

FORTIS INC.

**AMENDED AND RESTATED
2012 EMPLOYEE SHARE PURCHASE PLAN**

PROSPECTUS

The date of this Prospectus is November 20, 2019

TABLE OF CONTENTS

INFORMATION ON THE EMPLOYEE SHARE PURCHASE PLAN.....	1
QUESTIONS AND ANSWERS ABOUT THE PLAN	1
ELIGIBILITY AND PARTICIPATION.....	1
1. Who is eligible to participate in the Plan?	1
2. Do I have to participate in the Plan?.....	1
3. How do I enroll in the Plan?	1
4. How does the Plan operate?.....	2
CONTRIBUTIONS.....	2
5. How much may I contribute to the Plan?.....	2
6. May I change my contribution to the Plan?	2
7. How much does my employer contribute to the Plan on my behalf?	2
8. How may I contribute to the Plan?	3
9. How do I make lump sum contributions?.....	3
10. How do I contribute by way of an employee loan?	3
11. Am I eligible to receive an employee loan?.....	3
12. When are employee loans repaid?	3
13. Is interest charged on an employee loan?	4
14. May I change my contribution method?.....	4
15. What happens if I stop making contributions under the Plan?	4
16. May I contribute to the Plan through my employer's 401(k) plan?	4
PURCHASES UNDER THE PLAN.....	4
17. How are Common Shares purchased under the Plan?	4
18. When do I receive Common Shares purchased under the Plan?	5
19. What happens to the Common Shares purchased under the Plan?	5
20. What happens to cash dividends and other distributions on the Common Shares purchased under the Plan?	5
21. How many Common Shares will be allocated to my Plan Account at the end of an Investment Period?.....	6
22. May I vote or direct the voting of the Common Shares allocated to my Plan Account?	6
23. Will I receive any statements on my Plan Account?	7
LEAVING THE PLAN.....	7

24. May I withdraw from the Plan?	7
25. When will I receive the Common Shares allocated to my Plan Account and any cash payment following my withdrawal from the Plan?.....	7
26. What happens if I take a leave of absence from my employment?	8
27. What happens if I retire, or if my employment is terminated, or upon my death?	8
28. What happens if I am transferred to another employer in the Fortis group?	9
29. May I assign or transfer any rights under the Plan?.....	9
ADDITIONAL INFORMATION ABOUT THE PLAN	9
30. Who administers the Plan?.....	9
31. How is the Plan interpreted and governed?	9
32. Can the Plan be amended?	10
33. Can the Plan be terminated?	10
34. Where will my notices, statements of account and share certificates be sent?.....	10
35. If I have questions who can I contact?.....	10
QUESTIONS AND ANSWERS ON UNITED STATES AND CANADIAN FEDERAL TAX CONSEQUENCES	11
36. What are the U.S. federal income tax consequences of my participation in the Plan?.....	12
37. Am I subject to backup withholding on payments from or with respect to my Plan Account?	13
38. When will I be subject to U.S. federal income tax with respect to the Common Shares purchased under the Plan?	13
39. What are the U.S. federal income tax consequences to the Fortis group?.....	13
40. What are the U.S. federal income tax consequences to the extent all or a portion of my contribution is funded with an employee loan?	13
41. What are the U.S. federal income tax consequences to the extent I am treated as receiving a dividend with respect to the Common Shares or realizing a gain on the disposition of the Common Shares?	14
42. What are the Canadian federal income tax consequences to the extent I am treated as receiving a dividend with respect to the Common Shares or realizing a gain on the disposition of the Common Shares?	15
43. What currency should I use for Canadian federal income tax reporting purposes?	17
CORPORATE INFORMATION	17
SCHEDULE A LIST OF PARTICIPATING U.S. SUBSIDIARIES OF FORTIS AS OF JANUARY 27, 2017	1

**THIS DOCUMENT CONSTITUTES A PROSPECTUS COVERING SECURITIES THAT
HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933**

INFORMATION ON THE EMPLOYEE SHARE PURCHASE PLAN

Fortis Inc., a Newfoundland and Labrador corporation ("Fortis"), established the Amended and Restated 2012 Employee Share Purchase Plan (the "Plan"), which became effective on January 27, 2017. Fortis registered 600,000 of its common shares ("Common Shares") to be offered under the Plan. The purpose of the Plan is to provide eligible employees with an opportunity to purchase Common Shares of Fortis and to encourage share ownership by employees. The Plan is administered by Computershare Trust Company of Canada, as administrative agent (the "Administrative Agent"). The Fortis subsidiaries and affiliates in the United States that are participating in the Plan are listed on the attached **Schedule A** (the "Participating Companies").

Set forth below is a summary of the Plan as it pertains to U.S. employees.

QUESTIONS AND ANSWERS ABOUT THE PLAN

ELIGIBILITY AND PARTICIPATION

1. Who is eligible to participate in the Plan?

All full-time or part-time U.S. employees of Fortis and the Participating Companies who are not employed on a probationary, temporary, or seasonal basis and who receive written notice from Fortis or their employer confirming that their participation in the Plan is in compliance with applicable laws are eligible to participate in the Plan.

