to be entered into prior to closing of the IPO between the Administrator and the Trust establishing the Commercial Trust;

"**Commercial Trust Units**" means the trust units of the Commercial Trust, each such trust unit representing an equal undivided beneficial interest in the Commercial Trust;

"**Company**" means Crius Energy, LLC;

"**Company Change of Control**" has the meaning set out under the heading "Description of the Company— Company LLC Agreement — Offer to Purchase Membership Units in Connection with Company Change of Control";

"**Company Distributable Cash**" has the meaning set out under the heading "Description of the Company — Company LLC Agreement — Distributions";

"**Company Interest**" has the meaning set out under the heading "Trust and Its Subsidiaries — The Trust";

"**Company Interest Acquisition**" has the meaning set out under the heading "General Development of our Business – Recent Acquisitions";

"**Company LLC Agreement**" has the meaning set out under the heading "Description of the Company – Company LLC Agreement";

"**Computershare**" means Computershare Trust Company of Canada;

"**Crius Group**" means, collectively, the Administrator, the Trust, the Trust Subsidiaries, the Company, and the Company's direct and indirect subsidiaries, including Regional Energy and Public Power;

"**Customer**" means residential customer equivalents, or "**RCEs**", which means a unit of consumption per annum equivalent to (i) 10 MWh (or 10,000 KWh) in the case of the electricity and (ii) 2,815 m^3 (or 100 Mmbtu) in the case of natural gas, measured in accordance with estimated number of residential customer equivalents based on industry convention and information available regarding customers and their historical usage;

"**Delaware Act**" means the *Delaware Limited Liability Company Act*, 6 Del. C. Section 18-101, et seq., as amended, supplemented or restated from time to time;

"**DGCL**" means Delaware General Corporation Law;

"**Dodd-Frank Act**" means the *Dodd-Frank Wall Street Reform and Consumer Protection Act*;

"**EDI**" means electronic data interchange;

"**energy**" means electricity and natural gas and excludes heating oil, propane, and other residential alternatives;

"**Energy Retailer**" means a retail energy provider;

"**ESG**" means Energy Services Group Inc.;

"**Excess Cash**" has the meaning set out under the heading "Description of the Company — Company LLC Agreement — Offer to Purchase Membership Units from Excess Cash";

"**Exchange Agreement**" means the exchange agreement dated September 18, 2012 between, among others, the Company and the former owners of all of the outstanding shares of Regional Energy and all of the outstanding membership interests in Public Power providing for the acquisition by the Company of shares of Regional Energy and membership interests in Public Power in consideration for membership interests in the Company;

"**Excluded Services**" has the meaning set out under the heading "Administration Agreement";

"**Experts**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**FairPoint**" means FairPoint Communications, Inc.;

"**FAPI**" means "**foreign accrual property income**" as defined in the Tax Act;

"**FERC**" means the United States Federal Energy Regulatory Commission;

"**foreign affiliate**" means "foreign affiliate" as defined in the Tax Act;

"**Forward Looking Statements**" means Forward Looking Statements and forward looking information, collectively as set out under the heading "Special Notes to Reader — Forward Looking Statements;

"**Frontier**" means Frontier Communications Corporation;

"**Governance Agreement**" means the governance agreement dated September 18, 2012 between the Company, Regional Energy, Public Power, the Regional Energy Members and the Public Power Members relating to the Company;

"**Gries Fund**" means Gries Investment Fund I, LLC;

"**Guaranty Agreement**" has the meaning set out under the heading "Description of US Holdco — The US Holdco Note — Subordination/Security";

"**IAS**" means International Accounting Standards;

"**IASB**" means the International Accounting Standards Board;

"**IPO**" has the meaning set out under the heading "General Development of our Business — Initial Public Offering";

"**IFRS**" means International Financial Reporting Standards, as adopted by the Canadian Accounting Standards Board;

"**IRS**"means the United States Internal Revenue Service;

"**ISO**" means independent system operator;

"**Knowledgeable Person**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**LDCs**" has the meaning set out under the heading "The Industry — Retail Energy Market Overview";

"**LIBOR**" means London Interbank Offered Rate;

"**Liquidity Offer**" means, an offer by the Company, on or before the 90th day of a fiscal year commencing with the 2019 fiscal year, to Regional Energy Members and Public Power Members to purchase the maximum number of Units that may be purchased out of the Excess Cash.

"**Liquidity Offer Purchase Price**" has the meaning set out under the heading "Description of the Company Interest — Company LLC Agreement — Offer to Purchase Membership Units from Excess Cash";

"**LNG**" means liquefied natural gas;

"**Loan Agreement**" has the meaning set out under the heading "Description of US Holdco — The US Holdco Note";

"**Lockbox Accounts**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Pricing and Payment — Lockbox Account";

"**Locked-up Parties**" means, collectively, GF Power I, LLC, GF Factoring, LP, Chardan Capital Markets, LLC, Laurence Partners LLC, Monsey Equities LLC, JMEG Holdings LLC, Michael Fallquist, Roop Bhullar and Jan Fox that have entered into Lock-up Agreements;

"**Lock-up Agreements**" means the lock-up agreements dated November 13, 2012 between each the Locked-up Parties and Scotia Capital Inc., RBC Dominion Securities Inc. and UBS Securities Canada Inc., on behalf of the Underwriters;

"**Macquarie Energy**" means Macquarie Energy LLC;

"**management**" means the executive officers of the Administrator, US Holdco and the Company, as applicable, in such persons' capacities as officers of the Administrator, US Holdco and the Company, as applicable, and not in their personal capacities.

"**MBR Authorization**" has the meaning set out under the heading "Industry Overview — Retail Energy Systems — Regulatory Environment".

"**Membership Unit**" means an equity security of the Company representing a fractional part of the ownership interests of all members in the Company;

"**Mmbtu**" means one million British Thermal Units;

"**mutual fund trust**" means "mutual fund trust" as defined in the Tax Act;

"**MWh**" means megawatt hour;

"**NERC**" means North American Electricity Reliability Corporation;

"**NI 51-102**"means National Instrument 51-102 — *Continuous Disclosure Obligations*;

"**NI 52-109**" means National Instrument 52-109 — *Certification of Disclosure in Issuers' Annual and Interim Filings*;

"**NI 52-110**" means National Instrument 52-109 — *Audit Committees*;

"**non-portfolio property**" means "non-portfolio property" as defined in the Tax Act;

"**Non-Tendered Membership Units**" has the meaning set out under the heading "Description of the Company Interest — Company LLC Agreement — Offer to Purchase Membership Units from Excess Cash";

"**NYMEX**" has the meaning set out under the heading "The Industry — Retail Energy Systems — Energy Procurement and Billing — Utility Service and Procurement Process";

"**NYSE**" means the New York Stock Exchange;

"**OBCA**" means the *Business Corporations Act* (Ontario) and the regulations thereunder;

"**Operating Account**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Pricing and Payment — Lockbox Accounts";

"**Operating Companies**" has the meaning set out under the heading "Description of the Company — Company LLC Agreement — General";

"**Order**" has the meaning set out under the heading "Trustee, Directors and Management — Bankruptcies, Cease Trade Orders, Penalties or Sanctions — Cease Trade Orders";

"**Ordinary Resolution**" means a resolution passed by more than 50% of the votes cast by those Unitholders entitled to vote on such resolution, whether cast in person or by proxy at a meeting of Unitholders at which a quorum was present, called (at least in part) for the purpose of approving such resolution, or a resolution approved in writing, in one or more counterparts, by holders of more than 50% of the votes represented by those Units entitled to be voted on such resolution, provided that such written resolution is not a unanimous written resolution of the Unitholders;

"**OTC**" means over-the-counter;

"**Other Trust Securities**" means any type of securities of the Trust, other than Units, including notes, options, rights, warrants or other securities convertible into or exercisable for Units or other securities of the Trust (including convertible debt securities, subscription receipts and instalment receipts);

"**Permitted Distribution**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Notable Representations and Covenants — Distributions";

"**person**" means and includes individuals, companies, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, trusts, banks, trust companies, pension funds, and other organizations, whether or not legal entities, and governments and agencies and political subdivisions thereof;

"**POR**" means purchase of receivables programs which are in place in certain markets, under which the utilities assume the credit risk associated with customer billings;

"**portfolio investment entity**" means "portfolio investment entity" as defined in the Tax Act;

"**Proposed Price**" has the meaning set out under the heading "Description of the Company — Governance Agreement — Transfer Restrictions";

"**Public Power**" means Public Power, LLC;

"**Public Power Members**" means the owners of membership interests in Public Power who acquired Membership Units in the Company pursuant to the Exchange Agreement;

"**Public Power & Utility**" means Public Power & Utility, Inc.;

"**PUCs**" has the meaning set out under the heading "The Industry — Retail Energy Market Overview";

"**PUR**" means a phantom unit right of the Trust, granted in accordance with the PURP;

"**Purchase Agreement**" means the unit purchase agreement dated November 2, 2012 entered into between US Holdco and the Company, whereby US Holdco agreed to acquire approximately 26.8% of the Membership Units;

"**PURP**" means the phantom unit rights plan of the Company that was adopted by the Company prior to the completion of the IPO;

"**RECs**" means renewable energy certificates;

"**Redemption Date**" has the meaning set out under the heading "Description of the Trust — Redemption at the Option of Unitholders";

"**Redemption Notes**" means subordinated unsecured promissory notes of the Trust that may be issued by the Trust in accordance with the Trust Indenture on a redemption of Units;

"**Redemption Price**" means the redemption price applicable to any redemption of Units by Unitholders as further described under "Description of the Trust — Redemption at the Option of Unitholders";

"**Regional Energy**" means Regional Energy Holdings, Inc.;

"**Regional Energy Members**" means the officers and owners of securities of Regional Energy who acquired Membership Units in the Company pursuant to the Exchange Agreement;

"**Regional Energy Notes**" means the loan made by the Company, following the closing of the IPO, to a wholly-owned subsidiary of the Company prior to the merger of the subsidiary with Regional Energy;

"**Registered Plans**" means, collectively, registered retirement savings plans, registered education savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts, all as defined in the Tax Act;

"**ResCom**" means ResCom Energy, LLC;

"**ResCom Acquisition**" has the meaning set out under the heading "Business of Crius Energy — Opportunities for Growth";

"**Resident Holder**" means an individual (other than a trust) who wholes Units and who, for purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm's length with and is not affiliated with the Trust, and holds the Units as capital property;

"**Retained Public Power Securities**" means the minority of Public Power membership interests that were retained following the consummation of the transactions under the Exchange Agreement dated September 18, 2012;

"**Retained Regional Energy Securities**" means the minority of Regional Energy shares that were retained following the consummation of the transactions under the Exchange Agreement dated September 18, 2012;

"**Retained Security Option Agreement**" means the retained security option agreement dated as of September 18, 2012, as amended as of November 12, 2012, among the Company, Regional Energy, Public Power, the owners of shares of common stock of Regional Energy, the owners of options to purchase common stock of Regional Energy and the owners of membership interests in Public Power;

"**RFP**" means request for proposal;

"**Risk Management Policy**" has the meaning set out under the heading "History of the Company — Business Strengths — Prudent Risk Management Culture";

"**RRIF**" means "registered retirement income fund" as defined in the Tax Act;

"**RRSP**" means "registered retirement savings plan" as defined in the Tax Act;

"**RTO**" means regional transmission organization;

"**RTU**" means a restricted trust unit of the Trust;

"**RTUP**" means the Restricted Trust Unit Plan of the Trust;

"**SCO**" has the meaning set out under the heading "The Industry — Retail Energy Systems — Energy Procurement and Billing — Utility Service and Procurement Process";

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**SIFT Rules**" means the provisions of the Tax Act that apply to a SIFT trust;

"**SIFT trust**" means a "specified investment flow-through trust" as defined in subsection 122.1(1) of the Tax Act;

