

AMENDMENT TO THE AGREEMENT

BETWEEN

THE CALIFORNIA AIR RESOURCES BOARD

AND

THE GOUVERNEMENT DU QUÉBEC

CONCERNING

THE HARMONIZATION AND INTEGRATION
OF CAP-AND-TRADE PROGRAMS
FOR REDUCING GREENHOUSE GAS EMISSIONS

THE CALIFORNIA AIR RESOURCES BOARD,

represented by the Chair of the California Air Resources Board, Madam Mary D. Nichols;

AND

THE GOUVERNEMENT DU QUÉBEC,

represented by the Minister of International Relations and La Francophonie, Madam Christine St-Pierre, and the Minister of Sustainable Development, the Environment and the Fight against Climate Change, Mister David Heurtel;

hereafter referred to as "the Parties".

WHEREAS the Parties have signed the Agreement concerning the harmonization and integration of cap-and-trade programs for reducing greenhouse gas emissions (the "Agreement") on September 25, 2013, in Sacramento and on September 27, 2013, in Montréal;

WHEREAS the Agreement went into effect on January 1, 2014;

WHEREAS, in order to pursue the objectives of the Agreement, including promoting linkage with other jurisdictions such as the Government of Ontario, the Parties have agreed to terminate it and to enter into a new Agreement;

WHEREAS the Agreement must be amended pursuant to Article 17 in order to terminate it in a timely manner;

THEREFORE, the Parties agree to the following:

1. Article 20 of the 2013 Agreement concerning the harmonization and integration of cap-and-trade programs for reducing greenhouse gas emissions is replaced by the article hereunder:

ARTICLE 20

COMING INTO FORCE AND DURATION OF THE AGREEMENT

Each of the Parties shall notify the other once the internal procedure required for the Agreement's entry into force has been completed.

The Agreement shall enter into full force and effect on the first day of the month following the date of receipt of notification from the last of the Parties informing the other Party that the legally required measures have been completed.

The Agreement is concluded for an indefinite period of time as of the date of its entry into force. It shall be terminated pursuant to unanimous consent of the Parties given in writing to such effect. Termination of the

Agreement shall be effective upon entry into force of a new Agreement concerning the harmonization and integration of cap-and-trade programs for reducing greenhouse gas emissions, signed by the Gouvernement du Québec, the California Air Resources Board, and the Government of Ontario.

Termination of this Agreement does not end a Party's obligations under article 14 regarding confidentiality of information which continue to remain in effect.

- 2. To the extent that any of the terms or conditions contained in this Amendment to the Agreement may contradict or conflict with any of the terms or conditions of the Agreement, it is expressly understood and agreed that the terms of this Amendment to the Agreement shall take precedence and supersede the Agreement.
- 3. The Amendment to the Agreement constitutes an integral part of the Agreement beginning on the date of its coming into force.
- 4. Each of the Parties shall notify the other Party as soon as possible after the Party has completed any procedures required for the Amendment to the Agreement's entry into force. The Amendment to the Agreement shall enter into full force and effect on the date of receipt of notification from the last of the Parties informing the other Party that the Party has completed required procedures.

Done in duplicate, in the English and French languages, both versions being equally authentic.

FOR THE CALIFORNIA AIR RESOURCES BOARD

Mary D. Nichols

Chair of the California Air Resources Board

FOR THE GOUVERNEMENT DU QUÉBEC

At Reservee

Christine St-Pierre

Minister of International Relations and La Francophonie

On

David Heurte

Minister of Sustainable

Development, the Environment and the Fight against Climate Change