

UNDERWRITING AGREEMENT

May 22, 2018

Emera Incorporated
1223 Lower Water Street
Halifax, Nova Scotia B3J 3S8

Attention: Gregory W. Blunden
Chief Financial Officer

Dear Mr. Blunden:

Scotia Capital Inc. ("**Scotiabank**"), CIBC World Markets Inc. ("**CIBC**"), RBC Dominion Securities Inc. ("**RBC**") and TD Securities Inc. ("**TD**", and together with Scotiabank, CIBC and RBC, the "**Co-Lead Underwriters**"), BMO Nesbitt Burns Inc., National Bank Financial Inc., Industrial Alliance Securities Inc. and Raymond James Ltd. (collectively, the "**Underwriters**" and individually an "**Underwriter**") understand that Emera Incorporated (the "**Company**") intends to issue and sell 12,000,000 Series H Shares (as hereinafter defined) of the Company (the "**Firm Shares**"). Subject to the terms and conditions set forth below, the Underwriters hereby severally, but not jointly, agree to purchase from the Company, in the respective percentages provided for in Section 16 hereof, and by its acceptance hereof the Company agrees to sell to the Underwriters, at the Closing Time (as hereinafter defined), all but not less than all, of the Firm Shares at a price of \$25.00 per Firm Share, being an aggregate purchase price of \$300,000,000 (the "**Offering**").

In addition, the Underwriters understand that the Company proposes to grant to the Underwriters a one-time option (the "**Underwriters' Option**") to purchase up to an additional 2,000,000 Series H Shares from the Company (the "**Optional Shares**") (collectively, the Firm Shares and the Optional Shares are referred to herein as the "**Offered Shares**").

We understand that the Company has filed a Base Prospectus (as hereinafter defined) relating to the qualification for distribution of first preferred shares, second preferred shares and debt securities in the Qualifying Jurisdictions (as hereinafter defined) and is prepared:

- i. to authorize and issue the Offered Shares; and
- ii. to prepare and file, without delay, a prospectus supplement and all other necessary documents in order to qualify the Offered Shares for distribution to the public in each of the Qualifying Jurisdictions.

Based upon the foregoing and on the basis of the representations, warranties, covenants and agreements contained herein and subject to the terms and conditions set out below, the Company agrees to: (a) sell to each of the Underwriters, and each of the Underwriters agrees severally (and not jointly or jointly and severally) to purchase from the Company, the respective percentage of the Firm Shares set forth opposite the name of such Underwriter in Section 16(1) at a purchase price of \$25.00 per Firm Share (for an aggregate purchase price of \$300,000,000); and (b) in the event and to the extent the Underwriters' Option granted to the Underwriters pursuant to this Agreement is exercised by the Underwriters, the Company agrees to sell to the Underwriters, and each of the Underwriters agrees severally (and not jointly or jointly and severally) to purchase from the Company the respective percentage of the Optional Shares set forth opposite the name of such Underwriter in Section 16(1) at the purchase price of \$25.00 per Optional Share in the manner contemplated in Section 4).

This offer is subject to the following terms and conditions:

Section 1 Definitions

In this Agreement, unless otherwise defined herein, the following words and terms shall have the following meanings:

“Agreement” means the agreement resulting from the acceptance by the Company of the offer made by the Underwriters by this letter, including the schedules attached to this letter, as amended or supplemented from time to time;

“Base Prospectus” means the English and French language versions (unless the context indicates otherwise) of the short form base shelf prospectus of the Company dated May 16, 2018, filed with the Securities Regulators in connection with the qualification for distribution of the Company’s first preferred shares, second preferred shares and debt securities in the Qualifying Jurisdictions and, unless the context otherwise requires, includes all documents incorporated therein by reference;

“business day” means a day which is not a Saturday, a Sunday or a statutory or civic holiday in the City of Toronto, Ontario or the Halifax Regional Municipality, Nova Scotia;

“CDS” means CDS Clearing and Depository Services Inc.;

“Claim” has the meaning ascribed thereto in Section 14(1) hereof;

“Closing Date” means May 31, 2018 or such other date as the Company and the Co-Lead Underwriters, on behalf of the Underwriters, may agree, provided that in no event shall the Closing Date be later than June 8, 2018;

“Closing Time” means 9:30 a.m. (Halifax time) on the Closing Date or such other time on the Closing Date, as the Company and the Co-Lead Underwriters, on behalf of the Underwriters, may agree;

“Commission” has the meaning ascribed thereto in Section 10 hereof;

“Common Shares” means the common shares of the Company;

“Company” has the meaning ascribed thereto in the first paragraph hereof;

“Company’s Auditors” means Ernst & Young LLP;

“Company’s Counsel” means, collectively, the law firm of Osler, Hoskin & Harcourt LLP, counsel for the Company in the Provinces of Ontario, British Columbia, Alberta and Québec, and Stephen D. Aftanas, Corporate Secretary of the Company;

“Defaulted Securities” has the meaning ascribed thereto in Section 16(2) of this Agreement;

“distribution” and **“distribution to the public”** shall have the respective meanings ascribed thereto in Securities Laws;

“Environmental Laws” means all applicable foreign, federal, provincial, state and local laws and regulations, as well as any obligations or requirements arising under the common law, relating to

occupational health and safety applicable to employees of the Company or to the protection of the environment;

“Financial Information” means the audited comparative consolidated financial statements of the Company as at December 31, 2017 and 2016 and for each of the years in the two year period ended December 31, 2017, including the auditors’ report and notes in respect thereof, and the unaudited comparative consolidated financial statements of the Company as at March 31, 2018 and 2017 and for each three month period then ended, including the notes in respect thereof;

“Firm Shares” has the meaning ascribed thereto in the first paragraph of this Agreement;

“including” means including, without limitation;

“Indemnified Party” has the meaning ascribed thereto in Section 14(1) of this Agreement;

“Marketing Documents” means, collectively, all marketing materials (including any template version, revised template version or limited use version thereof) provided or to be provided to a potential investor in connection with the distribution of the Offered Shares;

“marketing materials” has the meaning ascribed thereto under NI 41-101;

“Material Adverse Effect” has the meaning ascribed thereto in Section 7(c) of this Agreement;

“Material Contract” has the meaning ascribed thereto in Section 7(d) of this Agreement;

“misrepresentation”, “material fact” and “material change” have the respective meanings ascribed thereto in the *Securities Act* (Nova Scotia);

“Moody’s” means Moody’s Investors Service, Inc.;

“National Policy 11-202” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“NI 41-101” means National Instrument 41-101 – *General Prospectus Requirements*;

“NI 44-101” means National Instrument 44-101 – *Short Form Prospectus Distributions*;

“Offered Shares” has the meaning ascribed thereto in the first paragraph of this Agreement;

“Offering” has the meaning ascribed thereto in the first paragraph of this Agreement;

“Offering Price” means \$25.00 per Offered Share;

“Optional Shares” has the meaning ascribed thereto in the second paragraph of this Agreement;

“Passport System” means the passport system established by Multilateral Instrument 11-102, Passport System adopted by the Securities Regulators (except the Ontario Securities Commission) together with National Policy 11-202, in respect of prospectus filing and review;

“Prospectus Supplement” means the English and French language versions of the prospectus supplement of the Company to be filed with the Securities Regulators, together with the documents incorporated therein by reference (including without limitation any Marketing

Documents) which, together with the Base Prospectus, will qualify for distribution the Offered Shares under applicable Securities Laws in the Qualifying Jurisdictions;

“Qualifying Jurisdictions” means all of the Provinces of Canada;

“S&P” means Standard & Poor’s Ratings Services;

“Securities Laws” means the applicable securities laws, regulations, rules, policy statements and prescribed forms, collectively, of each of the Qualifying Jurisdictions;

“Securities Regulators” means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

“Series H Shares” means the Cumulative Minimum Rate Reset First Preferred Shares, Series H in the capital of the Company;

“Series I Shares” means the Cumulative Floating Rate First Preferred Shares, Series I in the capital of the Company;

“Shelf Procedures” means the rules and procedures established pursuant to NI 44-102;

“Subsidiaries” means the subsidiaries of the Company set forth in Schedule “A” and shall include their successors and assigns;

“Supplementary Material” means, collectively, any amendment or supplement to the Base Prospectus or any other similar documents required to be filed by the Company under Securities Laws in connection with the Offering;

“Tax Act” means, the *Income Tax Act* (Canada);

“template version” has the meaning ascribed thereto under NI 41-101 and includes any revised template version of marketing materials as contemplated by NI 41-101;

“TSX” means the Toronto Stock Exchange;

“Underwriters” has the meaning ascribed thereto in the first paragraph hereof;

“Underwriters’ Counsel” means the law firm of Stikeman Elliott LLP, counsel for the Underwriters; and

“Underwriters’ Option” has the meaning ascribed thereto in the second paragraph of this Agreement.

Any reference in this Agreement to any Section, Appendix or Exhibit shall refer to a Section, Appendix or Exhibit of this Agreement unless specifically referring to another source. Any reference herein to the terms “amend”, “amendment” or “supplement” with respect to the Base Prospectus or the Prospectus Supplement shall be deemed to refer to and include the filing of any document under Securities Laws after the issue date of the Base Prospectus or the Prospectus Supplement, as the case may be, and during the period of distribution of the Offered Shares, which are deemed to be incorporated therein by reference.