"**Sleeved Transaction**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy";

"**Specified Markets**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Notable Representations and Covenants — Business Operation in Specified Markets";

"**Special Resolution**" means a resolution passed by more than 66⅔% of the votes cast by those Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders at which a quorum was present, called (at least in part) for the purpose of approving such resolution, or a resolution approved in writing, in one or more counterparts, by holders of more than 66⅔% of the votes represented by those Units entitled to be voted on such resolution, provided that such written resolution is not a unanimous written resolution of the Unitholders;

"**Subordination Agreement**" has the meaning set out under the heading "Description of US Holdco — The US Holdco Note — Subordination/Security";

"**Subsidiary Guarantors**" has the meaning set out under the heading "Description of US Holdco — The US Holdco Note — Subordination/Security";

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

"**taxable capital gain**" means one-half of any capital gain realized by a Resident Holder in a year on a disposition or deemed disposition of Units, along with the amount of any net taxable capital gains designated by the Trust in respect of the Resident Holder in the year, that will be included in the Resident Holder's income as a taxable capital gain in the year;

"**TFSA**" means a tax-free savings account as defined in the Tax Act;

"**Third Party Hedge**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy";

"**Treaty**" means the Convention between the United States of America and Canada with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended;

"**Trust**" means Crius Energy Trust;

"**Trust Change of Control**" has the meaning set out under the heading "Description of the Company— Company LLC Agreement — Offer to Purchase Membership Units Upon Trust Change of Control";

"**Trust Claims**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**Trust Indemnitees**" has the meaning set out under the heading "Administration Agreement — Reliance, Limitation of Liability and Indemnification";

"**Trust Indenture**" means the trust indenture made September 7, 2012 between the Trustee and the Administrator establishing the Trust;

"**Trust Property**" means, at any time, all of the money, properties and other assets of any nature or kind whatsoever as are, at such time, held by the Trust or by the Trustee or its delegate on behalf of the Trust;

"**Trust Subsidiaries**" means, collectively, Cdn Holdco, US Holdco and the Commercial Trust, and "**Trust Subsidiary**" means any one of them;

"**Trustee**" means the trustee of the Trust, initially being Computershare;

"**TSX**" means the Toronto Stock Exchange;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"**Unitholder**" means a registered holder of Units;

"**Units**" means the trust units of the Trust, each such trust unit representing an equal undivided beneficial interest in the Trust;

"**US Holdco**" means Crius Energy Corporation;

"**US Holdco Note**" means the subordinated promissory note issued by US Holdco to Cdn Holdco pursuant to the Loan Agreement immediately following the closing of the IPO, which has been distributed by Cdn Holdco to the Trust and contributed by the Trust to the Commercial Trust;

"**US Holdco Shares**" means shares in the common stock of US Holdco;

"**Underwriters**" means, collectively, Scotia Capital Inc., RBC Dominion Securities Inc., UBS Securities Canada Inc., National Bank Financial Inc., Macquarie Capital Markets Canada Ltd., Raymond James Ltd., Desjardins Securities Inc., GMP Securities L.P. and Chardan Capital Markets, LLC;

"**Underwriting Agreement**" means the underwriting agreement dated November 2, 2012 among the Trust, the Administrator, the Trust Subsidiaries, the Company, Regional Energy, Public Power and the Underwriters;

"**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended;

"**Voting Agreement**" means the voting agreement dated September 7, 2012 among the Administrator Shareholder, the Trustee and the Administrator;

"**win back program**" has the meaning under the heading "Business of Crius Energy – Business Strengths – Diversified Sales and Marketing Platform"; and

"**Working Capital Facility**" has the meaning set out under the heading "Principal Agreement with Macquarie Energy — Working Capital Facility".

APPENDIX "A"
CRIUS ENERGY ADMINISTRATOR INC.
AUDIT AND RISK COMMITTEE CHARTER

1. GENERAL

Crius Energy Administrator Inc. (the "**Administrator**") is the administrator of Crius Energy Trust (the "**Trust**") and as such, the board of directors of the Administrator (the "**Board**") is responsible for the stewardship of the affairs of the Trust and the Trust's direct and indirect subsidiary entities (collectively, with the Administrator and the Trust, the "**Crius Group**"), for the benefit of the unitholders of the Trust (the "**Unitholders**"). The Board has established an Audit Committee (the "**Committee**"), composed entirely of independent directors, the primary role of which is to assist the Board in fulfilling its oversight responsibilities for the Crius Group's internal controls, financial reporting and risk management processes. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board, including administrative support. If determined necessary by the Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the standing authority to retain special counsel or experts.

2. COMPOSITION OF THE COMMITTEE

A. The Committee shall consist of at least three (3) directors of the Administrator. The Board shall appoint the members of the Committee and may seek the advice and assistance of the Governance, Nomination & Compensation Committee in identifying qualified candidates. The Board shall appoint one member of the Committee to be the chair of the Committee (the "**Chair**").

B. Each director appointed to the Committee by the Board shall be "independent" as contemplated in National Instrument 58-101 — Disclosure of Corporate Governance Practices. An independent director is a director of the Administrator who is independent of management of the Crius Group and is free from any interest, any business or other relationship which could, or could reasonably be perceived, to materially interfere with the director's ability to act with a view to the best interests of the Trust, other than interests and relationships arising from the Securityholdings. In determining whether a director of the Administrator is independent of management of the Crius Group, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.

C. Each member of the Committee shall be "financially literate". In order to be financially literate, a director of the Administrator must be, at a minimum, able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

D. A director of the Administrator appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

3. MEETINGS OF THE COMMITTEE

A. The Committee shall convene a minimum of four times each year at such times and places as may be designated by the Chair and whenever a meeting is requested by the Board, a member of the Committee, the auditors, or a senior officer of the Administrator. Meetings of the Committee shall also correspond with the review of the quarterly financial statements and management's discussion and analysis.

B. Notice of each meeting of the Committee shall be given to each member of the Committee and to the auditors, who shall be entitled to attend each meeting of the Committee and shall attend whenever requested to do so by a member of the Committee.

C. Notice of a meeting of the Committee shall:

(i) be in writing;

(ii) state the nature of the business to be transacted at the meeting in reasonable detail;

(iii) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and

(iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.

D. A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of certain important matters by all members of the Committee.

E. A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.

F. In the absence of the Chair, the members of the Committee shall choose one of the members present to be chair of the meeting. In addition, the members of the Committee shall choose one of the persons present to be the secretary of the meeting.

G. The chairman of the Board, senior management of the Crius Group and other parties may attend meetings of the Committee; however, the Committee (i) shall meet with the external auditors independent of management, as necessary, in the sole discretion of the Committee, but in any event, not less than quarterly; and (ii) may meet separately with management.

H. Minutes shall be kept of all meetings of the Committee and shall be signed by the chair and the secretary of the meeting.

4. COMMITTEE RESPONSIBILITIES

The Committee's primary responsibilities are to:

A. identify and monitor the management of the principal risks that could impact the financial reporting of the Crius Group;

B. monitor the integrity of the Crius Group's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;

C. monitor the independence and performance of the Crius Group's external auditors;

D. deal directly with the external auditors to approve external audit plans, other services (if any) and fees;

E. directly oversee the external audit process and results;

F. provide an avenue of communication among the external auditors, management and the Board; and

G. ensure that an effective "whistle blowing" procedure exists to permit stakeholders to express any concerns regarding accounting or financial matters to an appropriately independent individual.

5. DUTIES

A. The Committee shall:

(i) review the audit plan with the Crius Group's external auditors and with management;

(ii) discuss with management of the Crius Group and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;

(iii) review with management of the Crius Group and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;

(iv) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management of the Crius Group or significant accounting issues on which there was a disagreement with management;

(v) review with senior management of the Crius Group the process of identifying, monitoring and reporting the principal risks affecting financial reporting;

(vi) review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of the Crius Group of all significant variances between comparative reporting periods;

(vii) consider and review with management of the Crius Group, the internal control memorandum or management letter containing the recommendations of the external auditors and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the Crius Group and subsequent follow-up to any identified weaknesses;

(viii) review with financial management and the external auditors the quarterly unaudited financial statements and management's discussion and analysis before release to the public;

(ix) before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management's discussion and analysis and press releases containing financial information;

(x) oversee any of the financial affairs of the Crius Group, its subsidiaries or affiliates, and, if deemed appropriate, make recommendations to the Board, external auditors or management;

(xi) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditors or the discharge of the external auditors when circumstances are warranted;

(xii) consider the recommendations of management in respect of the appointment of the external auditors;

(xiii) pre-approve all non-audit services to be provided to the Crius Group by its external auditors, or the external auditors of the Crius Group;

(xiv) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, and consider the potential impact of such services on the independence of the external auditors;

(xv) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 — Continuous Disclosure Obligations (or any successor instrument) of the Canadian Securities Administrators and the planned steps for an orderly transition period;

(xvi) establish and maintain procedures for:

i the receipt, retention and treatment of complaints received by the Crius Group regarding accounting controls, or auditing matters; and

ii the confidential, anonymous submission by employees of the Crius Group of concerns regarding questionable accounting or auditing matters;

(xvii) review and approve the Crius Group hiring policies regarding employees and former employees of the present and former external auditors or auditing matters;

(xviii) review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors;

(xix) review with management at least annually, the financing strategy and plans of the Crius Group; and

(xx) review all securities offering documents (including documents incorporated therein by reference) of the Trust.

B. The Committee has the authority to:

(i) inspect any and all of the books and records of the Crius Group (to the extent necessary);

(ii) discuss with the management and senior staff of the Crius Group, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers necessary and appropriate;

(iii) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(iv) to set and pay the compensation for any advisors employed by the Committee; and

(v) at any meeting, request the presence of the auditor, a member of senior management or any other person who could contribute to the subject of the meeting.

C. The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.

6. CHAIR OF THE COMMITTEE

The Board will appoint one member who is qualified for such purpose to be Chair, to serve until the next annual election of directors of the Administrator or otherwise until his or her successor is duly appointed. If, following the election of

directors of the Administrator, in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed.

7. REMOVAL AND VACANCIES

Any member of the Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as he or she resigns or ceases to meet the qualifications set out above. The Board will fill vacancies on the Committee by appointment from among qualified members of the Board on the recommendation of the Committee. If a vacancy exists on the Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

8. ASSESSMENT

At least annually, the Committee will assess its effectiveness in fulfilling its responsibilities and duties as set out in this Mandate and in a manner consistent with the Board mandate to be adopted by the Board.

9. REVIEW AND DISCLOSURE

The Committee will review this Mandate at least annually and submit it to the Board for approval with such further proposed amendments as it deems necessary and appropriate.

10. ACCESS TO OUTSIDE ADVISORS

The Committee may retain any outside advisor, including an executive search firm, at the expense of the Administrator at any time and has the authority to determine any such advisor's fees and other retention terms. The Committee, and any outside advisors retained by it, will have access to all records and information relating to the Crius Group which it deems relevant to the performance of its duties.

Crius Energy Trust Confirms March 2013 Distribution

NOT FOR DISTRIBUTION IN THE UNITED STATES OR OVER UNITED STATES WIRE SERVICES

Toronto, Ontario – March 13, 2013 – Crius Energy Trust ("Crius Energy" or the "Trust") (TSX: KWH.UN), announced today that it has confirmed its March 2013 distribution of $0.0833 per unit. The distribution will be paid on April 15, 2013, in respect of the period from and including March 1, 2013 to March 31, 2013, to unitholders of record on March 31, 2013. The ex-distribution date will be March 26, 2013.

About Crius Energy
Crius Energy Trust has been established to provide investors with a stable and consistent distribution-producing investment through the acquisition of a 26.8% ownership interest in Crius Energy LLC (the "Company"). The Company is one of the largest independent energy retailers operating in the United States, with more than 500,000 residential customer equivalents. The Company serves residential and small to medium-size commercial customers in the United States and markets its products through a variety of sales channels and brand names. The Company currently sells electricity in 11 states and the District of Columbia and natural gas in five states.

