

**JUST ENERGY GROUP INC. (THE "CORPORATION")**  
**DIRECTOR'S COMPENSATION PLAN**

(As amended and approved by the board of directors on May 14, 2015)

Whereas on April 1, 2004 Just Energy Income Fund (the "**Fund**") with the consent of the Toronto Stock Exchange (the "TSX") and requisite unitholder approval adopted the Directors' Compensation Plan (the "Plan") which was with the consent of the TSX and requisite unitholder approval further amended in 2010 to permit the Corporation, effective January 1, 2011 to issue both common shares ("Shares") of the Corporation and Deferred Share Grants ("DSGs") to directors of the Corporation ("Directors") as part payment for their fees as set out in Section 2 (a) below;

And Whereas the Corporations needs to increase the number of Shares and DSGs issuable to Directors pursuant to the Plan by 200,000 and contemporaneously it is appropriate and timely to make certain additional administrative and housekeeping changes to the Plan including to reflect the conversion of the Fund to the Corporation effective January 1, 2011;

And Whereas it is desirable to amend the terms on which Directors are to be paid pursuant to Section 2 (a) hereof;

**1. Purpose of Plan**

The Plan is intended to provide effective incentives for the non management Directors of the Corporation to promote the success and business of the Corporation and to reward such Directors in relation to the long-term performance and growth of the Corporation by encouraging ownership of Shares and **DSGs** (the "US Fee") under the Plan to assist Directors in meeting their ownership requirements.

**2. Components of Director Compensation**

**(a) Fees. Payable in cash, DSGs and/or Shares**

Compensation for independent, non management Directors consists of several components as follows:

- (i) **Base Retainer** — a base annual retainer of \$125,000 payable to each Director of the Corporation (except as otherwise directed by a Director), in cash in the amount of \$31,250 per calendar quarter (commencing for the calendar quarter ending September 30, 2015) of which 15% thereof (the "**Minimum Amount**") and any additional fees payable pursuant to (ii) and (iii) below, to the extent elected by a Director, shall be payable in Shares and/or DSGs computed as set forth below (the "**Base Retainer**"). No fees shall be payable to Directors who are members of management.
- (ii) **Chair Fees** — The Chair of the Audit Committee shall be entitled to an additional annual Chair Fee of \$25,000. The Chair of each of the Compensation and Safety

Committee, the Chair of the Risk Committee and the Chair of the Nominating and Corporate Governance Committee is entitled to an additional annual Chair Fee of \$5,000 (the "**Chair Fees**");

- (iii) **Lead Director Fee** – in addition to the fees paid in (i) and (ii) above, the Lead Director (who also serves as Vice Chair of the Board of Directors), shall receive an additional annual fee of \$25,000 (the "**Lead Director's Fee**");
- (iv) **Currency** – All fees shall be payable in the currency of the country where the director maintains his/her permanent residence.
- (v) **Equity Holding** — Each Director shall be required to own a number of Shares and/or DSGs such that the value thereof at the commencement of each financial year of the Corporation shall equal at least two times the value of the Base Retainer received by such Director for the financial year of the Corporation. New Directors will be given five years from the date of their appointment or election to become compliant with the equity holding requirement.

The amounts payable to Directors pursuant to Sections 2(a) (i) to (iv) above may be increased or decreased from time to time and fees for other meetings of outside directors may also be authorized, in each case, with the approval of the Board of Directors of the Corporation.

**(b) Time of Payment**

Subject to the terms hereof, the Fees to which a Director is entitled pursuant to Section 2 (a) hereof shall be payable on a quarterly basis to the Director at the end of each quarter of the Corporation's financial year. Shares and/or DSGs shall be credited to a Director's DSG and/or Share account quarterly based upon the calculations made pursuant to Section 5 hereof.

**3. Form of Payment**

**(a) Payment in Shares, DSGs and Cash**

Compensation payable to the Directors of the Corporation pursuant to the Plan will be paid in cash except where, as provided in the Plan, compensation is required by the Corporation to be paid in the form of DSGs and/or Shares.

**(b) DSGs/Shares**

The Corporation is required to issue additional DSGs and/or Shares to Directors who elect to receive all or any part of a Director's Fees pursuant to Section 2(a) (i) – (iii) in excess of the Minimum Amount calculated as provided in Section 5 in DSGs and/or Shares.