Section 2 Filing of Base Prospectus and Prospectus Supplement

- (1) The Company represents and warrants to and for the benefit of the Underwriters that it has elected to rely upon the Shelf Procedures, has prepared and filed the Base Prospectus (in English and French) and all such other documents as are required under applicable Securities Laws (in English and, as required, in French), utilizing the Passport System and has obtained a final receipt dated May 16, 2018 in respect of the Base Prospectus evidencing that final receipts of the Securities Regulators in the Qualifying Jurisdictions have been issued or deemed to be issued.
- (2) The Company shall prepare and file as soon as reasonably possible and, in any event, not later than 6:00 p.m. (Toronto time) on May 22, 2018 (or such later time as may be agreed to in writing by the Co-Lead Underwriters), the Prospectus Supplement and all such other documents as are required under applicable Securities Laws (in English and in French) with the Securities Regulators and otherwise fulfill all legal requirements to enable the Offered Shares to be offered and sold to the public in the Qualifying Jurisdictions through the Underwriters or any other investment dealer or broker registered in the applicable Qualifying Jurisdictions.

Section 3 Qualification for Distribution and Compliance with Securities Laws

- (1) The Company shall take all steps and proceedings as may be necessary for the Company to qualify the distribution of the Offered Shares in the Qualifying Jurisdictions by or through the Underwriters or any other registrant who complies with the relevant provisions of Securities Laws.
- (2) Until the date on which the distribution of the Offered Shares is completed, the Company will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under Securities Laws to continue to qualify the distribution in each Qualifying Jurisdiction of the Offered Shares or, in the event that the Offered Shares have, for any reason, ceased to so qualify in each Qualifying Jurisdiction, to again qualify the Offered Shares for distribution in the Qualifying Jurisdictions in accordance with Securities Laws.
- (3) The Underwriters covenant and agree that the Offered Shares shall be offered for sale by the Underwriters to the public in the Qualifying Jurisdictions in compliance with Securities Laws. Each Underwriter shall cause similar undertakings to be contained in any agreements among the members of any banking, selling or other groups formed for the distribution of the Offered Shares. After the Underwriters have made reasonable efforts to sell all the Offered Shares at the Offering Price, the Underwriters may sell the Offered Shares to the public at prices below the Offering Price.
- (4) The Underwriters covenant and agree that if they offer to sell or sell any Offered Shares in jurisdictions other than the Qualifying Jurisdictions, such offers or sales shall be effected in accordance and compliance with the applicable securities laws of such jurisdictions and shall be effected in such manner so as not to require registration of the Offered Shares, or the filing of a prospectus, registration statement or any other notice or document with respect to the distribution of the Offered Shares, under the laws of any jurisdiction outside the Qualifying Jurisdictions. The Underwriters shall cause similar undertakings to be contained in any agreements among the members of any banking, selling or other groups formed for the purpose of selling the Offered Shares.
- (5) During the distribution of the Offered Shares, the Company and the Co-Lead Underwriters shall approve in writing, prior to such time marketing materials are provided to potential investors, any marketing materials reasonably requested to be provided by the Underwriters to any

potential investor of Offered Shares, such marketing materials to comply with Securities Laws. The Company shall file a template version of such marketing materials with the Securities Regulators as soon as reasonably practicable after such marketing materials are so approved in writing by the Company and the Co-Lead Underwriters, on behalf of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor of Offered Shares, and such filing shall constitute the Underwriters' authority to use any Marketing Documents that are derived from the template version of such marketing materials in connection with the Offering.

- (6) The Company and the Underwriters, on a several basis, covenant and agree:
- (a) not to provide any potential investor of Offered Shares with any marketing materials unless a template version of such marketing materials has been filed by the Company with the Securities Regulators on or before the day such marketing materials are first provided to any potential investor of Offered Shares;
 - (b) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Shares or the Company other than: (i) such marketing materials that have been approved and filed in accordance with Section 3(5); (ii) the Base Prospectus, the Prospectus Supplement and any Supplementary Material; and (iii) any standard term sheets approved in writing by the Company and the Co-Lead Underwriters; and
 - (c) that only marketing materials approved and filed in accordance with Section 3(5), and any standard term sheets approved in writing by the Company and the Co-Lead Underwriters, have been and shall be provided to potential investors.
- (7) The obligations of the Underwriters under this Section 3 are several and not joint or joint and several. No Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any member of any banking, selling or other group appointed by any other Underwriter.

Section 4 Underwriters' Option

The Company hereby grants to the Underwriters, in the respective percentages set out in Section 16(1) of this Agreement, the Underwriters' Option to purchase up to an additional 2,000,000 Optional Shares, at a purchase price equal to the Offering Price. The Underwriters' Option may be exercised in whole or in part at any time up to 48 hours prior to the Closing Time by delivery to the Company of written notice from the Co-Lead Underwriters on behalf of the Underwriters setting out the number of Optional Shares to be purchased by the Underwriters. Delivery of and payment for any Optional Shares will be made at the offices of the Company at the Closing Time. Upon the furnishing of the written notice, the Underwriters will severally (and not jointly or jointly and severally) be committed to purchase, in the respective percentages set out in Section 16(1) of this Agreement, and the Company will be committed to issue and sell in accordance with and subject to the provisions of this Agreement, the number of Optional Shares indicated in the written notice.

Section 5 Deliveries upon Filing of Prospectus Supplement

- (1) The Company shall deliver or cause to be delivered, to the Underwriters, without charge, in Toronto, Ontario on the date hereof, a copy of the Base Prospectus in the English and French languages, signed as required by Securities Laws, including copies of all documents or

information incorporated by reference therein which have not previously been delivered to the Underwriters or are not otherwise available on SEDAR;

- (2) The Company shall deliver or cause to be delivered, to the Underwriters, without charge, in Toronto, Ontario, contemporaneously with or prior to the filing of the Prospectus Supplement or any Supplementary Material, as the case may be, (except that the French language version of such documents, together with the opinions referred to in paragraphs (c) and (d) below, may be delivered contemporaneously with the filing of the Prospectus Supplement or any Supplementary Material, as the case may be, in the Province of Québec):
- (a) a copy of the Prospectus Supplement in the English and French languages, signed as required by Securities Laws, including copies of documents incorporated by reference therein, and, if requested, a copy of any Marketing Documents;
 - (b) a copy of any Supplementary Material required to be filed by the Company under Securities Laws;
 - (c) an opinion of the Company's Counsel addressed to the Underwriters, the Underwriters' Counsel, the Company and the directors thereof, dated the date of the Prospectus Supplement or Supplementary Material, as the case may be, acceptable in form and substance to the Underwriters' Counsel, acting reasonably, that, except for the Financial Information contained in any document incorporated by reference in the Base Prospectus, Prospectus Supplement or Supplementary Material (other than any marketing materials), as the case may be, the Base Prospectus, Prospectus Supplement or Supplementary Material, as the case may be, and the marketing materials in the French language are in all material respects a complete and proper translation of the English language version thereof;
 - (d) an opinion of the Company's local counsel in Québec addressed to the Underwriters, the Underwriters' Counsel, the Company's Counsel, the Company and the directors thereof, dated the date of the Prospectus Supplement or Supplementary Material, as the case may be, and acceptable in form and substance to the Underwriters' Counsel, acting reasonably, that, except for any marketing materials and the Financial Information contained in any document incorporated by reference in the Base Prospectus, Prospectus Supplement or Supplementary Material, as the case may be, the documents incorporated by reference in the Base Prospectus, the Prospectus Supplement or the Supplementary Material, as the case may be, in the French language includes the same information and in all material respects carries the same meaning as the English language versions thereof;
 - (e) an opinion of the Company's Auditors addressed to the Underwriters, the Underwriters' Counsel, the Company's Counsel, the Company and the directors thereof, dated the date of the Prospectus Supplement or Supplementary Material, as the case may be, and acceptable in form and substance to the Underwriters' Counsel, acting reasonably, that the Financial Information contained in the Base Prospectus, Prospectus Supplement or Supplementary Material, as the case may be (including any documents incorporated by reference therein) in the French language includes the same information and in all material respects carries the same meaning as the English language version thereof;
 - (f) a comfort letter dated the date of the Prospectus Supplement and addressed by the Company's Auditors to the Underwriters and the directors of the Company, in form and substance satisfactory to the Underwriters and Underwriters' Counsel, acting reasonably,

with respect to Financial Information in respect of the Company contained in the Base Prospectus, Prospectus Supplement or the Supplementary Material, or incorporated by reference therein, as the case may be, which comfort letter shall be based on a review having a cut-off date not more than two business days prior to the date of such letter;

- (g) evidence satisfactory to the Underwriters of the approval of the listing of the Offered Shares on the TSX, subject to the Company fulfilling the usual requirements of the TSX; and
 - (h) a copy of any other document required to be filed by the Company or delivered under Securities Laws in connection with the Offering and the sale of the Offered Shares as contemplated by this Agreement.
- (3) The Company shall deliver or cause to be delivered to the Underwriters, without charge, as soon as possible and in any event not later than the first business day after the date that the Prospectus Supplement or Supplementary Material is filed with the Securities Regulators, such number of commercial copies of the Prospectus Supplement or Supplementary Material in respect thereof (including the French language version thereof) as the Underwriters reasonably require.