Crius Energy intends to qualify as a "mutual fund trust" under the Income Tax Act (Canada) (the "Tax Act"). The Trust will not be a "SIFT trust" (as defined in the Tax Act), provided that the Trust complies at all times with its investment restriction which precludes the Trust from holding any "non-portfolio property" (as defined in the Tax Act). Material information pertaining to Crius Energy may be found on www.sedar.com or www.criusenergytrust.ca.

For further information please contact:

Michael Fallquist
Chief Executive Officer
(203) 663-7545

Roop Bhullar
Chief Financial Officer
(203) 883-9900

Philip Dale
TMX Equicom
pdale@tmxequicom.com
(416) 815-0700 ext. 253

CINCINNATI BELL ENERGY LLC

EXHIBIT C-2

"SEC Filings," *provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.*

Prior to November 13, 2012, Cincinnati Bell Energy, LLC ("CBE") was a privately held company, was not required to submit any SEC filings. As of November 13, 2012, CBE's ultimate parent entity, Crius Energy Trust, a publicly-traded Canadian entity traded on the Toronto Stock Exchange, under the ticker symbol "KWH.UN", and therefore, is required to file regular Canadian securities disclosures, such as material disclosures (similar to 8-Ks) and annual reports (similar to 10-Ks), which would include consolidated CBE financial data.

These reports are not due yet, but will be publically available at the Canadian securities website (SEDAR): http://sedar.com/homepage_en.htm . Please see the Crius Energy Trust website ("Trust Website") for a listing of recent filings, at http://www.criusenergytrust.ca. The only public financial disclosures made by the Crius Energy Trust since November 13, 2012 (other than the initial prospectus available at the Trust Website) were: (1) Audited Consolidated Financial Statements (September 7, 2012 – December 31, 2012), (2) Management's Discussion and Analysis, (3) Annual Information Form for the Year Ended December 31, 2012, and (4) a press release *"Crius Energy Trust Confirms March 2013 Distribution"* all attached at Exhibit C-1 (and also available at the Trust Website).

CINCINNATI BELL ENERGY LLC

EXHIBIT C-3

*"**Financial Statements,**" provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.*

This exhibit contains confidential and proprietary information and is being submitted under seal.

CINCINNATI BELL ENERGY LLC

EXHIBIT C-4

"Financial Arrangements," *provide copies of the applicant's financial arrangements to conduct competitive retail natural gas supply service (CRNGS) as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).*

This exhibit contains confidential and proprietary information and is being submitted under seal.

CINCINNATI BELL ENERGY LLC

EXHIBIT C-5

"Forecasted Financial Statements," *provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRES operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.*

Cincinnati Bell Energy, LLC ("CBE") is reported as a consolidate entity in CBE's ultimate parent entity, Crius Energy Trust, a publicly-traded Canadian entity traded on the Toronto Stock Exchange, under the ticker symbol "KWH.UN", and therefore, is not allowed, by law, to selectively disclose forecasted financial statements. Attachment C-5 provides a list of all financial statements publicly available as well as the preparer of the company's financial statements (Ernst & Young LLP of Hartford, CT, 225 Asylum St, Floor 14, Hartford · (860) 247-0284). To view these publicly available financial statements, please view the Final Long Form Prospectus for Crius Energy Trust dated November 2, 2012 and available at: http://www.criusenergytrust.ca/investorrelations.

INDEX TO FINANCIAL STATEMENTS

AUDITORS' CONSENT

We have read the prospectus of Crius Energy Trust (the "**Trust**") dated November 2, 2012 relating to the issue and sale of trust units of the Trust (the "**Prospectus**"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the Prospectus of our report to the Directors of Crius Energy Administrator Inc., as administrator of the Trust, on the statement of financial position of Crius Energy Trust as at September 7, 2012. Our report is dated November 2, 2012.

(Signed) Ernst & Young LLP
Hartford, Connecticut
November 2, 2012

AUDITORS' CONSENT

We have read the prospectus of Crius Energy Trust (the "**Trust**") dated November 2, 2012 relating to the issue and sale of trust units of the Trust (the "**Prospectus**"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the Prospectus of our report to the Board of Directors and Stockholders of Regional Energy Holdings, Inc. on the consolidated statements of financial position of Regional Energy Holdings, Inc. as at December 31, 2011 and 2010, and the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years ended December 31, 2011 and 2010 and the period from March 17, 2009 (inception) to December 31, 2009. Our report is dated November 2, 2012.

(Signed) Ernst & Young LLP
Hartford, Connecticut
November 2, 2012

CINCINNATI BELL ENERGY LLC

EXHIBIT C-6

*"**Credit Rating,**" provide a statement disclosing the applicant's credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.*

Cincinnati Bell Energy, LLC's EIN # is 27-1786285 and DUNS# is 96-160-0850.

CINCINNATI BELL ENERGY LLC

EXHIBIT C-7

"Credit Report," *provide a copy of the applicant's credit report from Experion, Dunn and Bradstreet or a similar organization.*

Cincinnati Bell Energy, LLC's Dunn and Bradstreet number is 96-160-0850. Please see the attached Dunn and Bradstreet report. Please note that the report is under the name Viridian Energy NJ LLC, which was Cincinnati Bell Energy LLC's former name. Please refer back to Exhibit A-17 to see documentation of the name change. The Dunn and Bradstreet records are in the process of being updated to reflect the name change.

Viridian Energy Nj Llc DUNS: 96-160-0850

Print

Business Information Report

Company Information

152 W 57th St Fl 4

New York, NY 10019

This is a **single location** location.

Telephone	(212) 561-5498
Chief Executive:	DIRECTOR(S): THE OFFICER(S)
Stock Symbol:	NA
Year Started	2010
Employees	undetermined

Financial Statement	
Sales	NA
Net Worth	NA
History:	NA
Financial Condition:	NA
SIC:	4911
Line of Business:	Electric power distribution

Corporate Family:

This business is a single location of the corporate family.

D&B Rating ®

Rating

--

Paydex®

Score Not Available

You must have three reported payment experiences, from at least two different vendors, to establish a Paydex score. To ensure all of your payments are reflected in your credit file, add trade references to your report. Visit the Action Center to learn more.

D&B Rating ®

Rating

--

The credit rating was assigned because D&B's assessment of the company's financial ratios and its cash flow. For more information, see the D&B Rating Key.

Below is an overview of the company's rating history since 02/08/2010

D&B Rating	Date Applied

The Summary Analysis section reflects information in D&B's file as of April 8, 2013

History & Operations

History

The following information was reported: **11/06/2012**

Officer(s):
MICHAEL FALLQUIST, MEMBER

DIRECTOR(S):
THE OFFICER(S)

On February 8, 2010 a search with New York Secretary of State did not reveal an active LLC registration for Viridian Energy NJ, LLC; therefore, an incomplete history will be presented.
Ownership information provided verbally by Michael Fallquist, Member, on Feb 08 2010.
Business started 2010.
MICHAEL FALLQUIST. Work history unknown.

AFFILIATE:

Operations

11/06/2012

Description:
Provides electric power distribution (100%).

Terms are contractual basis. Has 0 account(s). 80% of sales on the internet. Sells to general public, non profit organizations and commercial concerns. Territory : Local.

Employees: undetermined which includes partners.

Facilities: Occupies 1,500 sq. ft. in a building.

SIC & NAICS

SIC:
Based on information in our file, D&B has assigned this company an extended 8-digit SIC. D&Bs use of 8-digit SICs enables us to be more specific to a companys operations that if we use the standard 4-digit code.The 4-digit SIC numbers link to the description on the Occupational Safety & Health Administration (OSHA) Web site. Links open in a new browser window.

4911 9901 Distribution, electric power

NAICS:
221122 Electric Power Distribution

Payments

Paydex ®

Score Not Available

You must have three reported payment experiences, from at least two different vendors, to establish a Paydex score. To ensure all of your payments are reflected in your credit file, add trade references to your report. Visit the Action Center to learn more.

Payments Summary

Total (Last 12 Months): 1

	Total Received	Total Dollar Amount	Largest High Credit Payment summary	Within Terms	Days Slow 31	30-80	81-90	90
Other Categories								
Cash experiences	1	$50	$50	--	--	--	--	--
Unknown	0	$0	$0	--	--	--	--	--
Unfavorable comments	0	$0	$0	--	--	--	--	--
Placed for collections with D&B:	0	$0	$0	--	--	--	--	--
Other	0	N/A	$0	--	--	--	--	--
Total in D&B's file	1	$50	$50	--	--	--	--	--

The highest Now Owes on file is $0

The highest Past Due on file is $0

There are 1 payment experience(s) in D&Bs file for the most recent 24 months, with 0 experience(s) reported during the last three month period.

Payments Details

Total (Last 12 Months): 1

Date	Paying Record	High Credit	Now Owes	Past Due	Selling Terms	Last sale w/f (Mo.)
04/2012	(001)	$50	--	--	Cash account	1 mo

Payments Detail Key: ■ 30 or more days beyond terms

Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.

Each experience shown is from a separate supplier. Updated trade experiences replace those previously reported.

Banking and Finance

Statement Update

Key Business Ratios from D&B

We currently do not have enough information to generate the graphs for the selected Key Business Ratio

- This Company

Key Financial Comparisons

	($)	($)	($)
This Company's Operating Results Year Over Year			
Net Sales	NA	NA	NA
Gross Profit	NA	NA	NA
Net Profit	NA	NA	NA
Dividends / Withdrawals	NA	NA	NA
Working Capitol	NA	NA	NA
This Company's Assets Year Over Year			
Cash	NA	NA	NA
Accounts Receivable	NA	NA	NA
Notes Receivable	NA	NA	NA
Inventories	NA	NA	NA
Other Current	NA	NA	NA
Total Current	NA	NA	NA
Fixed Assets	NA	NA	NA
Other Non Current	NA	NA	NA
Total Assets	NA	NA	NA
This Company's Liabilities Year Over Year			
Accounts Payable	NA	NA	NA
Bank Loan	NA	NA	NA
Notes Payable	NA	NA	NA
Other Current Liabilities	NA	NA	NA
Total Current Liabilities	NA	NA	NA
	NA	NA	NA

Other Long Term and Short Term Liabilities			
Defferred Credit	NA	NA	NA
Net Worth	NA	NA	NA
Total Liabilities and Net Worth	NA	NA	NA

We currently do not have any recent financial statement on file for your business. Submitting financial statements can help improve your D&B scores. To submit a financial statement, please call customer service at 800-333-0505 .

Key Business Ratios

	This Company	Industry Median	Industry Quartile
Solvency			
Quick Ratio	NA	NA	NA
Current Ratio	NA	NA	NA
Current Liabilities to Net Worth	NA	NA	NA
Current Liabilities to Inventory	NA	NA	NA
Total Current	NA	NA	NA
Fixed Assets to Net Worth	NA	NA	NA
Efficiency			
Collection Period	NA	NA	NA
Inventory Turn Over	NA	NA	NA
Sales to NWC	NA	NA	NA
Acct Pay to Sales	NA	NA	NA
Profitability			
Return on Sales	NA	NA	NA
Return on Assets	NA	NA	NA
Return on NetWorth	NA	NA	NA

Public Filings

Summary

The following data includes both open and closed filings found in D&B's database on this company.

Record Type	# of Records	Most Recent Filing Date
Bankruptcy Proceedings	0	-
Judgments	0	-
Liens	0	-

Suits	0	-
UCCs	0	-

The following Public Filing data is for information purposes only and is not the official record.
Certified copies can only be obtained from the official source.