**(c) Elections**

Elections by Directors of the Corporation to receive compensation pursuant to the Plan in the form of Shares and/or DSGs up to the Minimum Amount and/or in excess of the Minimum Amount including the amount of such compensation to be paid in Shares and/or DSGs are required to be made prior to the commencement of each financial year of the Corporation. Notwithstanding the foregoing, in the case of a U.S. Director (as defined below) elections to receive compensation in the form of Shares/DSGs must be made prior to January 1 of a calendar year, and such election shall apply only to compensation to be earned with respect to services rendered during that calendar year; provided, however, that a new U.S. Director (as defined below) shall be allowed to make such election within 30 days of first becoming eligible to participate in the Plan, but only with respect to compensation earned after the election is made. The election may specify a year of exchange in accordance with Section 4(c) below. The election must specify a year of payment in accordance with Section 4(c) below. A “U.S. Director” means a Director whose benefit under this Plan is subject to U.S. federal income tax. A U.S. Director may include in the election provided for in this Section 3 (c) an allocation of the time spent on Board duties and responsibilities including meeting preparation as between Canada and the United States, which allocation shall be used by the Corporation in determining the extent to which a Director’s fee income is sourced in Canada or the United States.

**4. Issue of Shares and DSGs**

**(a) Election and Payment**

Shares and DSGs which a Director of the Corporation is entitled to receive pursuant to the Plan whether credited to the Director’s DSG account and/or Share account will not be issued until the Director has delivered to the Corporation an exercise election in writing in the form of Schedule A hereto that the Shares be issued together with payment to the Corporation in the amount of the statutory withholdings required in respect of the issuance of Shares and referred to in section 4(d) hereof. To the extent permitted under applicable income tax legislation, Canadian resident Directors may elect to receive all or part of the Shares to which they are entitled during the year of their resignation/termination and/or prior to the end of the following calendar year.

**(b) No Rights of Ownership**

Under no circumstances will DSGs be considered Shares or other securities of the Corporation, nor will a DSG entitle any Director to exercise voting rights or any other rights attaching to ownership of Shares or other securities of the Corporation. A director shall not be considered the owner of Shares by virtue of the award of a DSG.

**(c) Timing**

**(i) Canadian Resident Directors.** A Director of the Corporation will not be entitled to elect to be issued any of the Shares which he or she has been granted whether as a result of the credit thereof to the Director’s DSG account and/or Shares to the Director’s Share account until a period of three years has passed since the date of grant of such DSGs or

Shares or until the Director ceases to be a director of the Corporation, whichever is earlier. Upon a Director ceasing to be a director of the Corporation, such Director shall be required to elect whether he or she will be issued all or any portion of the Shares which have been granted to him or her (including Shares issuable on the exchange of DSGs), and to deliver payment for all of such Shares to be issued. All Shares to which a Director is entitled whether credited to the Director's DSG account and/or Share account shall be issued to him or her immediately prior to a "change of control" as defined in the Corporation's 2001 Share Option Plan, as amended and/or replaced from time to time. **(ii) U.S. Resident Directors.** Notwithstanding the above provisions of this Section 4(c), a DSG held by a U.S. resident Director must be exchanged on the earliest to occur of each of the following events: (a) the termination of a Director's term of office as a Director by resignation or otherwise, that constitutes a separation from service, (b) death, (c) disability, (d) a change in control of the Corporation, (e) the occurrence of an unforeseeable emergency and (f) prior to the end of a calendar year designated in the Director's election under Section 3(c) above; provided that such calendar year must commence on or after the third anniversary of the DSG grant date. If the Director fails to designate a calendar year for exchange, then the exchange shall occur upon the earliest to occur of (a) through (e) above. If the Director designates a calendar year for exchange the Director must make the exchange within such calendar year and if the Director fails to make the exchange on any date within the calendar year the exchange shall occur upon the December 31 of that calendar year, unless exchanged earlier under (a) through (e) above. A U.S. resident Director is not permitted to exchange the DSG at any time other than the events specified above. The terms "separation from service", "disability", "change in control" and "unforeseeable emergency" shall mean the same as those terms are defined under section 409A of the US. Internal Revenue Code. A U.S. resident Director means a Director where benefits under the Plan are subject to U.S. Federal income tax.

**(d) Termination**

Subject to Section 4 (e) as regards U.S. resident Directors, a Director of the Corporation shall have no right to receive Shares granted to him or her (whether credited to the Director's DSG account and/or Share account) which have not been issued on the date that is 15 years following the date of grant.

**(e) Payment of Withholding Obligation**

In the event that Shares are to be issued to a Director of the Corporation as aforesaid, the Corporation shall make a payment on behalf of the Director of the amount of statutory withholdings required in such respect of the transactions described in Section 4(a), and for greater certainty, such payment shall be in discharge of the Corporation's obligations to make such statutory withholding.

**5. Price**

The price to be used for determining the number of all Shares and/or DSGs to be granted pursuant to the Plan and credited to such Directors DSG account and/or Share account will be the weighted average trading price of Shares on the TSX for the 10 trading days preceding the last day

of each quarter of the Corporation's financial year in respect of which the DSGs and/or Shares are payable.