Section 6 Notice of Material Change

- (1) During the period of distribution to the public of the Offered Shares, which shall be the period from the date hereof to the date upon which the Company has received the notice of termination contemplated in Section 17(1) or the notice that distribution has ceased contemplated in Section 19(1) hereof, whichever is earlier, the Company shall promptly notify the Underwriters in writing of:
- (a) any material change (actual, contemplated or threatened) in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or ownership of the Company or proposed ownership of the Company, in each case on a consolidated basis;
 - (b) any material fact that has arisen or has been discovered which would have been required to have been stated in the Base Prospectus, the Prospectus Supplement or any Supplementary Material, as the case may be, had the fact arisen or been discovered on, or prior to, the date of such document; and
 - (c) any change in a material fact in the Base Prospectus, the Prospectus Supplement, any Supplementary Material, or any documents referenced therein by incorporation, as the case may be, or the existence of any new material fact, which change or new material fact is, or may be of such a nature as:
 - (i) to render the Base Prospectus, the Prospectus Supplement or the Supplementary Material misleading or untrue;
 - (ii) would result in the Base Prospectus, the Prospectus Supplement or the Supplementary Material not complying with Securities Laws;
 - (iii) would reasonably be expected to have a significant effect on the market price or value of the Offered Shares or the Common Shares or which would restrict or prevent the trading of the Offered Shares or the Common Shares; or
 - (iv) would be material to a prospective purchaser of the Offered Shares.

- (2) In any such case described in Section 6(1), the Company shall promptly and, in any event within applicable time limitations set out in Securities Laws, comply with all legal requirements necessary to comply with Securities Laws in order to allow for the continued distribution of the Offered Shares in the Qualifying Jurisdictions as contemplated hereunder.
- (3) The Company shall in good faith discuss with the Underwriters any change in a fact or circumstances (actual, proposed or prospective) which is of such a nature that there is reasonable doubt whether notice need be given to the Underwriters pursuant to this Section 6.

Section 7 Representations and Warranties of the Company

The Company represents and warrants to each of the Underwriters and acknowledges that each of the Underwriters is relying upon such representations and warranties in connection with its execution and delivery of this Agreement, and agrees that each delivery of the Base Prospectus, the Prospectus Supplement and any Supplementary Material by the Company to the Underwriters shall constitute the representation and warranty of the Company to the Underwriters that:

- (a) the Company has been duly incorporated and is validly existing under the laws of Nova Scotia and has all corporate power, capacity and authority to carry on its business as now carried on and presently proposed to be conducted as is or will be described in the Base Prospectus, the Prospectus Supplement and any Supplementary Material, and to own and lease its properties and assets as is or will be described in the Base Prospectus, the Prospectus Supplement and any Supplementary Material in each jurisdiction in which it carries on or proposes to carry on its business or owns, leases, or operates or proposes to own, lease or operate its properties and assets;
- (b) each of the Company and the Subsidiaries has been duly incorporated or otherwise formed and organized and is validly existing under the laws of its jurisdiction of incorporation or formation and has all corporate, partnership or limited liability company power, capacity and authority to carry on its business as now carried on and presently proposed to be conducted as is or will be described in the Base Prospectus, the Prospectus Supplement and any Supplementary Material;
- (c) each of the Company and the Subsidiaries has conducted and is conducting its business in compliance in all material respects with all Securities Laws in each jurisdiction in which it carries on a material portion of its business and is duly licensed, registered or qualified in all jurisdictions in which it owns, leases or operates any material portion of its properties or carries on any material portion of its business to enable its business and assets to be owned, leased and operated, except to the extent that the failure to so comply or to be so licensed, registered or qualified would not, individually or in the aggregate, have a material adverse effect on the earnings, business or properties of the Company and the Subsidiaries (taken as a whole) (a "**Material Adverse Effect**"), and all such licenses, registrations or qualifications which are material are valid and existing in good standing;
- (d) none of the Company or any of the Subsidiaries is in violation of its constating documents in any material respect; and none of the Company or any of the Subsidiaries is in default in the performance or observation of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note or other instrument (a "**Material Contract**") to which it is a party or by which it may be bound or to which any of its properties or assets is subject which would have a Material Adverse Effect;

- (e) the Company has no knowledge of any default, or any circumstance which with the giving of notice or lapse of time (or both) would give rise to a default, by any person who is a party to any Material Contract with the Company or any of the Subsidiaries, except for such defaults which would not reasonably be expected to have a Material Adverse Effect;
- (f) the Company has duly authorized, executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, subject to the exceptions as to enforceability as are contained in the opinion of Company's Counsel;
- (g) except as shall have been made or obtained on or before the Closing Date, no consent, approval, authorization, registration or qualification of any court, governmental agency or body, regulatory authority or contractual party is required for the distribution of the Offered Shares, the distribution of the Series I Shares upon conversion of the Series H Shares or the consummation of the transactions contemplated herein;
- (h) the Company has the necessary corporate power and authority to execute and deliver the Base Prospectus and the Prospectus Supplement and, if applicable, will have the necessary corporate power and authority to deliver any Supplementary Material prior to the delivery thereof, and all necessary corporate action has been taken by the Company to authorize the delivery by it of the Base Prospectus and the Prospectus Supplement, and the filing thereof in the Qualifying Jurisdictions under Securities Laws;
- (i) except as has been or will be disclosed in or contemplated by the Base Prospectus, the Prospectus Supplement and any Supplementary Material, subsequent to December 31, 2017, there has not been any material adverse change, actual or to the knowledge of the Company, pending, in the capital, assets, liabilities (absolute, accrued, contingent or otherwise), earnings, business, operations or condition (financial or otherwise) or results of the operations of the Company and the Subsidiaries (taken as a whole);
- (j) the Financial Information presents fairly in all material respects the financial condition, results of operations and cash flows of the Company, as applicable, as of the dates and for the periods indicated, complies as to form with the applicable accounting requirements of Securities Laws and has been prepared in conformity with United States generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as otherwise noted therein). Any selected financial data set forth in the Base Prospectus and the Prospectus Supplement fairly present, on the basis stated therein, the information included therein;
- (k) other than as disclosed in the consolidated financial statements of the Company incorporated by reference in the Base Prospectus, the Prospectus Supplement or the Supplementary Material, there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Company or any of the Subsidiaries with unconsolidated entities or other persons that may have a material current or future effect on the Company and the Subsidiaries (taken as a whole) or on the liquidity, capital expenditures, capital resources, or significant components of revenues or expenses of the Company and the Subsidiaries (taken as a whole);
- (l) except as publicly disclosed, none of the Company or any of the Subsidiaries has any contingent liabilities, in excess of the liabilities that are either reflected or reserved

against in the financial statements of the Company incorporated by reference in the Base Prospectus, the Prospectus Supplement or the Supplementary Material, which are material to the Company and the Subsidiaries (taken as a whole) or to the capital or operations of the Company;

- (m) the Company enters into derivative transactions for hedging purposes only, all such transactions are disclosed in the Company's financial statements in accordance with United States generally accepted accounting principles and the Company has no material exposure to any one counterparty;
- (n) the Company has no knowledge of any default, or any circumstances which with the giving of notice or lapse of time (or both) would give rise to a default, by any counterparty to any derivative transaction entered into with the Company or any of the Subsidiaries;
- (o) no lender to the Company or any of the Subsidiaries has reduced, or has given notice to the Company or any of the Subsidiaries, or has commenced negotiations with the Company or any of the Subsidiaries regarding the reduction of any credit facility, hedge facility or any other commitment with the Company or any of the Subsidiaries and the Company has no knowledge that any lender will not be able to fulfill its obligations and other commitments to the Company or any of the Subsidiaries;
- (p) the Company and each of the Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with United States generally accepted accounting principles and to maintain accountability for assets; (iii) access to its assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to differences; and (v) material information relating to it is made known to those within the Company or such Subsidiary responsible for the preparation of the financial statements during the period in which the financial statements have been prepared and that such material information is disclosed to the public within the time periods required by applicable Securities Laws;
- (q) except as is or will be disclosed in the Base Prospectus, the Prospectus Supplement or any Supplementary Material, there is no action, suit or proceeding (whether or not purportedly by or on behalf of, the Company or the Subsidiaries) to the knowledge of the Company, pending or threatened against or affecting the Company or any of the Subsidiaries at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency having jurisdiction over the Company or any of the Subsidiaries, domestic or foreign, which in any way materially adversely affects or could reasonably be expected to materially adversely affect the business, operations or condition of the Company and the Subsidiaries (taken as a whole) (financial or otherwise);
- (r) the Company is qualified in accordance with the provisions of NI 44-101 and NI 44-102 to file a short form base shelf prospectus in each of the Qualifying Jurisdictions and there are no reports or information that in accordance with the requirements of Securities Laws must be made publicly available in connection with the Offering as at the date hereof that have not been made publicly available as required;

- (s) the Company is not in default or breach of, and the execution, delivery, performance and compliance of or with the terms of this Agreement and the distribution of the Offered Shares by the Company will not result in any breach of, or be in conflict with or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under: (i) any material term or provision of the articles or resolutions of the directors (or any committee thereof) or the shareholders of the Company, or any of the Subsidiaries, as applicable; (ii) in any material respect, any material mortgage, note, indenture, contract, agreement, instrument, lease or other document of which any of the Company, or any of the Subsidiaries, is a party or by which it is bound; or (iii) in any material respect, any judgment, decree, order, statute, rule or regulation applicable to the Company;
- (t) the Company is authorized to issue an unlimited number of Common Shares, of which, as at May 18, 2018, 231,811,714 Common Shares are issued and outstanding, all of which Common Shares are issued as fully paid and non-assessable, and an unlimited number of first preferred shares, of which 3,864,636 Cumulative 5-Year Rate Reset First Preferred Shares, Series A, 2,135,364 Cumulative Floating Rate Reset First Preferred Shares, Series B, 10,000,000 Cumulative Rate Reset First Preferred Shares, Series C, 5,000,000 Cumulative Redeemable First Preferred Shares, Series E and 8,000,000 Cumulative Rate Reset First Preferred Shares, Series F were issued and outstanding as at the date hereof, and an unlimited number of second preferred shares, none of which are issued and outstanding as at the date hereof;
- (u) except as provided for herein and under the Company's stock option plan, dividend reinvestment and share purchase plan, restricted share unit plan for senior executives and the deferred share unit plan for non-employee directors, or pursuant to the issuance of Common Shares on conversion of any convertible unsecured subordinate debentures of the Company, no person now has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement (including convertible securities or warrants) for the purchase, subscription or issuance of Common Shares;
- (v) the Company has full corporate power and authority to issue the Offered Shares;
- (w) at the Closing Time, not more than 14,000,000 Series H Shares and not more than 14,000,000 Series I Shares will have been created as two series of first preferred shares of the Company and the Company has full corporate power and authority to issue the Series H Shares and the Series I Shares upon conversion of the Series H Shares;
- (x) the Series H Shares and the Series I Shares will conform to the descriptions thereof in the Prospectus Supplement;
- (y) when issued, all of the Offered Shares will have been duly and validly created, allotted and issued as fully paid and non-assessable;
- (z) when issued upon conversion of the Series H Shares, the Series I Shares will have been duly and validly created, allotted and issued as fully paid and non-assessable;
- (aa) the Company shall elect, in the manner and within the time provided under subsection 191.2(1) of Part VI.1 of the Tax Act, to pay tax at a rate such that no holder of Series H Shares or Series I Shares will be required to pay tax on dividends received (or deemed to be received) on the Series H Shares or Series I Shares under section 187.2 of Part IV.1 of the Tax Act;