Judgments

We currently don't have enough data to display this section

Liens

We currently don't have enough data to display this section

Suits

We currently don't have enough data to display this section

UCC Filings

We currently don't have enough data to display this section

CINCINNATI BELL ENERGY LLC

EXHIBIT C-8

"Bankruptcy Information," *provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or since the applicant last filed for certification.*

Neither Cincinnati Bell Energy, LLC, its parent or any of its affiliates have filed for reorganization, protection from creditors, or any other form of bankruptcy during the current year or since the applicant last filed for certification.

CINCINNATI BELL ENERGY LLC

EXHIBIT C-9

"Merger Information," *provide a statement describing any dissolution or merger or acquisition of the applicant last filed for certification.*

Cincinnati Bell Energy LLC has become affiliated with several additional licensed competitive retail electricity and natural gas suppliers that supply these commodities to customers in several states. The new affiliations have materialized as a result of the previously mentioned Exchange Transaction. Specifically, on September 18, 2012, pursuant to an Exchange Agreement, each of the members holding ownership interests in Public Power and the stockholders owning shares of REH contributed a portion (approximately 75 percent) of their interests in Public Power and REH to Crius, each in exchange for 50 percent of the ownership interests in Crius. The Public Power members and the REH stockholders retained 25 percent of their respective ownership interests in Public Power and REH. The Exchange Agreement, thus, effected a transfer of 75 percent of the ownership interests in REH (Cincinnati Bell's immediate parent) to Crius, and the remaining 25 percent of REH is owned by the same entities that owned it prior to the implementation of Exchange Agreement.

As stated above, Public Power and its wholly owned subsidiaries, with which Cincinnati Bell is now affiliated, are licensed suppliers who provide electric and natural gas service at retail. For a table listing the states in which Cincinnati Bell and its Public Power affiliates are licensed to provide retail electric and natural gas service, please refer back to Exhibit B-1.

CINCINNATI BELL ENERGY LLC

EXHIBIT D-1

"Operations" *provide a written description of the operational nature of the applicant's business. Please include whether the applicant's operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and the provision of retail ancillary services as well as other services used to supply natural gas to the natural gas company city gate for retail customers.*

Cincinnati Bell Energy, LLC ("CBE") will market natural gas as a licensed competitive retail natural gas service supplier in Ohio to residential, commercial and industrial customers.

CBE is a wholly owned subsidiary of Regional Energy Holdings, Inc. Regional Energy Holdings, Inc. is a wholly owned subsidiary of Crius Energy LLC ("Crius"). CBE along with all Crius subsidiaries has entered into a Key Supplier Agreement ("KSA") with Macquarie Energy LLC ("Macquarie"). Under the KSA, Macquarie is the financial responsible party and scheduling entity for CBE's natural gas supply in all markets. Macquarie is responsible for securing the physical natural gas as requested by our scheduling department and providing collateral as required by pipelines and utilities, and delivering natural gas supply to the Duke Energy Ohio city gate for retail customers.

CBE does not currently own or operate, nor does it intend to own or operate any distribution facilities. CBE does not currently, nor does it intend to be involved in the provision of retail ancillary services.

CINCINNATI BELL ENERGY LLC

EXHIBIT D-2

"Operations Expertise," *given the operational nature of the applicant's business, provide evidence of the applicant's experience and technical expertise in performing such operations.*

Cincinnati Bell Energy LLC ("CBE") has the necessary operational and managerial capabilities to serve all customer classes, including residential, commercial and industrial customers. CBE's management team is comprised of individuals with significant experience in wholesale and retail energy.

Michael Fallquist is the Chief Executive Officer of Crius Energy LLC ("Crius"). Mr. Fallquist has overseen the formation of Crius through an exchange transaction between Public Power LLC and Regional Energy Holdings, Inc. Crius is a holding company for several wholly-owned subsidiaries that engage in retail energy sales in 13 different states and the District of Columbia.

Prior to founding Regional Energy Holdings, Inc., Mr. Fallquist was the Chief Operating Officer of Commerce Energy where he was responsible for the day-to-day business operations which included sales & marketing, pricing, energy procurement, operations and human resources. In this capacity, Mr. Fallquist was responsible for the EDI and billing processes for more than 150,000 customers across 10 different states and 24 utility markets.

Prior to his role at Commerce Energy, Mr. Fallquist spent more than 3 years working for the Commodity Markets Division of Macquarie Bank in trading, structuring and marketing roles related to the electricity, natural gas and coal markets. In this capacity, Mr. Fallquist developed a detailed understanding of market structures, commodity risk and bi-lateral purchase contracts.

Mr. Fallquist's resume is attached below.

Additionally, CBE relies on EC Infosystems (ECI) to provide EDI, billing, and CIS services in all our markets. ESG is a recognized leader in providing these services and already has significant experience, providing service to 150 clients and connections to over 70 utilities.

Outsourcing its EDI and Billing/CIS to ESG allows CBE to focus resources on sales, marketing, pricing, procurement, regulatory and administrative functions.

CBE has entered into a Key Supplier Agreement ("KSA") with Macquarie Energy LLC ("Macquarie"). Under the KSA, Macquarie is the financial responsible party and scheduling entity for natural gas in all markets. Macquarie is responsible for scheduling natural gas on a daily basis, securing ancillary services to support the natural gas supply, providing collateral as required and delivering natural gas supply to the Duke Energy Ohio city gate for retail customers.

Michael J. Fallquist
42 Fairfield Ave, Westport, CT 06880
(917) 975-3638
mfallquist@criusenergy.com

SUMMARY OF QUALIFICATIONS

Energy executive with significant leadership experience and a proven track record of success in challenging environments. Possesses deep energy industry expertise coupled with investment banking and management consulting skill-sets, international work experience and a strong background in operational restructuring and process improvement. Key competencies include:

- Business leadership
- Restructuring
- Entrepreneurship, Business start-up
- Transaction management
- Commodities trading & marketing
- Hedging
- People management
- Process improvement
- Fund raising (equity, debt)
- Client management
- M&A valuation
- Strategic planning

WORK EXPERIENCE

CRIUS ENERGY, LLC **Stamford, CT**
2009 - present Chief Executive Officer

Company Overview: Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

- Founded Regional Energy Holdings, Inc. in 2009
- Developed concept for the company and wrote the business plan
- Successfully raised equity and debt capital in a difficult economic environment
- Established Viridian Network LLC to sell electricity through the direct selling channel

COMMERCE ENERGY, INC. (AMEX: EGR) **Orange County, CA**
2008 - 2009 Chief Operating Officer

- Recruited in early 2008 as part of an executive management team tasked with turning around a business with few controls, significant bad debt exposure, declining customer margins, high operating costs and a negative $10 million cash position
- Staved off impending bankruptcy in the most difficult credit and financial markets in many decades by securing $23 million in subordinated financing in August 2008, divesting multiple underperforming assets, implementing operating controls and expense reductions, and closing a transaction with Universal Energy Group to acquire the remaining assets of the business
- Provided a positive result for EGR shareholders and maintained employment for 30+ FTEs in California. This result is a significant success considering that prior management had run a

public auction process with RBC Capital Markets to sell the company in 2007-08 but received no bids given the considerable operational and financial issues that existed at that time

- Offered a position by Universal Energy Group to manage remaining US business as Senior Vice President, Commerce Energy

Operating Responsibilities

- Responsible for the day-to-day business operations of a publicly listed retail natural gas and electricity provider with more than 150,000 customers across 10 states and 24 local markets
- Direct management responsibility for more than 250 FTEs across 4 offices including functional management of sales & marketing, energy supply, pricing, operations, human resources, customer care and quality assurance

Experience Summary

- Planned and implemented a successful company-wide restructuring which resulted in an 81 person reduction in force and annual expense savings of nearly $11 million. Changes implemented include:
  - Rationalize headcount: Saved $7.4 million by reducing headcount by 81 FTEs, replacing consultants with FTEs and closing two offices (Boston, Houston)
  - Implemented process improvements: Saved $1.5 million by redesigning call center processes, moving 1st party collections in house and implementing legal processes to reduced dependency on external counsel
  - Instituted operating controls: Saved $1.1 million by implementing controls over travel & entertainment, dues & subscriptions, office expenses, insurance policies and telephones
  - Renegotiated key contracts: $0.7 million by renegotiating key IT, regulatory, and facilities contracts
- Sold the ERCOT (Power) customer book to Ambit Energy, LP for nearly $15 million in September 2008. Responsible for the entire deal life cycle including identifying a broker, leading preliminary discussions with the potential buyers, managing the due diligence process, dealing with the Public Utility Commission of Texas, negotiating commercial terms of the transaction and finalizing the asset purchase and transition services agreements
- Raised subordinated debt facility in August 2008 to survive seasonal cash flow shortfall which was the result of significant exposure in electric markets (ERCOT, PJM, CAISO), regulatory requirements to purchase natural gas inventory for fixed price contracts, pre-payments from concerned suppliers and the 45 day lag between payables and receivables. Primary responsibility for discussions with potential debt providers and due diligence
- Identified an opportunity to offshore the call center operations (customer care, quality assurance, and inside sales) to the Philippines which would result in improved service levels and reduced costs of approx. $6.5 million per annum. Completed an RFP process with 9 potential BPO providers and visited potential sites in the Manila, Philippines and Bangalore, India. Implementation project is underway and is expected to be completed in Spring 2009
- Presented business case to a FERC Settlement Judge in Washington, DC resulting in $6 million reduction in legal exposure related to EGR's participation in the California energy crisis. Devised a strategy with legal counsel to reposition EGR as an entity that was negatively impacted by the energy crisis when considering customer attrition due to credit constraints and other fixed price sales obligations
- Reduced bad debt exposure by more than $2 million by implementing bad debt collection processes that were tailored to the specific market rules

MACQUARIE BANK LIMITED **Los Angeles, CA**

2004 - 2008 *Senior Manager, Energy Markets Division*

- Led the purchase of 437,500 tons of low sulphur Illinois Basin coal and marketed the coal to industrial consumers in the Midwest. Responsible for the coal marketing, contract negotiations, counterparty credit review, and logistical support for the delivery of the physical coal. Realized profit of approx. $1.25 million on an $8.75 million investment within a 6 month timeframe.
- Managed the deal teams evaluating several natural gas storage assets in North America which included responsibility for development of the economic model, review of all ISS / FSS third-party contracts, negotiation of the Purchase and Sale Agreement with the seller, liaising with engineering and environmental consultants, and evaluation of trading opportunities (eg hub services).
    - 34 billion cubic foot, multi cycle natural gas storage facility in Northern California (Bid / runner up)
    - 48 billion cubic foot, single cycle natural gas storage facility in British Columbia, Canada (did not bid due to significant difference in valuation with seller)
    - 12 billion cubic foot, multi cycle natural gas storage facility in Mississippi (Bid / runner up)
- Led the due diligence effort on a $10 million equity investment in a longwall coal mine in Illinois which included responsibility for development of the economic model, negotiation with the equity partners, solicitation of senior / subordinated debt providers, analysis conducted by engineering consultants and discussion with United Mine Workers of America about renegotiation of the existing union contract
- Developed a strategy to pursue natural gas production, gathering, processing, and storage assets west of the Rockies. The strategy process includes development of a prioritization matrix that will identify which assets offer the greatest value, synergies with the existing business and other assets, and availability for purchase

Natural Gas Trader, Energy Markets Division

- Member of a two person team responsible for the NYMEX Natural Gas Futures and Options trading book which generated more than $3 million in profits in 2006
- 40% of profits derived from proprietary trading and 60% of profits derived from risk management of physical natural gas positions and client trades

Consultant, Strategy Unit **Sydney, Australia**

- Part of a four person team that was responsible for advising the CEO and Executive Committee on bank-wide strategic issues
- Led a cross-functional team to evaluate and consider alternatives to MBL's status as an Australian licensed bank. This recommendation was ultimately accepted by the Board of Directors leading to the formation of the Macquarie Group
- Conducted due diligence on significant transactions and new products prior to submission to Executive Committee for final approval
- Selected by the Head of Strategy to serve as the Secretary to the MBL Executive Committee which included participation in weekly meetings, ad hoc analysis for Committee members and involvement in MBL's most sensitive issues