## **6. Adjustment of Number of Shares**

The number of Shares which are issuable to a Director of the Corporation pursuant to a grant of DSGs and/or Shares shall be increased on the second business day following each date on which a regular or special cash dividend is paid to holders of Shares of the Corporation by an amount equal to the product of the number of the Shares which remain issuable and the fraction which has as its numerator the cash dividend paid, expressed as an amount per Share and which has as its denominator the weighted average trading price of Shares on the TSX for the record date for such dividend and the nine trading days preceding such record date.

## **7. Grant of Shares/DSGs and Assignability**

Compensation paid to a Director of the Corporation pursuant to the Plan in the form of DSGs and/or Shares may be evidenced by an agreement between the Corporation and the Director in a form which is approved by the Board of Directors from time to time. DSGs, while exchangeable 1:1 into Shares are neither assignable nor transferable.

## **8. Shares Subject to the Plan**

The total number of Shares and/or DSGs issuable pursuant to the Plan shall not exceed 400,000. No fractional Shares and/or DSGs may be issued under the Plan and any entitlement hereunder to a fractional Share and/or DSGs will be rounded down and no amount of money will be payable by the Corporation in respect of such fractional interest.

## **9. Eligibility and Determination**

The Shares issuable under the Plan pursuant to DSGs and/or Shares are reserved for independent non management Directors of the Corporation. In the event that a Director qualifies for the payment of compensation under the Plan for services provided as a Director for a period of less than twelve months in any calendar year then the entitlement of such Director for the DSGs and/or Shares will be calculated on a pro rata basis to the end of the month during which the Director ceases to be a Director for whatever reason.

## **10. Administration**

The Plan shall be administered by the Compensation, Human Resources, Environmental, Health and Safety Committee of the Board of Directors of the Corporation. The Corporation shall effect the deferred grant of Shares from time to time under the Plan in accordance with the determinations made as to the number of Shares to be granted and the date of grant as provided for under the Plan. The Corporation shall within 30 days of the end of each financial year of the Corporation provide each director with a reconciliation of the fees paid to him for the preceding financial year of the Corporation and a record of the number of DSGs and/or Shares to which each such Director is entitled and the cost thereof.

**11. Regulation**

The Corporation's obligation to issue and deliver Shares under the Plan is subject to compliance with all government and stock exchange regulations and requirements.

**12. Capital Reorganizations**

If and whenever there shall be a capital reorganization of the Corporation such as a share subdivision, consolidation, reclassification, change or exchange of the Units, including as a result of any merger, arrangement, amalgamation or business combination with any other corporation or entity, the entitlement to Shares of any Director for any applicable year, or portion thereof, shall be adjusted to take into account such capital reorganization.

**13. Conversion**

After December 31, 2010 all DUGs and/or Units granted pursuant to the Plans shall be deemed, without any further action or approval to transition, become and be named respectively DSGs and/or Shares of the Corporation to be effected on a tax deferred basis with the conversion of DUGs into DSGs occurring under subsection 7(1.4) of the Income Tax Act and after December 31, 2010 all references to DSUs and/or Units of the Fund shall be deemed to be and become DSGs and Shares of the Corporation in lieu of DUGs and Units of the Fund and all references to the Fund shall be deleted. The terms referenced in this section 13 shall apply mutatis to Schedule A hereto which has been amended to reflect this section 13.

**14. Effective Date**

Subject to the receipt of all regulatory approvals, the Plan will be effective as of July 1, 2015 as provided by a resolution of the Board of Directors of the Corporation passed on May 14, 2015 and shall remain in effect until such time as the Board of Directors amends or cancels the Plan which may occur at any time but not with retroactive effect. Except with respect to changes in the amount of Director Compensation as provided in Section 2 (a) (i) – (iii) hereof, any amendment to the Plan will be subject to the receipt of all regulatory and shareholder approvals as may be required.

**SCHEDULE A**

To: Just Energy Group Inc. (the "Corporation")  
The Compensation, Human Resources, Environmental, Health and Safety Committee  
Computershare Trust Company of Canada ("Computershare")  
The Canadian Depository for Securities ("CDS")

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**ELECTION**

I am advised that at the date I ceased to be a director of the Corporation on [●], [●] deferred share grants and/or Shares (the "**Deferred Shares**" or "**Shares**") were credited to my account under the Director's Compensation Plan (the "**Plan**") as at [●]. I am also advised that the Corporation has paid to the applicable tax authorities, withholding tax in the amount of \$[●] (the "**WH Tax Amount**") with respect to amounts credited to my account under the Plan in the form of the Deferred Shares and/or Shares. I enclose herewith my personal cheque in the WH Tax Amount and hereby: (i) elect to exchange the Deferred Shares and/or Shares for an equal number of Shares of the Corporation and (ii) request the Corporation, CDS and Computershare take such steps as may be required to forthwith credit my brokerage account with fully paid and non assessable Shares of the Corporation for each of the Deferred Shares and/ or Share (or [●] Shares). Particulars of my brokerage account and other information you require are described on Schedule "A" attached hereto.

Executed this                      day of                      , 20\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Director