- (bb) the rating on the Series H Shares is, or will be at the Closing Time, P-2 (low) by S&P;
- (cc) no Securities Regulators or similar regulatory authority or the TSX has issued any order which is currently outstanding preventing or suspending trading in any securities of the Company, no such proceeding is, to the knowledge of the Company, after reasonable inquiry of the senior officers of the Company, pending, contemplated or threatened and the Company is not in material default of any requirement of Securities Laws;
- (dd) the Company is a reporting issuer or the equivalent thereof in each of the Qualifying Jurisdictions where such concept exists and is not in breach of Securities Laws, except where such breach would not, singly or in the aggregate, be expected to have a Material Adverse Effect;
- (ee) the Company's Auditors, who have audited certain consolidated financial statements of the Company and delivered their report with respect to the audited consolidated financial statements included or incorporated by reference in the Base Prospectus and the Prospectus Supplement, are independent chartered accountants with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia;
- (ff) AST Trust Company (Canada), at its principal offices located in the Cities of Halifax, Montréal or Toronto, has been, or will be prior to the Closing Time, duly appointed as the transfer agent in respect of the Offered Shares;
- (gg) the Company has not taken, directly or indirectly, and will not take any action designed to or that would constitute or that might reasonably be expected to cause or result in, under Securities Laws or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Shares;
- (hh) except as set forth in or contemplated in the Base Prospectus, the Prospectus Supplement or any Supplementary Material or as otherwise disclosed to the Underwriters in writing, the Company and the Subsidiaries are: (i) in substantial compliance with all applicable Environmental Laws; (ii) have received and are in substantial compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) have not received notice of any actual or potential liability for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. Except as set forth in the Base Prospectus, the Prospectus Supplement or any Supplementary Material, neither the Company nor any of the Subsidiaries has been named as a "potentially responsible party" under the United States *Comprehensive Environmental Response, Compensation, and Liability Act of 1980*, as amended, or under any similar Canadian legislation;
- (ii) except as referred to in and contemplated by the Base Prospectus, the Prospectus Supplement and Supplementary Materials, if any, subsequent to the respective dates as of which information is given in such documents:

- (i) there has not been any material change in the operations, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Company and the Subsidiaries on a consolidated basis;
 - (ii) there has not been any material change in the capital or long-term debt of the Company and the Subsidiaries on a consolidated basis; and
 - (iii) there has not been any material change in the condition of the Company;
- (jj) except as provided herein, there is no person, firm or corporation which has been engaged by the Company to act for the Company and which is entitled to any brokerage or finder's fee in connection with the Offered Shares, and in the event any such person, firm or corporation establishes a claim for any fee from the Underwriters, the Company covenants to indemnify and hold harmless the Underwriters with respect thereto and with respect to all costs reasonably incurred in the defence thereof; and
- (kk) other than as disclosed to the Underwriters in writing: (i) the Company and each Subsidiary has, on a timely basis, filed all necessary tax returns and notices and has paid or made provision for all applicable taxes of whatever nature for all tax years to the date hereof to the extent such taxes have become due or have been alleged to be due, except to the extent that the failure to do any of the foregoing would not be expected to have a Material Adverse Effect; and (ii) the Company is not aware of any material tax deficiencies or material interest or penalties accrued or accruing or alleged to be accrued or accruing, thereon with respect to itself or any subsidiary which have not otherwise been provided for by the Company, except to the extent that any such deficiency, interest or penalty would not be expected to have a Material Adverse Effect.

Section 8 Representations and Warranties Regarding the Base Prospectus, the Prospectus Supplement and the Supplementary Material

- (1) The delivery to the Underwriters of the Base Prospectus, the Prospectus Supplement or any Supplementary Material shall constitute the representation and warranty of the Company to the Underwriters that, at the time of such delivery, the information and statements contained therein, and of any documents incorporated therein by reference (except information and statements relating solely to and provided by the Underwriters expressly for inclusion therein):
- (a) are true and correct in all material respects;
 - (b) constitute full, true and plain disclosure of all material facts relating to: (i) the Company and its subsidiaries on a consolidated basis; and (ii) the Offered Shares;
 - (c) contain no misrepresentations; and
 - (d) do not omit a material fact which is necessary to make the information and statements contained therein not misleading in light of the circumstances in which they were made.
- (2) Such delivery shall also constitute the Company's consent to the use of the Base Prospectus, the Prospectus Supplement, or the Supplementary Material, as the case may be, by the Underwriters for the purpose of offering and selling the Offered Shares in the Qualifying Jurisdictions in accordance with Securities Laws, as contemplated herein. The Underwriters covenant and agree not to make any representation or warranty as to the Company or the Offered Shares other than as set forth in the Base Prospectus, the Prospectus Supplement or any Supplementary Material.

Section 9 Covenants of the Company

The Company covenants and agrees with each of the Underwriters that:

- (a) at the respective times of filing, the Base Prospectus, the Prospectus Supplement, any Supplementary Material and any documents incorporated by reference therein fully complied or will fully comply with the requirements of Securities Laws;
- (b) immediately following the acceptance of the offer made by the Underwriters herein, the Company will, in addition to its other obligations hereunder: (i) forthwith prepare and file or cause to be prepared and filed all documents and take or cause to be taken all actions required under Securities Laws and the by-laws, rules, policies and regulations of the TSX in order to issue and sell to the Underwriters the Offered Shares for distribution to the public in the Qualifying Jurisdictions, and to cause the Offered Shares to be listed and posted for trading on the TSX prior to or on the Closing Date; and (ii) make all necessary filings and use its best efforts to obtain all necessary regulatory and other consents, exemptions and approvals required in connection with the transactions contemplated by this Agreement;
- (c) the Company will prepare and file promptly any Supplementary Material which in the opinion of the Company, acting reasonably, may be necessary or advisable, after consultation with the Underwriters and in accordance with this Agreement;
- (d) the Company will advise the Underwriters, promptly after receiving notice thereof of the time when any Supplementary Material has been filed and will provide evidence satisfactory to the Underwriters of any such filing;
- (e) the Company will, until the end of the distribution of the Offered Shares, advise the Underwriters, promptly after receiving notice, or obtaining knowledge of: (i) the issuance of any order suspending or preventing the use of the Base Prospectus, the Prospectus Supplement or any Supplementary Material; (ii) the imposition of cease trading or similar orders affecting the Offered Shares, the Underwriters' Option or any other securities of the Company, or the institution, threatening or contemplation of any proceeding for any such purpose; or (iii) any request made by any Securities Regulator or other authority to amend or supplement the Base Prospectus, the Prospectus Supplement or any Supplementary Material. The Company will use its best efforts to prevent the issuance of any such order and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;
- (f) the Company will promptly notify the Underwriters of any notice received by the Company that the rating assigned to the Offered Shares by S&P is to be lowered or that such rating agency has under surveillance or review, with possible negative implications, its rating of the Company or the Offered Shares;
- (g) the Company agrees, from the date hereof until the date which is 90 days after the Closing Date, that it will not, directly or indirectly, sell, agree or offer to sell, grant any option for the sale of, or otherwise dispose of any first preferred shares or securities convertible into first preferred shares (or announce any intention to do any of the foregoing), without the prior written consent of the Co-Lead Underwriters, which consent shall not be unreasonably withheld or delayed; and

- (h) the Company shall use the net proceeds from the sale of the Offered Shares in the manner described in the Prospectus Supplement.

Section 10 Underwriters' Fees

In consideration for the Underwriters' services in:

- (a) assisting in the preparation of the Base Prospectus, the Prospectus Supplement and the Supplementary Material;
- (b) forming and managing banking, selling or other groups in connection with the distribution of the Offered Shares;
- (c) distributing the Offered Shares, both directly and through other registered dealers and brokers; and
- (d) all other matters in connection with the issue and sale of the Offered Shares;

the Company agrees to pay to the Underwriters, by certified cheque or wire transfer, a fee (the "**Commission**") equal to 1.00% of the gross proceeds to the Company for the Offered Shares sold to certain exempt institutions, as agreed to between the Company and the Co-Lead Underwriters, and 3.00% of the gross proceeds to the Company from all other Offered Shares purchased by the Underwriters hereunder.