DELOITTE CONSULTING **New York, NY**

Summer 2003 Senior Consultant, Strategy & Operations (Internship)

- Worked for a customer relationship management software provider to drive additional value from an existing joint venture partnership

TOWERS PERRIN **Los Angeles, CA**

1999 - 2002 Senior Associate, Strategy & Organization

- Analyzed the viability of the benefits delivery strategy for the Hong Kong government and recommended a cost-effective plan for sustainability. Spent several months in Hong Kong

interviewing key stakeholders, visiting medical / dental facilities and meeting with potential alternative providers

- Participated in the development of the executive compensation structure for a $1.5 billion private equity-backed fiber optics manufacturer headquartered in Japan. Travelled to Tokyo to meet with senior executives and completed benchmarking analysis
- Optimised the rewards portfolio for a biotechnology firm and developed a strategy to increase retention by 10.1% and reduce cost by $10 million. Created an employee survey using conjoint analysis methodology to determine which aspects of employee benefits had the most value and recommended a change in benefits strategy
- Promoted twice during a three year period with Towers Perrin. Towers Perrin offered to pay for business school tuition in exchange for agreement to return after graduation

EDUCATION

CORNELL UNIVERSITY **Ithaca, NY**
Johnson Graduate School of Management
Master of Business Administration, May 2004

COLGATE UNIVERSITY **Hamilton, NY**
Bachelor of Arts, May 1999
Concentration: Economics

PERSONAL

- Elected President of the Johnson School Consulting Club for 2003-04
- Competed in NCAA Division I Rowing (NY State, Champion 1996)
- Served as President for Junior and Senior seasons of Colgate Men's Rowing Team
- Avid golfer
- Enjoy world travel

CINCINNATI BELL ENERGY LLC

EXHIBIT D-3

"Key Technical Personnel," *provide the names, titles, e-mail addresses, telephone numbers, and the background of key personnel involved in the operational aspects of the applicant's business.*

Please see the attached resumes for the following individuals.

Name	Title	Email Address	Phone Number
Michael J. Fallquist	CEO	mfallquist@criusenergy.com	203-663-7545
Roop Bhullar	CFO	rbhullar@viridian.com	203-883-9900
Jan L. Fox	SVP and General Counsel	jfox@criusenergy.com	203-517-0130
Cami Boehme	SVP, Marketing & Brand Strategy	cboehme@criusenergy.com	203-663-7537
Michael Chester	VP Operations	mchester@criusenergy.com	203-663-7538
Steve Bogin	Gas Scheduler	sbogin@criusenergy.com	203-663-7536
Boris Baril	VP, Finance	bbaril@criusenergy.com	203-663-7524

Michael J. Fallquist
42 Fairfield Ave, Westport, CT 06880
(917) 975-3638
mfallquist@criusenergy.com

SUMMARY OF QUALIFICATIONS

Energy executive with significant leadership experience and a proven track record of success in challenging environments. Possesses deep energy industry expertise coupled with investment banking and management consulting skill-sets, international work experience and a strong background in operational restructuring and process improvement. Key competencies include:

- Business leadership
- Restructuring
- Entrepreneurship, Business start-up
- Transaction management
- Commodities trading & marketing
- Hedging
- People management
- Process improvement
- Fund raising (equity, debt)
- Client management
- M&A valuation
- Strategic planning

WORK EXPERIENCE

CRIUS ENERGY, LLC **Stamford, CT**
2009 - present Chief Executive Officer

Company Overview: Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

- Founded Regional Energy Holdings, Inc. in 2009
- Developed concept for the company and wrote the business plan
- Successfully raised equity and debt capital in a difficult economic environment
- Established Viridian Network LLC to sell electricity through the direct selling channel

COMMERCE ENERGY, INC. (AMEX: EGR) **Orange County, CA**
2008 - 2009 Chief Operating Officer

- Recruited in early 2008 as part of an executive management team tasked with turning around a business with few controls, significant bad debt exposure, declining customer margins, high operating costs and a negative $10 million cash position
- Staved off impending bankruptcy in the most difficult credit and financial markets in many decades by securing $23 million in subordinated financing in August 2008, divesting multiple underperforming assets, implementing operating controls and expense reductions, and closing a transaction with Universal Energy Group to acquire the remaining assets of the business
- Provided a positive result for EGR shareholders and maintained employment for 30+ FTEs in California. This result is a significant success considering that prior management had run a

public auction process with RBC Capital Markets to sell the company in 2007-08 but received no bids given the considerable operational and financial issues that existed at that time
- Offered a position by Universal Energy Group to manage remaining US business as Senior Vice President, Commerce Energy

Operating Responsibilities
- Responsible for the day-to-day business operations of a publicly listed retail natural gas and electricity provider with more than 150,000 customers across 10 states and 24 local markets
- Direct management responsibility for more than 250 FTEs across 4 offices including functional management of sales & marketing, energy supply, pricing, operations, human resources, customer care and quality assurance

Experience Summary
- Planned and implemented a successful company-wide restructuring which resulted in an 81 person reduction in force and annual expense savings of nearly $11 million. Changes implemented include:
  - Rationalize headcount: Saved $7.4 million by reducing headcount by 81 FTEs, replacing consultants with FTEs and closing two offices (Boston, Houston)
  - Implemented process improvements: Saved $1.5 million by redesigning call center processes, moving 1st party collections in house and implementing legal processes to reduced dependency on external counsel
  - Instituted operating controls: Saved $1.1 million by implementing controls over travel & entertainment, dues & subscriptions, office expenses, insurance policies and telephones
  - Renegotiated key contracts: $0.7 million by renegotiating key IT, regulatory, and facilities contracts
- Sold the ERCOT (Power) customer book to Ambit Energy, LP for nearly $15 million in September 2008. Responsible for the entire deal life cycle including identifying a broker, leading preliminary discussions with the potential buyers, managing the due diligence process, dealing with the Public Utility Commission of Texas, negotiating commercial terms of the transaction and finalizing the asset purchase and transition services agreements
- Raised subordinated debt facility in August 2008 to survive seasonal cash flow shortfall which was the result of significant exposure in electric markets (ERCOT, PJM, CAISO), regulatory requirements to purchase natural gas inventory for fixed price contracts, pre-payments from concerned suppliers and the 45 day lag between payables and receivables. Primary responsibility for discussions with potential debt providers and due diligence
- Identified an opportunity to offshore the call center operations (customer care, quality assurance, and inside sales) to the Philippines which would result in improved service levels and reduced costs of approx. $6.5 million per annum. Completed an RFP process with 9 potential BPO providers and visited potential sites in the Manila, Philippines and Bangalore, India. Implementation project is underway and is expected to be completed in Spring 2009
- Presented business case to a FERC Settlement Judge in Washington, DC resulting in $6 million reduction in legal exposure related to EGR's participation in the California energy crisis. Devised a strategy with legal counsel to reposition EGR as an entity that was negatively impacted by the energy crisis when considering customer attrition due to credit constraints and other fixed price sales obligations
- Reduced bad debt exposure by more than $2 million by implementing bad debt collection processes that were tailored to the specific market rules

MACQUARIE BANK LIMITED **Los Angeles, CA**
2004 - 2008 *Senior Manager, Energy Markets Division*

- Led the purchase of 437,500 tons of low sulphur Illinois Basin coal and marketed the coal to industrial consumers in the Midwest. Responsible for the coal marketing, contract negotiations, counterparty credit review, and logistical support for the delivery of the physical coal. Realized profit of approx. $1.25 million on an $8.75 million investment within a 6 month timeframe.
- Managed the deal teams evaluating several natural gas storage assets in North America which included responsibility for development of the economic model, review of all ISS / FSS third-party contracts, negotiation of the Purchase and Sale Agreement with the seller, liaising with engineering and environmental consultants, and evaluation of trading opportunities (eg hub services).
    - 34 billion cubic foot, multi cycle natural gas storage facility in Northern California (Bid / runner up)
    - 48 billion cubic foot, single cycle natural gas storage facility in British Columbia, Canada (did not bid due to significant difference in valuation with seller)
    - 12 billion cubic foot, multi cycle natural gas storage facility in Mississippi (Bid / runner up)
- Led the due diligence effort on a $10 million equity investment in a longwall coal mine in Illinois which included responsibility for development of the economic model, negotiation with the equity partners, solicitation of senior / subordinated debt providers, analysis conducted by engineering consultants and discussion with United Mine Workers of America about renegotiation of the existing union contract
- Developed a strategy to pursue natural gas production, gathering, processing, and storage assets west of the Rockies. The strategy process includes development of a prioritization matrix that will identify which assets offer the greatest value, synergies with the existing business and other assets, and availability for purchase

Natural Gas Trader, Energy Markets Division

- Member of a two person team responsible for the NYMEX Natural Gas Futures and Options trading book which generated more than $3 million in profits in 2006
- 40% of profits derived from proprietary trading and 60% of profits derived from risk management of physical natural gas positions and client trades

Consultant, Strategy Unit **Sydney, Australia**

- Part of a four person team that was responsible for advising the CEO and Executive Committee on bank-wide strategic issues
- Led a cross-functional team to evaluate and consider alternatives to MBL's status as an Australian licensed bank. This recommendation was ultimately accepted by the Board of Directors leading to the formation of the Macquarie Group
- Conducted due diligence on significant transactions and new products prior to submission to Executive Committee for final approval
- Selected by the Head of Strategy to serve as the Secretary to the MBL Executive Committee which included participation in weekly meetings, ad hoc analysis for Committee members and involvement in MBL's most sensitive issues

DELOITTE CONSULTING **New York, NY**

Summer 2003 *Senior Consultant, Strategy & Operations (Internship)*

- Worked for a customer relationship management software provider to drive additional value from an existing joint venture partnership

TOWERS PERRIN **Los Angeles, CA**

1999 - 2002 *Senior Associate, Strategy & Organization*

- Analyzed the viability of the benefits delivery strategy for the Hong Kong government and recommended a cost-effective plan for sustainability. Spent several months in Hong Kong

interviewing key stakeholders, visiting medical / dental facilities and meeting with potential alternative providers

- Participated in the development of the executive compensation structure for a $1.5 billion private equity-backed fiber optics manufacturer headquartered in Japan. Travelled to Tokyo to meet with senior executives and completed benchmarking analysis
- Optimised the rewards portfolio for a biotechnology firm and developed a strategy to increase retention by 10.1% and reduce cost by $10 million. Created an employee survey using conjoint analysis methodology to determine which aspects of employee benefits had the most value and recommended a change in benefits strategy
- Promoted twice during a three year period with Towers Perrin. Towers Perrin offered to pay for business school tuition in exchange for agreement to return after graduation

EDUCATION

CORNELL UNIVERSITY **Ithaca, NY**
Johnson Graduate School of Management
Master of Business Administration, May 2004

COLGATE UNIVERSITY **Hamilton, NY**
Bachelor of Arts, May 1999
Concentration: Economics

PERSONAL

- Elected President of the Johnson School Consulting Club for 2003-04
- Competed in NCAA Division I Rowing (NY State, Champion 1996)
- Served as President for Junior and Senior seasons of Colgate Men's Rowing Team
- Avid golfer
- Enjoy world travel

ROOP S. BHULLAR

203-883-9900 rbhullar@criusenergy.com

EXPERIENCE

CRIUS ENERGY, LLC Stamford, CT
Chief Financial Officer April 2010-Present

Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

- Head finance and wholesale energy supply functions of over $200M electricity and natural gas retailing business servicing over 500,000 customers across 12 states and over 25 utility markets.
- Overall responsibility for wholesale energy procurement, risk management, hedging and pricing of electricity, natural gas and renewable energy certificates.
- Manage relationship with the Company's supplier, Macquarie Energy under the $100M credit sleeve facility.
- Provide financial, analytical and strategic support to the CEO, executive management team and Board in the day-to-day operations and long term Company strategy.
- Overall responsibility for full-cycle monthly accounting process, audit, taxation, financial planning & analysis and treasury.