Section 11 Closing Procedures

- (1) The purchase of the Firm Shares shall be completed at the Closing Time at the offices of the Company's Counsel or at such other place as the Underwriters and the Company may agree. At the Closing Time the Company will deliver to the Co-Lead Underwriters (or any one of them as the Co-Lead Underwriters may jointly direct), on behalf of the Underwriters:
 - (a) via electronic deposit, the Firm Shares, to be registered as directed by the Underwriters and settled in CDS under the non-certificated inventory system; and
 - (a) such further deliverables as may be contemplated herein or as the Underwriters or the applicable Securities Regulators or the TSX may reasonably require, against payment by the Underwriters of the purchase price for the Firm Shares by wire transfer.
- (2) In the event the Underwriters' Option is exercised in accordance with its terms, the Company will deliver to the Co-Lead Underwriters (or any one of them as the Co-Lead Underwriters may jointly direct), on behalf of the Underwriters:
 - (a) via electronic deposit, the Optional Shares, to be registered as directed by the Underwriters and settled in CDS under the non-certificated inventory system; and
 - (b) such further deliverables as may be contemplated herein or as the Underwriters or the applicable Securities Regulators or the TSX may reasonable require, against payment by the Underwriters of the purchase price for the Optional Shares by wire transfer.
- (3) In order to facilitate an efficient and timely closing at the Closing Time, as the case may be, the Underwriters may choose to initiate a wire transfer of funds to the Company prior to the Closing Time. If the Underwriters do so, the Company agrees that such transfer of funds to the Company

prior to the Closing Time, does not constitute a waiver by the Underwriters of any of the conditions set out in this Agreement. Furthermore, the Company agrees that any such funds received from the Underwriters prior to the Closing Time will be held by the Company in trust solely for the benefit of the Underwriters until the Closing Time and, if the closing does not occur at the scheduled Closing Time such funds shall be immediately returned by wire transfer to the Co-Lead Underwriters on behalf of the Underwriters, without interest. Upon the satisfaction of the conditions of closing at the Closing Time, the funds held by the Company in trust for the Underwriters shall be deemed to be delivered by the Underwriters to the Company in satisfaction of the obligation of the Underwriters under Section 11 of this Agreement and upon such delivery the trust constituted by this Section 11(3) shall be terminated without further formality.

- (4) Notwithstanding anything to the contrary contained in this Section 11, the Company and the Co-Lead Underwriters may agree to any alternative form of delivery of the Offered Shares, including delivery by electronic or such other means.

Section 12 Expenses

- (1) Except as otherwise provided herein, the Company agrees to pay all costs, fees and expenses incidental to the performance of the obligations set forth under this Agreement, whether or not the transactions contemplated herein are consummated, including, without limitation, all costs and expenses incidental to:
- (a) the printing or other publication of all documents contemplated hereby, including all costs of printing the Base Prospectus, the Prospectus Supplement, Marketing Documents, and the Supplementary Material;
 - (b) all arrangements relating to the delivery to the Underwriters of copies of the foregoing documents;
 - (c) the reasonable fees and disbursements of the Company's Counsel, the Company's Auditors and any other experts or advisors retained by the Company;
 - (d) the translation of the Base Prospectus, the Prospectus Supplement and any Supplementary Material;
 - (e) all fees in connection with the services of any registrar and transfer agent for the Offered Shares; and
 - (f) the qualification for distribution of the Offered Shares and the Underwriters' Option under Securities Laws in each of the Qualifying Jurisdictions, including all applicable fees and all listing fees relating to the listing of the Offered Shares.
- (2) Legal fees and disbursements of the Underwriters' Counsel and out-of-pocket expenses of the Underwriters shall be borne by the Underwriters, provided, however, that in the event that the Offering is terminated, other than by reason of default of the Underwriters, the Company shall reimburse the Underwriters for any and all out-of-pocket expenses, legal fees and disbursements reasonably incurred by the Underwriters.

Section 13 Conditions Precedent

- (1) The obligations of the Underwriters to purchase and pay for the Offered Shares shall be subject to the performance by the Company of its covenants and agreements hereunder and to the satisfaction of the following additional conditions at or prior to the Closing Time:
 - (a) the Underwriters shall have received legal opinions dated the Closing Date from Company's Counsel, addressed to the Underwriters and Underwriters' Counsel, relating to the Offering and as to the laws of Canada and the Qualifying Jurisdictions, substantially in the form set forth in Exhibit 1 hereto. In giving their opinions, Company's Counsel shall be entitled to rely exclusively upon the opinions of local counsel as to the matters relating to jurisdictions other than the Provinces of Ontario, Alberta, British Columbia, Québec and (except with respect to applicable Securities Laws, on which reliance may be made on the Company's local counsel) Nova Scotia. In giving their opinions, Company's Counsel shall be entitled to rely, as to matters of fact, upon certificates of officers of the Company, the Company's registrar and transfer agent and the Company's Auditors, and on certificates of public and stock exchange officials;
 - (b) the Underwriters shall have received legal opinions dated the Closing Date from Underwriters' Counsel, addressed to the Underwriters, relating to the Offering and as to the laws of Canada and the Qualifying Jurisdictions, it being understood that Underwriters' Counsel may rely on the opinions of Company's Counsel;
 - (c) the Underwriters shall have received an opinion from the Company's Counsel to the effect that the laws of the Province of Québec relating to the use of the French language have been complied with in connection with the sale of the Offered Shares to purchasers in the Province of Québec;
 - (d) the Company shall have duly and validly created and authorized the issuance of the Series H Shares and the Series I Shares issuable upon conversion of the Series H Shares;
 - (e) the Underwriters shall have received a certificate, or certificates, dated the Closing Date and executed by: (A) in the case of clauses (i), (iv), (v), (vi) and (vii) below, each of the President and Chief Executive Officer and the Chief Financial Officer of the Company; and (B) in the case of clauses (ii), (iii) and (viii) below, the Corporate Secretary of the Company, in each case on behalf of the Company, without personal liability, to the effect that, to the best of their knowledge, information and belief:
 - (i) no order suspending or preventing the use of the Base Prospectus or the Prospectus Supplement or any amendment thereto or cease trading the Offered Shares, the Common Shares or any other securities of the Company, has been issued, and no proceedings for that purpose have been instituted or threatened by any Securities Regulator;
 - (ii) the constating documents of the Company attached to the certificate are full, true and correct copies and in effect on the date of such certificate;
 - (iii) the resolutions of the board of directors of the Company relating to the Offering attached to the certificate are full, true and correct copies thereof and have not been modified or rescinded as of the date of such certificate;

- (iv) subsequent to the respective dates as of which information is given in the Base Prospectus, the Prospectus Supplement and any Supplementary Material, there has not been any material adverse change, actual or to the knowledge of the Company, pending, in the capital, assets, liabilities (absolute, accrued, contingent or otherwise), earnings, business, operations or condition (financial or otherwise) or results of the operations of the Company and the Subsidiaries (taken as a whole);
- (v) subsequent to the respective dates as of which information is given in the Base Prospectus, the Prospectus Supplement and any Supplementary Material, no transaction out of the ordinary course of business, material to the Company and the Subsidiaries on a consolidated basis, has been entered into by the Company or any of the Subsidiaries or has been approved by the management of any of them;
- (vi) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects as of the Closing Date with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated hereby;
- (vii) the Company has duly complied in all material respects with all the terms and conditions of this Agreement on its part to be complied with up to the Closing Time; and
- (viii) the incumbency and specimen signatures of the signing officers relating to this Agreement and the transactions contemplated hereby are true and correct;
- (f) The Underwriters shall have received a copy of a letter from S&P dated the day before the Closing Date confirming that the Offered Shares are rated at least "P-2 (low)" by S&P;
- (g) the Underwriters shall have received a comfort letter of the Company's Auditors in form and substance satisfactory to Underwriters' Counsel, acting reasonably, similar to the comfort letter to be delivered to the Underwriters pursuant to Section 5(2)(f) hereof, and updated to a date not less than two days prior to the Closing Date;
- (h) on the Closing Date, the Firm Shares and the Optional Shares (if applicable) shall be listed and posted for trading on the TSX;
- (i) the Company shall have confirmed the electronic deposit of the Offered Shares through the facilities of CDS, as specified in Section 11 hereof; and
- (j) the Underwriters shall have received the Commission in the manner specified in Section 10 hereof.

Section 14 Indemnification and Contribution

- (1) The Company covenants and agrees to indemnify and save harmless each of the Underwriters and their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, partners, shareholders and agents (each an "**Indemnified Party**") against all losses (other than a loss of profits in connection with the distribution of the Offered Shares), claims, damages, liabilities, costs or expenses (collectively, a "**Claim**") caused or incurred by reason of:

- (a) any untrue statement or alleged untrue statement made by the Company in Section 7 or Section 8 hereof or in any certificate delivered to the Underwriters pursuant to this Agreement;
- (b) any statement or information contained in the Base Prospectus, the Prospectus Supplement or any Supplementary Material that may be filed on behalf of the Company under Securities Laws (other than any statement or information relating solely to the Underwriters and provided by the Underwriters in writing expressly for inclusion in such document) containing or being alleged to contain a misrepresentation (for the purposes of Securities Laws) or being alleged to be untrue, false or misleading;
- (c) the omission or alleged omission to state in the Base Prospectus, the Prospectus Supplement or any Supplementary Material any material fact (for the purposes of Securities Laws) (other than a material fact relating solely to the Underwriters) required to be stated therein or necessary to make any statement therein not false or misleading in the light of the circumstances under which it is made;
- (d) any material breach or default under any representation, warranty, covenant or agreement of the Company in this Agreement or any other document delivered pursuant to this Agreement or under Securities Laws, or the failure by the Company to comply with any of its obligations under this Agreement or under Securities Laws;
- (e) the Company not complying with any requirement of Securities Laws, or any breach or violation or alleged breach or violation of any Securities Laws or any other applicable securities legislation of any jurisdiction; or
- (f) any order made or inquiry, investigation or proceeding (formal or informal) commenced or threatened by any officer or official of any Securities Regulator based upon the circumstances described in Section 14(1)(a), Section 14(1)(b), Section 14(1)(c), Section 14(1)(d) or Section 14(1)(e) above which operates to prevent or restrict trading in or distribution of the Offered Shares or any other securities of the Company in any of the Qualifying Jurisdictions,

except that if and to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable determines that the Claim was a direct result of the fraud, negligence or wilful misconduct of the Indemnified Party claiming indemnity, such Indemnified Party will promptly reimburse the Company any funds advanced to the Indemnified Party in respect of such Claim and the indemnity provided for in this Section 14 shall cease to apply to such Indemnified Party in respect of such Claim. For greater certainty, the Company and the Underwriters agree that they do not intend that any failure by the Underwriters to conduct such reasonable investigation as necessary to provide the Underwriters with reasonable grounds for believing the Base Prospectus, Prospectus Supplement and Supplementary Material, if any, contained no misrepresentation shall constitute "fraud", "negligence" or "wilful misconduct" for the purposes of this Section 14 or otherwise disentitle the Underwriters from indemnification hereunder.

- (2) If any matter or thing contemplated by this Section 14 shall be asserted against any Indemnified Party in respect of which indemnification is or might reasonably be considered to be provided, such Indemnified Party shall notify the Company as soon as possible of the nature of any Claim, but the omission to so notify the Company will not relieve the Company from any liability which it may have to any Indemnified Party under this Section 14, except to the extent that such delay prejudices the Company's ability to contest such Claim, and, upon such notice, the Company

shall be entitled (but not required) to assume the defence, on behalf of the Indemnified Party, of any suit brought to enforce such Claim; provided, however, that the defence shall be through legal counsel acceptable to the Indemnified Party, acting reasonably and that the Company shall bear the fees, costs and expenses of such defence.

- (3) With respect to any Claim, the Indemnified Party shall have the right to retain additional counsel to act on his, her or its behalf, provided the fees and disbursements of such additional counsel shall be paid by the Indemnified Party, unless:
 - (a) the Company and the Indemnified Party shall have mutually agreed to the retention of the additional counsel; or
 - (b) the named parties to any Claim (including any added, third or impleaded parties) include both the Indemnified Party, on the one hand, and the Company, on the other hand, and the Indemnified Party has been advised in writing by his, her or its outside counsel that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them.
- (4) In the event that the Company does not assume the defence of a Claim within ten (10) days after receiving notice thereof, the Indemnified Party shall have the right to retain his, her or its own legal counsel and the Company shall bear the reasonable fees, costs and expenses of such counsel. Notwithstanding the foregoing, in no event shall the Company be required to pay the fees and expenses of more than one set of counsel for all of the Indemnified Parties in respect of any particular Claim or related set of Claims.
- (5) The rights of indemnity contained in this Section 14 shall not enure to the benefit of the Underwriters or any other Indemnified Party if the Company has complied with the provisions of Section 6 and Section 9(a) hereof and the person asserting any Claim contemplated by this Section 14 was not provided with a copy of any Base Prospectus, Prospectus Supplement or Supplementary Material which corrects any untrue statement or information, misrepresentation (for the purposes of Securities Laws or any of them) or omission which is the basis of such Claim and which is required under Securities Laws to be delivered to such person by the Underwriters or members of their banking or selling group (if any).
- (6) The Company hereby waives its right to recover contribution from any of the Underwriters or any other Indemnified Party with respect to any liability of the Company by reason of or arising out of any misrepresentation (for the purposes of Securities Laws) contained in the Base Prospectus, the Prospectus Supplement or any Supplementary Material, if any; provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of:
 - (a) any misrepresentation (for the purposes of Securities Laws) which is based upon or results from a statement or information relating solely to the Underwriters and furnished by them in writing for inclusion in such documents; or
 - (b) any failure by the Underwriters or members of their banking or selling group (if any) to provide to purchasers of the Offered Shares any document which the Company is required to provide to such purchasers and which it has provided to the Underwriters to forward to such purchasers.

- (7) With respect to any Indemnified Party who is not a party to this Agreement, the Underwriters shall obtain and hold the rights and benefits of this Section 14 in trust for and on behalf of such Indemnified Party.
- (8) If for any reason the indemnification provided for in Section 14 hereof is unavailable, in whole or in part, to an Indemnified Party in respect of any Claim (or claims in respect thereof) referred to in this Section 14 hereof, and subject to the restrictions and limitations referred to herein, the Company shall contribute the amount paid or payable (or, if such indemnity is available only in respect of a portion of the amount so paid or payable, such portion of the amount so paid or payable) by such Indemnified Party as a result of such losses (except for loss of profits in connection with the distribution of the Offered Shares), or Claims (or claims in respect thereof):
 - (a) such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the distribution of the Offered Shares; or
 - (b) if the allocation provided by Section 14(8)(a) above is not permitted by Securities Laws, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 14(8)(a) above but also the relative fault of the Company on the one hand and the Underwriters on the other hand in connection with the statement, information, misrepresentation, omission, order, inquiry, investigation, proceeding or other matter or thing referred to in this Section 14 hereof which resulted in such Claim (or claims in respect thereof), as well as any other relevant equitable considerations.
- (9) The rights to contribution provided herein shall be in addition to and not in derogation of any right to contribution which the Underwriters may have by statute or otherwise at law.
- (10) The relative benefits received by the Company on the one hand and the Underwriters on the other hand shall be deemed to be in the same proportion as the total proceeds from the distribution of the Offered Shares (net of the fee payable to the Underwriters but before deducting expenses) received by the Company are to the fee received by the Underwriters, in each case as set forth in the table on the face page of the Prospectus Supplement. The Underwriters shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate fees actually received by the Underwriters from the Company. The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether the statement, information, misrepresentation, omission, order, inquiry, investigation, proceeding or other matter or thing referred to in Section 14 hereof which resulted in such Claim (or claims in respect thereof) relates to information supplied by or steps or actions taken or done by or on behalf of the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, information, misrepresentation, omission, order, inquiry, investigation, proceeding or other matter or thing referred to in Section 14 hereof. The amount paid or payable by an Indemnified Party as a result of a Claim (or claims, actions, suits or proceedings in respect thereof) referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claim (or claims in respect thereof), whether or not resulting in any such action, suit, proceeding or claim.
- (11) If any provision of this Section 14 is determined to be void, voidable or unenforceable, in whole or in part, such determination shall not affect or impair or be deemed to affect or impair the validity of any other provision of this Agreement and such void, voidable or unenforceable provision shall be severable from this Agreement.

Section 15 Survival

- (1) The respective representations, warranties, agreements, covenants, indemnities and contribution obligations of the Company and the Underwriters set forth in this Agreement shall survive the purchase by the Underwriters of the applicable Offered Shares and remain in full force and effect regardless of: (i) any investigation made by or on behalf of the Company, the Underwriters or any of their respective officers or directors; (ii) delivery of and payment for the Offered Shares; and (iii) any subsequent disposition by the Underwriters of the Offered Shares.
- (2) The provisions of Section 15(1) shall not apply if the Underwriters do not purchase any of the Offered Shares. In such circumstances, there shall be no further liability of the Company to the Underwriters under the terms of this Agreement except in respect of any liability that may have arisen or may thereafter arise under Section 12 or Section 14.

Section 16 Obligations of Underwriters

- (1) Subject to the terms hereof, the obligations of the Underwriters to purchase the Firm Shares and, if applicable, the Optional Shares in accordance with Section 4, at the Closing Time shall be several and not joint and several and their respective obligations and rights in this regard shall be in the following percentages:

Scotia Capital Inc.	20%
CIBC World Markets Inc.	20%
RBC Dominion Securities Inc.	20%
TD Securities Inc.	20%
BMO Nesbitt Burns Inc.	13%
National Bank Financial Inc.	5%
Industrial Alliance Securities Inc.	1%
Raymond James Ltd.	1%
Total	100%

- (2) If one or more of the Underwriters should default in its obligations to purchase its respective percentage of the Firm Shares or Optional Shares, as applicable (the “**Defaulted Securities**”), at the Closing Time, the non-defaulting Underwriters shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all but not less than all of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the non-defaulting Underwriters shall not have completed such arrangements within such 24 hour period, then:
 - (a) if the number of Defaulted Securities is less than 10% of the number of Firm Shares or Optional Shares, as applicable, to be purchased hereunder, the non-defaulting Underwriters shall be obligated, each severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations bear to the underwriting obligations of all non-defaulting Underwriters; or
 - (b) if the number of Defaulted Securities is 10% or more of the number of Firm Shares or Optional Shares, as applicable, to be purchased hereunder, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.
- (3) In the event of any default by an Underwriter as described in this Section 16, the non-defaulting Underwriters shall have the right to postpone the Closing Date for not more than three business

days in order that any changes in the arrangements or documents for the purchase and delivery of the Firm Shares or Optional Shares, as applicable, may be made. Nothing in this Section 16 shall require the Company to sell less than all of the Firm Shares or Optional Shares, as applicable, or relieve any defaulting Underwriter from liability in respect of its default hereunder to the Company and to the non-defaulting Underwriters.

- (4) In connection with the distribution of the Offered Shares, the Underwriters and members of their selling group (if any) may over allot or effect transactions which stabilize or maintain the market price of the Offered Shares at levels other than those which might otherwise prevail in the open market or engage in such other activities as are set out in a Prospectus Supplement, in compliance with applicable Securities Laws and the rules and regulations of applicable stock exchanges and regulators. Those stabilizing transactions, if any, may be discontinued at any time at the sole discretion of the Underwriters. The Underwriters may also offer the Offered Shares at a lower price than the Offering Price, subject to the conditions set out in a Prospectus Supplement.