COMMERCE ENERGY Costa Mesa, CA
Director, Finance August 2008 – March 2010

- Headed finance, accounting, energy accounting and risk functions of the $460M electricity and natural gas retailing business and supervised a staff of eight.
- Overall responsibility for full-cycle monthly accounting and quarterly earnings process, audit, taxation, financial planning & analysis, treasury, risk management and counterparty credit/collateral requirements.
- Chosen to lead the comprehensive post-acquisition transition of accounting systems, personnel and operations following Commerce Energy's acquisition by Universal Energy and later, Just Energy Group.
- Coordinated financial and accounting due diligence and financial input to negotiations for a 5 year $40M structured finance deal entailing an exclusive supplier agreement with Shell North America for physical and financial energy requirements, ancillary services, a revolver and collateral support.
- Financial analytical support to the Senior Executive Team on strategic issues including due diligence with potential lenders and acquirers, negotiations with existing primary and subordinated lenders on amendments to loan agreements, debt refinancing and restructuring and the eventual consensual debt foreclosure and $26M sale of the business to Universal Energy.
- Managed treasury function including daily cash management, day-to-day bank relationships, loan covenant compliance monitoring and bank reporting for $50M asset based lending facility and $30M subordinated notes and revolver.
- Developed and maintained the company's liquidity model which analyzed all aspects of the cash conversion cycle to forecast cash and credit requirements and compliance with all borrowing base covenants on a daily basis.

KING COUNTRY ENERGY Taumarunui, New Zealand
Finance Manager / Controller October 2003 – August 2006

- Led the finance team consisting of six staff, reported to the CEO and was a key member of the Senior Executive Team.

Continued

- Instrumental in a diverse range of decision-making and governance functions spanning all areas of the $75M publicly listed energy business including strategy, sales/marketing, customer services, electric generation operations, commodity hedging and risk management, IT and human resources.
- As Corporate Secretary, interacted on a continuous basis with Chairman and Board of Directors, including attending and presenting financial results to monthly board meetings, finance & audit committee meetings and annual shareholder meetings.
- Reengineered and streamlined internal financial reporting processes and up-skilled staff to improve team performance, including expediting year-end accounts and audit process by one month and monthly accounts process by over 20 days.
- Initiated and conducted strategic review of retail electricity tariff structure, including detailed segmental profitability analysis. Presented recommendations to Board and implemented these, improving retail profitability by 15%.
- Oversaw Company risk management practices and $29M electricity hedge book, including monitoring, forecasting and reporting spot market and electricity swaps exposures and requirements.
- Headed cross-functional team initiative to improve debt recovery. Achieved 22% improvement, taking debt recoveries to highest in the industry – evidenced by independent benchmarking exercise.
- Designed and presented to the Board in-depth overhead benchmarking model, which gave new and useful insights into cost competitiveness and allowed targeted improvements.

DELOITTE — Auckland, New Zealand
Tax Manager, Senior Tax Consultant, Tax Consultant — February 1998 – September 2003

- Managed ledger of over 50 multi-national, national and middle-market corporate clients with annual fees of $2M and supervised team of seven, including performance evaluation, training and mentoring.
- Headed specialist Mergers & Acquisitions / Transaction Services team, interfaced with Corporate Finance division, provided due diligence and tax advice in relation to mergers, acquisitions, international tax planning, inbound and outbound deal structuring and execution.
- Received nation-wide award for highest individual 'Client Service Matrix' sales in 2002 and led team to winning team award. Became nation-wide specialist in selling Depreciation Maximization products, due to success at selling these products.
- Received merit based two year 'fast-track' promotions to Senior Consultant and then Manager.

EDUCATION

UCLA ANDERSON SCHOOL OF MANAGEMENT — Los Angeles, CA
M.B.A., Finance & Strategy — ***GPA 3.9/4.0*** — October 2006 - June 2008

- *Academic honors & leadership:* Dean's Scholar (top 10% of class), Dean's List, Exceptional International Student Fellowship ($15,000 merit-based scholarship), Graduate Teaching Assistant (Business Strategy & Marketing Management), Director - South Asian Business Association
- *Financial Strategies & Analysis Intern:* HSBC Card Services, Salinas, CA (June 2007 – August 2007), performed in-depth evaluation of the performance and penetration of HSBC's $600M suite of credit protection, identity protection and credit monitoring products by portfolio and by marketing channel. Presented findings to Senior Management in Marketing Department for use in channel selection, resource allocation and offer priority decisions. Identified, analyzed and forecasted the key value drivers behind these products and developed a financial model to calculate the present value per enrolment of products marketed through various prime, near prime and sub-prime card portfolios, and through various outbound and inbound marketing channels.

UNIVERSITY OF WAIKATO — Hamilton, New Zealand
Bachelor of Management Studies, (B.M.S. Hon), Accounting — ***GPA 8.1/9.0*** — March 1993 - December 1997
Bachelor of Laws, (LLB), Commercial/Corporate Law — ***GPA 7.4/9.0***

- *Academic honors:* Graduated with First Class Honors (highest rank) and prizes for highest marks in the University in Advanced Taxation, Constitutional Law, Administrative Law, Introduction to Accounting & Finance

ADDITIONAL

- *Professional memberships*: Chartered Accountant (CPA equivalent): Member of New Zealand Institute of Chartered Accountants (NZICA), 2001

  Admitted to the bar as Barrister & Solicitor of New Zealand High Court, 1998

Jan L. Fox
597Westport Drive, #316A
Norwalk, CT 06854
Phone: 203-517-0130
E-mail: JFox@criusenergy.com

EXPERIENCE

2011 to present **Crius Energy, LLC**
Stamford, CT

Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

Senior Vice President and General Counsel, Secretary
Executive responsible for strategic oversight, compliance and management of all legal matters affecting the Companies, as well as providing regulatory expertise to maintain federal and state compliance and to assist in entering new markets. Responsibilities include (i) leading, developing and executing legal and regulatory strategy as it relates to energy, energy related products, commercial law matters, direct selling, and litigation; (ii) contract negotiation and drafting; (iii) coordinating compliance with all applicable laws and regulations such as FERC, PUCs, copyright and employment laws; and (iv) selection, management and evaluation of outside counsel.

2009 to July 2011 **JLF ENERGY CONSULTING, LLC**
Pittsburgh, PA

JLF Energy Consulting provided businesses with strategic insight and analysis necessary to understand and comply with the complex legislative, regulatory, and legal issues involving energy, and assisted businesses in developing strategies for influencing public policy debate related to the evolving energy market.

President
Projects included (i) market entry strategy for smart grid, demand response and acquisition of a utility; (ii) legislative, regulatory and policy analysis and insights related to smart grid, electric vehicles, renewables and utility rate making; and (iii) analysis of demand response, RTO/ISOs and the wholesale power market. Under an Executive Affiliate Agreement with PRTM Management Consulting provided PRTM's Energy Business Group strategic insights and analysis related to emerging energy policy, legislation and regulation and assisted in responding to RFPs and with new business development presentations.

2002 to June 2008 **STRATEGIC ENERGY L.L.C.**
Pittsburgh, PA

Strategic Energy, the deregulated energy subsidiary of Great Plains Energy, was the fifth largest competitive retail electricity provider in the U.S. with over $2 billion in annual revenues, and operated in eleven (11) states. In June 2008, Direct Energy Services, LLC, a subsidiary of Centrica plc, acquired Strategic Energy. As a result of this acquisition, all members of the Strategic Energy executive management team were severed.

General Counsel, Secretary, Executive Vice President Regulatory Affairs
Executive responsible for strategic oversight, management and development of the Legal Department, the Regulatory Affairs Department, and the Compliance Department, including the departments' budgets. Responsibilities included (i) overseeing all legal affairs including coordinating compliance with all applicable laws and regulations such as SEC, FERC, PUCs, copyright and employment laws; (ii) overseeing energy regulatory matters from both a state and federal level; (iii) assisting with SEC filings and audit reports to the GPE Board of Directors; (iv) selection, management and evaluation of outside counsel; (v) counseling and advising Human Resources on employee discipline, hiring, terminations, accommodations and other daily employee issues; and (vi) due diligence oversight, contract negotiation, and interim operating procedures during the pendency of the sale of the Company. Member of the Sarbanes Oxley (SOX) Steering Committee and 401k Investment Committee. Direct management responsibility for 26 full-time employees.

Interim Executive Vice President Marketing (December 2004 – June 2005)
Assumed role of Interim EVP Marketing at the request of Strategic Energy's CEO following resignation of EVP Marketing. Coordinated marketing functions and assisted sales in an effort to reposition Company for continued profitability in increasingly competitive environment.

1995 - 2002 **LEBOEUF LAMB GREENE and MACRAE, L.L.P. (DEWEY & LEBOEUF, L.L.P.)**
Pittsburgh, PA

Associate 1995-1999, Partner 1999-2002
One of four partners in the Pittsburgh office of an international law firm responsible for managing Alcoa's litigation nationwide under a fixed fee arrangement. Lead counsel on numerous litigation matters, including energy, commercial and employment litigation.

1989 – 1995 **BABST CALLAND CLEMENTS and ZOMNIR, P.C.**
Pittsburgh, PA

Litigation Associate (1991-1995), Legal Intern (1989-1991)
Team member and in some cases lead counsel for various commercial litigation matters. Focus on coal mining issues.

EDUCATION

1991 JD **UNIVERSITY OF PITTSBURGH SCHOOL OF LAW**
Pittsburgh, PA
Cum Laude, Law Review

1978 BFA **SYRACUSE UNIVERSITY**
Syracuse, NY

LICENSES

Commonwealth of PA, 1991
Supreme Court of United States, 1999
Third, Fourth, Fifth, Ninth Circuits
Various Federal District Courts

Cami Boehme
129 Good Hill Rd | Weston, CT 06883 | 435-764-7055 | cboehme@criusenergy.com

QUALIFICATIONS:
Strategic marketing and branding executive with significant experience guiding holistic and cross-functional strategic implementation to create differentiated brands and go-to-market plans. Proven track record of balancing long-term strategic growth goals with the expediency of getting to market. Expertise includes an ability to guide teams with a balance of creative management and operational process improvement to efficiently execute across a variety of disciplines. Core competencies include:

- Brand Management
- Strategic Positioning
- Corporate Communications
- Media Relations
- Marketing & Promotions
- Creative Services & Direction
- Digital Media
- Leadership & Team Development
- Consultation & Planning
- Process Improvement

PROFESSIONAL EXPERIENCE:

Crius Energy, LLC
SENIOR VICE PRESIDENT, MARKETING AND BRAND STRATEGY
September 2010 – current

Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

Strategic Positioning & Brand Management

- Responsible for guiding the strategic positioning and brand equity across company's family of energy brands. Create, establish and increase brand awareness, preference and loyalty, including direction for use and treatment of brand messaging, talking points, style, voice and character.
- Define market opportunity strategic planning for new product and diversification strategies among company's family of brands. Lead efforts to explore product development and differentiated value proposition in the market place.
- Manage company's corporate responsibility and sustainability efforts including development of carbon offset program, local community presence, global outreach and education programs.

Marketing, Communications, Creative Direction & Digital Media

- Responsible for company promotions, marketing, communication and advertising across all channels and market segments.
- Guide a team of creative, marketing and interactive professionals to execute consistent, effective and strategic marketing initiatives.
- Manage media relationships, PR strategy and corporate communications, including development of talking points, message matrices and distribution plans for company media coverage and reputation management.
- Oversee development of company's online and digital presence, including all touchpoints in the customer lifecycle, interactive systems, and web-based promotional systems.