Section 17 Termination

- (1) In addition to any other remedies which may be available to the Underwriters, any Underwriter shall be entitled, without liability, at such Underwriter's sole discretion in accordance with this Section 17(1), to terminate and cancel such Underwriter's obligations under this Agreement in respect of any Offered Shares not then purchased under this Agreement by written notice to that effect given to the Company prior to the Closing Time if, at or prior to the Closing Time:
- (a) there should occur or commence, or be announced or threatened, any inquiry, action, suit, investigation or other proceeding (whether formal or informal) other than any inquiry, action, suit, investigation or other proceeding based on alleged activities of the Underwriters, or any order is issued by any governmental authority, other than an order based on the alleged activities of the Underwriters, or any law or regulation is promulgated, changed or announced, which, in the reasonable opinion of the Underwriters (or any of them), is expected to prevent or materially restrict the trading in or the distribution of the Offered Shares or any other securities of the Company or would be expected to have a material adverse effect on the market price or value of the Offered Shares or any other securities of the Company;
 - (b) there shall be any adverse change in the assigned ratings on the Offered Shares by S&P or in the assigned ratings of the Company or any other securities of the Company by S&P or Moody's;
 - (c) (i) there shall occur any material change (actual, contemplated or threatened) in the business, affairs, operations, assets, liabilities (contingent or otherwise), earnings, capital or ownership or condition (financial or otherwise) of the Company and its Subsidiaries (taken as a whole) (other than a change related solely to the Underwriters); or (ii) the Underwriters (or any one of them) determine that there exists any fact or circumstance which existed prior to the date hereof and had not been disclosed prior to the date hereof, which in their sole opinion, acting reasonably, would be expected to have a material adverse effect on the market price or value of the Offered Shares; or
 - (d) there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, or any law, action, regulation or other occurrence of any nature whatsoever

which, in the reasonable opinion of the Underwriters (or any of them): (i) materially adversely affects or involves, or is expected to materially adversely affect or involve, the North American financial markets generally or the business, operations or affairs of the Company and its subsidiaries (taken as a whole); and (ii) is expected to prevent, suspend or materially restrict the trading in the Offered Shares.

- (2) The rights of termination contained in this Section 17(1) may be exercised by the Underwriters (or any of them) and are in addition to any other rights or remedies the Underwriters (or any of them) may have in respect of any default, act, or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. A notice of termination given by an Underwriter under this Section 17(1) shall not be binding upon the other Underwriters. In the event that one or more, but not all of the Underwriters shall exercise the right of termination herein, the other Underwriter(s) shall have the right, but shall not be obligated, to purchase on a pro rata basis in accordance with Section 16(1) (or on such other basis as may be agreed to by the remaining Underwriters) all of the Offered Shares which would otherwise have been purchased by the Underwriter(s) which has so terminated. Nothing in this Section 17(1) shall oblige the Company to sell to the Underwriters less than all of the Offered Shares.
- (3) All terms and conditions of this Agreement shall be construed as conditions and any breach or failure to comply in all material respects with any such terms or conditions which are for the benefit of the Underwriters shall entitle any of the Underwriters to terminate its obligation to purchase the Offered Shares by notice in writing to that effect given to the Company at or prior to the Closing Time. The Underwriters may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to their rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing and signed by all of the Underwriters.

Section 18 Due Diligence

- (1) Prior to the filing of the Prospectus Supplement, the Company shall allow the Underwriters and their counsel to participate fully in the preparation of the Prospectus Supplement and such Supplementary Materials, respectively, and shall allow the Underwriters and their counsel to conduct all due diligence investigations which each of them may reasonably require in order to fulfil their obligations as underwriters under applicable Securities Laws and in order to enable the Underwriters to responsibly execute the certificate required to be executed by the Underwriters in the Prospectus Supplement and any Supplementary Materials.
- (2) Following the filing of the Prospectus Supplement and until the completion of the distribution of the Offered Shares, the Company shall allow the Underwriters and their counsel to conduct any due diligence investigations which any of them reasonably requires to confirm as at any date that it continues to have reasonable grounds for the belief that the Prospectus Supplement does not contain a misrepresentation as at such date.

Section 19 Post-Closing Covenants of the Underwriters

- (1) The Underwriters shall after the Closing Time: (a) use their best efforts to terminate, and to cause the members of any banking, selling or other group to terminate, distribution to the public of the Offered Shares as promptly as possible; and (b) give prompt written notice to the Company, with a copy to Company's Counsel, when, in the opinion of the Underwriters, they and the members of such groups have ceased distribution to the public of the Offered Shares and of the total

proceeds realized from such distribution in each of the respective Qualifying Jurisdictions in which such information is or may be required by the appropriate Securities Regulators.

Section 20 Notices

All communications hereunder shall be in writing and shall be telecopied or delivered, and shall, in the case of notice to the Company, be addressed and sent to:

Emera Incorporated

1223 Lower Water Street
Halifax, Nova Scotia B3J 3S8

Attention: Stephen D. Aftanas, Corporate Secretary
Telecopier No.: (902) 428-6171

With a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP

100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, Ontario M5X 1B8

Attention: John Macfarlane
Telecopier No.: (416) 862-6666

And in the case of notice to the Underwriters, be addressed and sent to each of the following:

Scotia Capital Inc.

40 King Street West, 64th Floor
Toronto, Ontario M5W 2X6

Attention: Jared Steinfeld
Telecopier No.: (416) 863-7117

CIBC World Markets Inc.

161 Bay Street, 6th Floor
Toronto, ON M5J 2S8

Attention: David Williams
Telecopier No.: (416) 956-6334

RBC Dominion Securities Inc.

South Tower, Royal Bank Plaza
200 Bay Street, 4th Floor
Toronto, Ontario M5J 2W7

Attention: David Dal Bello
Telecopier No.: (416) 842-7642

TD Securities Inc.

TD Tower
66 Wellington Street West, 9th Floor
Toronto, Ontario, M5K 1A2

Attention: Harold R. Holloway
Telecopier No.: (416) 983-3176

With a copy (which shall not constitute notice) to:

Stikeman Elliott LLP

5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Joel Binder
Telecopier No.: (416) 947-0866

The parties may change their respective addresses and telecopy numbers for notice, by notice given in the manner aforesaid. Any such notification shall be deemed to be effective when telecopied or delivered, if telecopied or delivered to the recipient on a business day and before 3:00 p.m. (local time) on such business day, and otherwise shall be deemed to be given at 9:00 a.m. (local time) on the next following business day.

Section 21 Successors

This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Company and their respective successors and legal representatives and nothing expressed or mentioned in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement, or any provisions herein contained, this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of such persons and for the benefit of no other person.

Section 22 Applicable Law

The validity and interpretation of this Agreement, and the terms and conditions set forth herein, shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. Any suit, action or proceeding against any party hereto or any of its assets arising out of or relating to this Agreement may be brought in a competent court of the Province of Nova Scotia and each party hereto hereby irrevocably and unconditionally attorns and submits to the non-exclusive jurisdiction of such court over the subject matter of any such suit, action or proceeding. Each party hereto irrevocably waives and agrees not to raise any objection it might now or hereafter have to any such suit, action or proceeding in any such court including any objection that the place where such court is located is an inconvenient forum or that there is any other suit, action or proceeding in any other place relating in whole or in part to the same subject matter.

Section 23 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 24 Time of Essence

Time shall be of the essence of this Agreement.

Section 25 Authority of the Co-Lead Underwriters

- (1) Each of Scotiabank, CIBC, RBC and TD are hereby authorized by the other Underwriters to act on their behalf and the Company shall be entitled to and shall act on any notice given in accordance with this Agreement or any agreement entered into by or on behalf of the Underwriters by the Co-Lead Underwriters which represent and warrant that they have irrevocable authority to bind the Underwriters, except in respect of any consent to a settlement pursuant to Section 14, which consent shall be given by the Indemnified Party, or a notice of termination given pursuant to Section 17(1), which notice may be given by any of the Underwriters, or a waiver or extension granted pursuant to Section 17(1), which waiver or extension must be granted by all of the Underwriters in writing. The Co-Lead Underwriters shall consult with the other Underwriters concerning any matter in respect of which it acts as representative of the Underwriters.
- (2) The Company hereby acknowledges that: (a) the purchase and sale of the Offered Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and each of the Underwriters and any affiliate through which it may be acting, on the other; (b) each of the Underwriters is acting as principal and not as an agent or fiduciary of the Company; and (c) the Company's engagement of each of the Underwriters in connection with the Offering and the process leading up to the Offering is as independent contractors and not in any other capacity. Furthermore, the Company agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether any of the Underwriters has advised or is currently advising the Company on related or other matters). The Company agrees that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owes an agency, fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.
- (3) Each of CIBC, TD and National Bank Financial Group, or an affiliate thereof, owns or controls an equity interest in TMX Group Limited ("**TMX Group**") and has a nominee director serving on the TMX Group's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSX, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.

[Signature page follows.]

If the foregoing is in accordance with your understanding and agreed to by you, please signify your acceptance by signing in the space provided below and return this letter to us, whereupon this letter as so accepted shall constitute a binding agreement among us in accordance with the foregoing.

Yours very truly,

SCOTIA CAPITAL INC.

By: (Signed) "Jared Steinfeld"
Jared Steinfeld
Authorized Signing Officer

CIBC WORLD MARKETS INC.