Utah State University, Huntsman School of Business
ASSOCIATE DIRECTOR OF MARKETING
March 2010 – September 2010
Brand Development and Alumni Relations

- Created brand communication tools to communicate and foster on-going relationships with successful alumni.
- Involved in ongoing efforts to differentiate the university and help guide its efforts to become a highly-ranked business school, through integrated communications, program development and strategic positioning.
- Led research initiative and strategic plan for development of a multi-disciplinary curriculum development focused on merging design thinking, business functional expertise and communication strategy into a unique training program.
- Led a creative team in the redesign and publishing of the School's alumni magazine, distributed internationally.

Advent Creative
PARTNER, BRAND DIRECTOR
September 2009 – September 2010:

Management and Organizational Development

- Initiated and negotiated merger with local firm to best utilize skills of each individual organization to the advantage of the merged entity. Oversaw remodel and relocation of firm and assisted in merging cultures of two firms into one cohesive team with common purpose.
- Involved in forming four functional departments within company and internal structures for efficient collaboration between departments with a focus on customer value. Expand opportunities with current historical tactical clients into opportunities to provide strategic services.
- Implemented new systems for job tracking, account services and internal operations, including profitability measures, new business development procedures and production standards.

Brand Development and Customer Consultation

- Consult and develop brand-positioning strategy for company and clients, based on growth stage and market potential of clients.
- Continue to provide strategic brand consultation and implementation services previously provided through Digital Slant, as defined below.

Digital Slant
FOUNDER, PRESIDENT AND BRAND DIRECTOR
August 1998 – September 2009

Management and New Business Development

- Manage a staff of design and marketing professionals to fulfill branding, marketing, design, advertising, media placement and other services for a variety of clients.
- Maintain face and voice of company, including conducting new business pitches, presentations of creative direction, and brand-training sessions with client staff.
- Prepare and deliver many community and industry presentations both for in-person events as well as online-delivered content.
- Work with in-house sales teams on "Sales Bridging", a concept that bridges the communication gap between the marketing and sales functions of a company.

Brand Consulting and Marketing Strategy

- Created "Core Branding" process to help companies identify and reflect core positioning strengths through effective branding initiatives.
- Provided direction of creative strategy and implementation of brand-focused marketing initiatives.
- Developed research plans for identifying best positioning messaging and marketing strategy.
- Developed point-of-contact strategies for companies in various industries. Oversaw implementation of these strategies.
- Worked with many different executive teams and CEOs to understand company goals, messaging, objectives and history in order to conceptualize best direction for company.

TEACHING EXPERIENCE
Utah State University
August 1999 – December 2008: Utah State University, Department of Journalism and Communication – Adjunct Instructor

Courses Taught

- Integrated Communications course was a class developed to teach students how branding, marketing, design, advertising and public relations are closely related and integrated in today's business climate. A focus on creativity, communication, and account management gave students the blend of thinking and execution necessary for successful campaigns.
- Web design and development class covered strategies for planning effective web

sites, creating content for online delivery, designing effective interfaces and coding CSS-based HTML web pages. A class designed for students of communication, the focus was on planning and coordinating effective web pages more so than the technical aspects of programming.

- In addition to classes taught, was also a guest lecturer on many occasions, focusing on topics such as presentation skills, business communication, resume building and interviewing skills, creative thinking and idea generation.

EDUCATION

Bachelor of Science, May 2000
Journalism and Communications
Utah State University, Logan, Utah

Master of Business Administration, May 2010
Huntsman School of Business
Utah State University, Logan, Utah

PERSONAL

Accomplishments and Press

- Business ranked on the Utah 100 two years in a row, a list that ranks the fastest-growing companies in Utah.
- Personally chosen to be on Utah Business Magazine's 40 Under 40 in 2007, a list that highlights Utah's top professionals.
- Chosen as one of Cache Valley's Top 10 Entrepreneurs by Herald Journal in 2007.
- Chosen to participate on the Women-in-Business industry round table for Utah Business in 2008.
- Work published in design books by Rockport Publishers.
- Selected as presenter at multiple business functions on topics including Integrated Marketing Communications, Brand Positioning, Design in Business and others

MICHAEL A. CHESTER

6 Forest View Drive, Newtown, CT 06482 • (203) 945-9244 • mchester@criusenergy.com

SUMMARY

Results-oriented operations leader with extensive experience leading teams in start-up and established corporate environments. A successful track record of more than 20 years of experience working with organizations focused on increasing revenue, reducing costs and improving customer satisfaction. Diverse skills managing internal and outsourced operations as a client and vendor.

- Multi-Site Operational Leadership
- Service Level Agreements/KPIs
- Revenue Management & Cost Control
- Project Life Cycles (Waterfall, Agile)
- Business Process Re-engineering
- CIS Upgrades and Conversions
- Credit Management
- Exception Management
- Electricity & Gas Retail Markets
- Vendor and Client Relationship Management
- Organization & Staff Development
- Business Process Outsourcing
- Customer Information & Billing Systems
- Mergers & Acquisitions
- Collection Agency Management
- Quality Assurance
- Complex Contract Billing & Credit

EXPERIENCE

Vice President Operations
Crius Energy LLC, Stamford, CT
January 2012 - Present

Crius Energy LLC formed in September 2012 when Regional Energy Holdings Inc. ("REH") combined with Public Power LLC. Founded in 2009, REH was set up as a holding company to manage a portfolio of energy service companies. Viridian Energy, Cincinnati Bell Energy, FairPoint Energy and FTR Energy Services are competitive retail electricity and natural gas providers. Jointly they are licensed to operate in eleven (11) states and the District of Columbia with license applications pending in other states. On November 13, 2012 Crius Energy Trust began trading on the Toronto Stock Exchange under the ticker symbol of KWH.

As an officer of the company, responsible for all aspects of the energy Call Center and back-office operations including billing, transaction mananagement, credit, collections and back-end information systems in nearly two dozen electric and gas markets.

- Established and vetted Debt Management Policy and Strategy to gain financing approval to enter into new growth markets that have an increased exposure to bad debt.
- Launched new fixed term electric and gas products in several markets.
- Worked with credit reporting agency to increase customer identity throughput by more than 5% within 2 months.
- Developed systems, policy and process to launch white label partnerships with Telecommunications and Cable companies.

Director of Retail Billing & Credit Management
First Choice Power (a Direct Energy company), Las Colinas, TX
February, 2009 – January, 2012

Responsible for all aspects of multi-site outsourced back-office operations for entire residential and commercial customer book as well as internal credit and collections organization for Commercial and Industrial contracts.

- Implemented solutions to reduce bad debt over 40% in 2+ years.
- Reduced unbilled revenue exceptions from 6% to less than ½ of 1%.
- 2010 ClearMark Award Winning Statement – "Best Redesign – Private Sector."
- Recognized and provided retention contracts as "Key" contributor achieving targets in 2011.
- Recognized and rewarded as "Key" contributor to excess earnings above maximum target level in 2010.

- Promoted to Director from Senior Manager during tenure with First Choice Power.

Director of Billing & Revenue Assurance
Commerce Energy (a Just Energy Company), Irving, TX
May, 2007 – February, 2009

Responsible for all aspects of multi-site, multi-platform operations organization. Lead billing, account management and accounts receivables functions for mass market and commercial customer base in more than a dozen electric and gas markets.

- Reduced monthly unbilled revenue exceptions from 15% to less than ½ of 1%.
- Implemented bill print and insert vendor change reducing cost by ~6 cents per piece with value added services.
- Sponsored and implemented two dozen people, process and technology improvements on-time and under budget.
- Offered retention contract as "Key" contributor of the business.

Senior Consulting Services Manager
Alliance Data, Dallas, TX
October 2001 – May, 2007

Provided leadership, strategic guidance and subject matter expertise on Alliance Data Business Process Outsourcing (BPO) projects and operations to ensure quality implementations, employ optimized business processeses and consult on business development opportunities in order to meet both internal and external client objectives.

- Rewarded for role on implementation of process and system that brought additional $20 Million of potential annual revenue to client.
- Multiple Spot Awards for excellence in performance and leadership.
- Recognized and rewarded for managing project to eliminate 310,000+ aged market open system exceptions.
- Reduced outstanding receivables held from credit action by $11 Million.
- Raised Service Level for billing inquiries from mid 60% to more than 95% in 3 months.
- Awarded for role in conversion of 800,000+ accounts from a legacy CIS to Peace Software's ENERGY CIS.
- Recognized and rewarded for role in sale of back-office operation.
- Promoted several times during tenure with Alliance Data.

Senior Information Services Analyst
New York State Electric & Gas, Binghamton, NY
March, 1997 – October, 2001
February, 1996 – March, 1997 (Computer Aid)
April, 1995 – February, 1996 (Business Services by Manpower)

Managed a team of 40+ analysts and testers in implementing business and technology strategies, policies and projects to support the billing of approximately 1.2 Million electric and gas customers in New York State.

- Raised Summary Billing "timeliness of billing" from 70% to 98% in one year.
- Reduced Summary Billing postage and payment costs ~$62K per year.
- Recognized and rewarded several times for role in successful implementations of numerous large-scale projects primarily related to Year 2000, deregulation and customer service via the Internet.
- Developed and/or implemented numerous programs and projects that contributed to the successful expedited launch of NYSEG's deregulated electricity program.

Business Systems Consultant
Independent Contractor, Le Roy, NY
May, 1992 – May, 1995

Worked directly with small companies to understand their goals and objectives, perform business and systems analysis, and deploy optimal business and technical solutions to bring increased profitability to their companies.

- Re-engineered business processes and implemented a Work Order Invoice and Sales Tracking System allowing a small vacuum repair company to save approximately $22K per year on invoicing.
- Successfully assisted the launch of satellite location for small Real Estate appraisal company by delivering hardware, software and data communication needs between main office and clients. Additionally, Co-Authored and implemented

HUD Review Appraisal database, Appraisal Tracking System and Petty Cash Tracking System to allow management greater visibility into their operational costs.

EDUCATION

- **B.S. in Business Administration (Systems Management):** S.U.N.Y. College at Brockport, NY (1992).

6 Forest View Drive, Newtown, CT 06482 • (203) 945-9244 • mchester@criusenergy.com

STEVE BOGIN

735 Manette Lane, Valley Cottage, NY 10989 • (845) 893-4260 • sbogin@vzw.blackberry.net

Senior level Retail Natural Gas and Electricity Scheduler with proven ability of enhancing portfolio optimization. Proven achievements in the energy trading industry; extensive experience in load and capacity forecasting, invoice reconciliation, process reengineering and due diligence activities around new market entry.

EXPERIENCE

CRIUS ENERGY, LLC

GAS SCHEDULER (August 2011 – Present)

- Responsible for the market entry for new gas markets
- Responsible for forecasting customer usage
- Responsible for all procurement and financial hedging
- Schedule pipeline nominations and LDC nominations for 10 market areas
- Maintain tracking of all transactions
- Confirm deals with third parties are accurate
- Monitor billings to determine imbalance
- Responsible for financial reporting such as Pnl, Gross Margin reports , etc..

Gateway Energy Services Corporation

Gas and Electric Supply Manager (2009-August 2011)

Responsibilities

- Manage the scheduling of 24 Natural gas and 11 Electric territories
- Performed due diligence activities for new market entry
- Perform functions around Load and Capacity Forecasting
- Purchase all bid week gas for the following month's baseload deliveries
- Trade entry and volumetric balancing for all Natural Gas activity in ETRM System
- Assisted Pricing department with gas price build-up and forward curve verification
- Work in conjunction with VP of Energy Supply to optimize pipeline scheduling and implement company's market strategy

Achievements

- Developed processes and procedures for improving Load and Capacity Forecasting
- Implemented new procedures for tracking gas and electricity flows in conjunction with company's ETRM System. Which resulted in a savings of 25 man hours per month
- Lead due diligence initiatives for new market entry in Ohio and Canada for Natural Gas and PJM for Electric

Gateway Energy Services Corporation
Gas Scheduler (2003-2009)

Responsibilities
- Nominate and track Natural Gas LDC Citygate deliveries for 28 aggregate pools and 5 Daily Metered pools
- Communicate flows and transaction terms with Wholesalers for pipeline nominations
- Reconcile invoices and evaluate third party delivery adjustments and penalties
- Forecast the volumes associated with daily metered Natural Gas customer pools
- Evaluate and manage storage for 15 storage pools
- Evaluating pipeline constraints and curtailments
- Managing pricing strategies for gas deliveries

Achievements
- Developed a good understanding of pipeline scheduling and market strategy.
- Developed training and procedure manuals.
- Displayed dependability by being on call 24/7 without a backup

Gateway Energy Services Corporation
Customer Service/Sales/Accounts Receivable (2001-2003)

Responsibilities
- Customer Service- helping customers understand bills and related customer issues
- Sales- Cold calling and customer retention
- Accounts Receivable- Data Entry

EDUCATION

Rockland Community College, Rockland, NY

REFERENCES

Upon request

Boris Baril, CA

2414 – 140 Erskine Avenue
Toronto, Ontario, M4P 1Z2
(416) 487-3746
borisbaril@criusenergy.com

CAREER SUMMARY

Financial professional with a diverse skill base in start-up, turnaround, growth and large public companies:

- Capital markets
  - Initial public offering of $143 million (TSX)
  - Convertible debenture issue of $90 million (TSX)
  - Credit facility of $142 million (banking syndicate)
  - Senior unsecured debenture of $135 million (private placement)
- Public company reporting (FS and MD&A) for SEDAR
- Integration of acquisitions into the group
  - $145 million ethanol plant
  - $400 million US energy company
- ERP system implementations and process enhancements
- Supported business development and oversaw significant operational growth
  - From $40 million to $543 million in revenue in three years
- International experience (Russia, United States, Mexico and Australia)
- Building, leading and mentoring finance teams

PROFESSIONAL EXPERIENCE

OZZ Clean Energy Inc., Toronto *(2011 / 2012)*
Chief Financial Officer *(report to the CEO and the Board of Directors)*
The company has two business lines, solar deployment on behalf of off-takers of its 100MW of OPA FIT contracts and the start-up of a gas and power retailing operations.

- Supported the CEO in the financing/capital raise process.
- Led the financial part during the negotiations of a 30 MW (project value of $150 million) off-taker agreement and a commodity (gas and power) supply agreement with a major energy company.
- Tax planning, the formation of the off-taker agreements is complex given the OPA rules, worked with our tax advisors in setting an appropriate structure that resulted in tax savings of over $2 million.
- Enhanced capabilities and improved processes via implementing MS Navision ERP.
- Built a finance team, which included recruiting and training (led a team of four).
- Transitioned the company to IFRS as the objective of the company is to go public in a few years.
- Set up the reporting process to the Board and operationally.

Algonquin Power & Utilities Corp., (TSX listed), Oakville *(2010 / 2011)*
Director of Finance and Administration *(senior financial role, at the power generating subsidiary, Algonquin Power Co., reported to the Group CFO and the Subsidiary President, revenue $145 million/assets $700 million).*

- Was responsible for financial reporting, planning/budgeting, decision support, strategic initiatives, KPIs and balanced scorecard.
- Financing – Supported the process of obtaining a DBRS credit rating and negotiating a $142 million credit facility – And the private placement of $135 million Senior Unsecured Debentures.
- Supported the transition from Income Fund to Corp., which included a comprehensive restructuring resulting in the formation of two business lines, power generation (hydro, wind and thermal) and utilities.
- Supported business development, involved with helping assess the most optimal financing strategies for capital project development, there have been recent announcements of over $430 million in new wind projects in Canada.
- Led a team of 15 (finance, procurement, AP and IT as a shared service).

Universal Energy Group Ltd., (TSX listed), *Toronto (2006 / 2009)*
An energy company focused on power and gas retailing in Canada and the US, water heater installations and rentals and ethanol production (revenue of $543 million).
*Promoted to **Vice President, Finance** and Group Controller (effective June 2008):*
***Director of Finance** and Group Controller (Aug 2006 – June 2008) reported to the CFO (second in charge role).*

- Supported significant business development and operational growth, the company grew in three years from a $40 million private company to a public company with $543 million in revenue.
- Developed financial statements and notes from inception and coordinated the first time audit, for a start-up company, for inclusion in the prospectus to support a $143 million initial public offering (IPO). Universal was listed on the TSX in February 2007.
- Set up and managed the quarterly reporting process for SEDAR (FS and MD&A), which included establishing the accounting policies for revenue recognition, power derivatives, MTM valuation, stock-based compensation, EPS and the transition from a private company to a public company via a reverse takeover.
- The IPO also included the acquisition of an ethanol plant. Due to the capital-intensive nature of the operation and the financing structure, adherence to financial covenants and an annual FS audit was required.
- Prepared tax fillings for all Canadian entities and coordinated all US tax filings. Involved in establishing cross-border tax planning for the US subsidiaries.
- Eight months after the IPO, the company issued a $90 million convertible debenture (TSX listed, October 2007), valued the convertibility feature and set up the reporting process for this offering.
- Involved with due diligence on potential acquisition targets, which resulted in the acquisition of a US based ($400 million, AMEX listed) energy company. Led the team which improved revenue and gross margin accounting (a weakness identified in their 10K filings), rationalized processes, enhanced staff performance, set up credit facilities and worked with operations to ensure a smooth overall integration into the group.
- Reviewed GAAP versus IFRS to assess transitional reporting implications for the group.
- Staff recruiting and training, led a team of 19 – Toronto 9, California 8 and Saskatchewan 2 (5 direct reports).
- Formed the group's banking structure, including lock-box accounts for the energy business and set up appropriate insurance coverage for the entities and group (including D&O coverage).
- Water heater installation and rental business start-up: assessed the profitability, researched accounting policies (sales type vs. operating lease and asset capitalization), and supported the formation of a strategic vendor relationship, set up banking, vehicle leasing, insurance and trade credit.

Envoy Communications Group *(TSX and NASDAQ listed), Toronto (2005)*
Envoy is an international consumer retail branding company with operations in North America and Europe.
***Corporate Controller** – Group consolidation, Form 20-F (for NASDAQ) and prepared the operating budget.*

Adecco-Canada, *Toronto and New York (2004 / 2005)*
Adecco SA (revenue 17 billion Euros) is a worldwide staffing industry leader (Canadian revenue $275 million).
***Controller** (reported to the Canadian Country Manager and the North American CFO):*

- Tasked with the remediation of legacy material weakness items identified by the auditors (in the areas of operations, finance and IT), which was a requirement to maintain NYSE listing. This was successfully completed within the timeframe established.
- Centralized AR management and implemented credit and collection best practices, resulting in a 25% improvement in the DSO (which translated to savings of about, $360K per annum in interest).
- Developed the company wide operating budget and branch performance targets for FY2005.
- Centralized the management of the real estate portfolio of over 60 branch locations coast-to-coast.
- Supported sales and business development by presenting at client meetings.
- Member of the senior management team with overall financial responsibilities (led a team of 10).

University Health Network (UHN), *Toronto (2001 / 2004)*
UHN (revenue $991 million) was formed via the amalgamation of three large downtown Toronto hospitals (Toronto General, Toronto Western and Princess Margaret) and is one of the largest hospital groups in Canada.
***Manager, Financial Reporting** (March 2003 – June 2004):*

- Responsible for all financial and management reporting, the year-end audit and SEDAR filings (the hospital has a public debt issue).
- Accelerated the monthly financial statement close process ("FSCP"), by over 20 percent. Performed a comprehensive review of the entire FSCP and proposed a strategy for improvement after receiving buy-in worked with the various stakeholders to implement this process redesign/change management initiative.
- Initiated the improvement of reporting efficiency: researched software options (including FRx, which was selected) and managed the implementation. This resulted in a greater ability to support operational management with faster monthly report production, drill down functionality to enable quicker variance analysis and report customization to support specific entity requirement.
- Enhanced variance analysis by setting the focus on business units KPIs and cost drivers.
- Led a team of six, which included recruiting, training and performance management.

***Manager, Business Redesign and Analysis** (November 2001 – February 2003):*

- Assisted the CFO with the financial assessment and the formation of a third-party logistics business focused on servicing the healthcare industry with medical/surgical products (logistics, contract management and warehousing). This venture operationalized the opportunity to pioneer a creative approach of meeting the unique needs of the healthcare industry and gives UHN a platform to market this service to other hospitals.
- Improved certain outsourcing processed, with realized savings being in the range of $150-$200K per annum.
- Supported operational initiatives via performance analysis and benchmarking to facilitate decision making.
- Managed the implementation of an AR system (researched software options and recommended a solution which was selected) at the Retail Pharmacy (four sites, $30 million operation).

Independent Contract Consultant, *Toronto (2000 / 2001)*
***Hospitals of Ontario Pension Plan** (assets over $18 billion):*

- Implemented the 2001 operating, capital and special initiatives budget.
- Established comparables for HOOPP's performance to provide management and the Board with a higher level of comfort over the level of operating costs.
- Teamed with Oracle programmers to develop the monthly operational reporting structure.
- Implemented the corporate balanced scorecard to support decision-making/performance evaluation.

***Netricom Network Communication** ($50 million operating division of, Axia NetMedia Corporation, a TSX listed company):*

- Developed financial forecasting and cash flow models, to support management decision-making.
- Enhanced AR management processes, resulting in a 15-day DSO improvement.
- Implemented Ceridian payroll.

Plaut Consulting, *Chicago, New York and Des Moines (1998 / 2000)*
Plaut (global SAP partner) is a European based (publicly traded) international management consulting firm.
SAP Financial Implementations Consultant:

- Financial Accounting module (FI) functionality configuration, documented processes, tested the system, trained end-users and supported sales through software demonstrations.
- Major projects: The Port Authority of New York & New Jersey, an implementation supporting 1,200 users and Hirsh Industries, a manufacturing company headquartered in Iowa (15-week implementation, in two languages, supporting 125 users across three manufacturing facilities).
- Led the team focused on the resolution of issues unique to the operating environment of Hirsh Industry's Mexican subsidiary, the result was a successful go-live.

Canadian Fracmaster (Uganskfracmaster) Ltd., *Siberia, Russia (1997 / 1998)*
A joint venture (revenue US $180 million) between a Canadian (TSX and NYSE listed) oil & gas services company and Russia's second largest oil producer.
Chief of International Finance:

- Responsible for all monthly, quarterly and annual financial reporting, which included the preparation of complex reconciliations of Russian accounting information into GAAP financial statements.
- Performed analysis for competitive bidding on oil services contracts.
- Implemented controls and processes to improve materials management.
- Assisted in the valuation and subsequent integration of a local oil services company into existing operations.

Coopers & Lybrand (PricewaterhouseCoopers), *Toronto and Moscow (1994 / 1996)*
Associate:

- Engagements: audits, reviews, NTRs, tax and special projects.
- Industry exposure: financial services, automotive, retailing, pharmaceutical, manufacturing and mining.

EDUCATION

Chartered Accountant (CA), *Member of the Canadian Institute of Chartered Accountants – 1995*
Bachelor of Administrative Studies (BAS), *York University – 1990*
Canadian Securities Course (CSC), *Canadian Securities Institute – 1985*

Summary: Application Renewal Certification Application Competitive Retail Natural Gas Suppliers - PART II electronically filed by Mr. Stephen M Howard on behalf of Cincinnati Bell Energy LLC