By: (Signed) "David Williams"
David Williams
Authorized Signing Officer

RBC DOMINION SECURITIES INC.

By: (Signed) "David Dal Bello"
David Dal Bello
Authorized Signing Officer

TD SECURITIES INC.

By: (Signed) "Harold R. Holloway"
Harold R. Holloway
Authorized Signing Officer

BMO NESBITT BURNS INC.

By: (Signed) "Pierre-Olivier Perras"
Pierre-Olivier Perras
Authorized Signing Officer

NATIONAL BANK FINANCIAL INC.

By: (Signed) "Iain Watson"
Iain Watson
Authorized Signing Officer

INDUSTRIAL ALLIANCE SECURITIES INC.

By: (Signed) "David Beatty"
David Beatty
Authorized Signing Officer

RAYMOND JAMES LTD.

By: (Signed) "James Tower"
James Tower
Authorized Signing Officer

Accepted as of this 22nd day of May, 2018.

EMERA INCORPORATED

By: (Signed) "Gregory W. Blunden"
Name: Gregory W. Blunden
Title: Chief Financial Officer

By: (Signed) "Stephen D. Aftanas"
Name: Stephen D. Aftanas
Title: Corporate Secretary

EXHIBIT 1
OPINION OF OSLER, HOSKIN & HARCOURT LLP

(including Stephen D. Aftanas, Corporate Secretary, and Nova Scotia counsel)

1. the Company is a corporation incorporated and existing under the laws of Nova Scotia and has the corporate power to conduct its business as described in the Base Prospectus and the Prospectus Supplement;
2. each of Nova Scotia Power Incorporated, Emera Maine, Emera Brunswick Pipeline Company Ltd. and Emera Newfoundland and Labrador Holdings Incorporated (individually a “**Subsidiary**” and collectively the “**Subsidiaries**”) is a corporation incorporated and existing under the jurisdiction of its incorporation and has the corporate power to conduct its business as described in the Base Prospectus and the Prospectus Supplement;
3. the Company has the corporate power to enter into and deliver the Underwriting Agreement and to perform its obligations thereunder and to carry out the transactions contemplated thereby and the Underwriting Agreement has been authorized, executed and, to the extent delivery is a matter governed by the laws of the Province of Nova Scotia or the federal laws of Canada applicable therein (the “**Applicable Laws**”), delivered by the Company, and such agreement is a legal, valid and binding agreement of the Company and is enforceable against the Company in accordance with its terms under Applicable Laws;
4. the Company’s authorized share capital consists of an unlimited number of Common Shares, an unlimited number of First Preferred Shares and an unlimited number of Second Preferred Shares;
5. [12,000,000/14,000,000] Series H Shares and [12,000,000/14,000,000] Series I Shares have been created as two series of First Preferred Shares;
6. the attributes and characteristics of the Series H Shares and the Series I Shares conform in all material respects with the descriptions thereof in the Base Prospectus and the Prospectus Supplement;
7. the Offered Shares to be delivered under the Underwriting Agreement will, when issued, be validly issued as fully paid and non-assessable shares in the capital of the Company;
8. the Series I Shares issuable upon conversion of the Series H Shares have been duly reserved and allotted and will, upon conversion of the Series H Shares in accordance with the terms thereof, be validly issued as fully paid and non-assessable shares in the capital of the Company;
9. the execution and delivery by the Company of, and the performance by the Company of its obligations under the Underwriting Agreement will not contravene any provisions of: (a) the memorandum and articles of association, as amended, of the Company and the *Nova Scotia Power Reorganization (1998) Act*; (b) Applicable Laws applicable to the offering of the Offered Shares, excluding the Company’s and any of its subsidiaries’ specially regulated activities (as to which such counsel need express no opinion); (c) to the knowledge of such counsel, any indenture, mortgage, deed of trust, loan, credit agreement, note or any other material agreement on the part of the Company or the Subsidiaries; or (d) to the knowledge of such counsel, any judgment, order or decree of any governmental body, agency or court in Canada having jurisdiction over the Company or the Subsidiaries, except in the case of (b), (c) or (d), such conflicts, breaches, violations, liens, charges and encumbrances that, individually, or in the aggregate, would not

reasonably be expected to have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole;

10. no consent, approval or authorization or order, of or registration, qualification, recording or filing with any governmental body or agency is required for the issuance, sale and delivery of the Series H Shares, except such as may have been made or obtained;
11. the TSX has conditionally approved the listing and posting for trading of the Offered Shares at the opening of trading on the Closing Date, subject to the Company fulfilling all of the requirements of such exchange;
12. all laws of the Province of Québec relating to the use of the French language (other than those relating to verbal communications as to which no opinion need be expressed) will have been complied with in connection with the offer and sale of the Offered Shares to purchasers in such province, if such purchasers receive copies of the Base Prospectus and the Prospectus Supplement in the French language only, or in the French language and the English language, and forms of order and confirmation of sale relating to the sale of the Offered Shares in the French language only or in bilingual form;
13. a receipt has been obtained in respect of the Base Prospectus from each Securities Regulator, the Prospectus Supplement has been filed with the Securities Regulators in the manner and within the time period required by the Shelf Procedures, and no order having the effect of ceasing or suspending the distribution of the Offered Shares, to the knowledge of counsel, has been issued by any Securities Regulator and no proceedings for that purpose, to the knowledge of counsel, have been instituted or are pending;
14. the Base Prospectus, at the time a final receipt was issued therefor, and the Prospectus Supplement, as of the date of its filing with the Securities Regulators (other than the financial statements, financial schedules and other financial or statistical data included in the foregoing documents, as to which such counsel need express no opinion) complied as to form in all material respects with the requirements of the Shelf Procedures;
15. all documents have been filed, all proceedings have been taken and all other legal requirements have been fulfilled by the Company as required under Securities Laws to qualify the distribution of the Offered Shares to the public in each of the Qualifying Jurisdictions through dealers duly registered under Securities Laws who have complied with the relevant provisions of such laws;
16. the statements in the Base Prospectus under the heading "Description of Securities Being Distributed" and the Prospectus Supplement under the headings "Certain Canadian Federal Income Tax Considerations" and "Details of the Offering" fairly summarize the matters referred to therein, subject to specific limitations, assumptions and qualifications stated or referred to therein and applicable thereto;
17. the statements in the Prospectus Supplement under the heading "Eligibility for Investment" are true and correct, subject to the assumptions, limitations, conditions and restrictions set out therein;
18. the issuance and delivery by the Company of Series I Shares, if the same were to be issued and delivered by the Company as of the date hereof, upon conversion of Series H Shares in accordance with the terms and conditions thereof would be exempt from the prospectus requirements of Securities Laws and either exempt from or not subject to the dealer registration requirements of Securities Laws, and no document would be required to be filed, proceeding

taken, or approval, permit, consent or authorization obtained by the Company under Securities Laws to permit such issuance and delivery by the Company of Series I Shares in accordance with the terms thereof;

19. the first trade in the Series I Shares, if the same were to be issued and delivered by the Company as of the date hereof, upon the conversion of the Series H Shares in accordance with the terms and conditions thereof, in each of the Provinces of Canada would not be subject to the prospectus requirements of Securities Laws and no filing, proceeding, approval, consent or authorization under Securities Laws will be required to permit any such trade in the Provinces of Canada made through a registrant properly registered under applicable Securities Laws who has complied with the requirements thereof, or pursuant to an exception from the dealer registration requirements under such laws; provided that the trade is not a “control distribution” as such term in defined in National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators;
20. the issuance and delivery by the Company of Series H Shares, if the same were to be issued and delivered by the Company as of the date hereof, upon conversion of Series I Shares in accordance with the terms and conditions thereof would be exempt from the prospectus requirements of Securities Laws and either exempt from or not subject to the dealer registration requirements of Securities Laws, and no document would be required to be filed, proceeding taken, or approval, permit, consent or authorization obtained by the Company under Securities Laws to permit such issuance and delivery by the Company of Series H Shares in accordance with the terms thereof; and
21. the first trade in the Series H Shares, if the same were to be issued and delivered by the Company as of the date hereof, upon the conversion of the Series I Shares in accordance with the terms and conditions thereof, in each of the Provinces of Canada would not be subject to the prospectus requirements of Securities Laws and no filing, proceeding, approval, consent or authorization under Securities Laws will be required to permit any such trade in the Provinces of Canada made through a registrant properly registered under applicable Securities Laws who has complied with the requirements thereof, or pursuant to an exception from the dealer registration requirements under such laws; provided that the trade is not a “control distribution” as such term in defined in National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators.

In giving the opinions described above, such counsel may: (a) exclude from such opinions the effect or applicability of any Canadian federal, provincial, territorial, state and local laws, rules or regulations relating to the regulation of the generation, transportation, distribution or delivery of electricity, natural gas, oil or other specially regulated commodities or services, including pipelines, transmission lines, storage facilities and related facilities and equipment, or the import or export of such commodities or services; (b) state that the opinions above are limited to the laws of the Provinces of Alberta, British Columbia, Ontario, Québec, Nova Scotia and the federal laws of Canada therein, except to the extent such opinions are made in reliance on the opinion of local counsel in other jurisdictions and as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and public officials.

SCHEDULE "A"
SUBSIDIARIES

1. Tampa Electric Company
2. Nova Scotia Power Incorporated
3. Emera Maine
4. Emera Energy Generation II LLC
5. Emera Energy Services, Inc.
6. Grand Bahama Power Company
7. Emera (Caribbean) Incorporated
8. New Mexico Gas Company, Inc.
9. Emera Brunswick Pipeline Company Ltd.
10. Emera Newfoundland and Labrador Holdings Incorporated