2. Do I have to participate in the Plan?

No. Participation in the Plan is entirely voluntary. Your decision not to participate in the Plan will not in any way affect your employment. Before deciding whether to enroll in the Plan, you should carefully review and assess your financial ability to make an investment in the Common Shares. Any investment in Common Shares involves risks and there is no guaranteed return on your investment.

3. How do I enroll in the Plan?

You may enroll by completing an election agreement in the form provided by Fortis or your employer (an "Election Agreement"), which is available on FortisLinks or through your employer's payroll office, and submitting it to your employer's payroll office before the submission deadline. You will receive notice of the submission deadline for each Investment Period (as defined below) from your employer's payroll office. It is imperative that you adhere to the submission deadline. The Election Agreement becomes effective no later than the second pay period after it is received and it will continue to be effective until cancelled in accordance with the Plan.

4. How does the Plan operate?

The Plan generally operates on a quarterly basis, each referred to as an "Investment Period." The first day of an Investment Period is Fortis's quarterly dividend payment date, and the last day of the Investment Period is the date immediately preceding the next quarterly dividend payment date. The amounts contributed by you and your employer under the Plan during an Investment Period are used by the Administrative Agent to purchase Common Shares on the quarterly dividend payment date immediately following the Investment Period, which we refer to as the "Investment Date." The Investment Dates are March 1, June 1, September 1 and December 1.

Common Shares will be purchased under the Plan in Canadian dollars. All employee and employer contributions made in U.S. dollars will be paid to the Administrative Agent approximately five days prior to the Investment Date and will be converted into Canadian dollars by the Administrative Agent on or prior to the Investment Date.

CONTRIBUTIONS

5. How much may I contribute to the Plan?

During any Investment Period, you may elect to contribute to the Plan an amount not less than 1% and not more than 10% of your base pay. Your aggregate contribution to the Plan in any calendar year may not exceed 10% of your base pay. For this purpose, base pay means your basic or regular annual compensation, excluding overtime, shift premiums, incentive payments, commissions, bonuses and other non-basic compensation items.

6. May I change my contribution to the Plan?

You may increase or decrease your contribution amount at any time by submitting a new Election Agreement to the payroll office of your employer, subject to the maximum contribution described under Question 5. The new Election Agreement becomes effective upon receipt and processing by the payroll office.

7. How much does my employer contribute to the Plan on my behalf?

Your employer will contribute to the Administrative Agent on your behalf as additional salary an amount equal to 10% of your contribution to the Plan. The maximum amount your employer will contribute on your behalf in any calendar year is limited to 1% of your base pay. No amounts will be withheld for taxes from your employer's contribution to the Plan. Instead, tax will be withheld in respect of your employer's contribution from other income payable to you by your employer. See Question 36 below for a discussion of certain tax consequences of participating in the Plan.

Example: If you elect to contribute \$1,000 in any Investment Period, your employer will contribute \$100 (\$1,000 X 10%) on your behalf to the Plan for that Investment Period. The total contribution under the Plan on your behalf in that Investment Period would be \$1,100.

Your employer will also contribute to the Plan an amount equal to 10% of all dividends payable by Fortis on all Common Shares allocated to your Plan Account and such contributions in respect of dividends are also considered employer contributions. See Question 41 below for a discussion of the tax treatment of dividends received under the Plan.

8. How may I contribute to the Plan?

You may contribute to the Plan by making lump sum contributions or by requesting an interest-free loan from your employer. Employee loans are available only for those employees who are eligible to receive a loan from their employer under applicable law, as determined by Fortis. For example, you are not eligible to receive an employee loan if you are an executive officer of Fortis. If you are an eligible employee your Participating Company employer will provide you with an employee loan to facilitate participation in the Plan.

9. How do I make lump sum contributions?

You can make lump sum contributions by submitting to the payroll office of your employer an Election Agreement together with a check or authorization for direct deposit in the amount of your lump sum contribution prior to the contribution deadline date determined by your employer. You may only make one lump sum contribution for each Investment Period.

10. How do I contribute by way of an employee loan?

Assuming you are eligible to receive a loan from your employer under applicable law, you may request an employee loan by submitting to the payroll office of your employer an Election Agreement and requesting an employee loan prior to the contribution deadline date determined by your employer. An employee loan is available solely for the purpose of making a contribution to the Plan and therefore you must direct your employer to pay the requested loan amount to the Administrative Agent as your contribution under the Plan.

11. Am I eligible to receive an employee loan?

You are eligible to receive an employee loan under the Plan unless your employer is prohibited from providing you with a loan under applicable law, as determined by Fortis. For example, you are not eligible to receive an employee loan if you are an executive officer of Fortis.

12. When are employee loans repaid?

Employee loans must be repaid in equal installments over a term not exceeding 52 weeks after the date on which you receive your loan. Commencing with your first pay check following that date, your employer will deduct from your salary through a series of equal installments an amount sufficient to repay your loan in full over the term of your loan.

However, the full amount of your employee loan will become due and payable immediately upon the termination of your employment or the date on which you cease to qualify for an employee loan, if earlier. Any Common Shares acquired with an employee loan are pledged by you to your employer as security for the repayment of the loan. Therefore, Common Shares

acquired with an employee loan cannot be sold or disposed of, or transferred to you (even after you cancel your participation in the Plan), until your loan has been repaid in full.

13. Is interest charged on an employee loan?

No. The employee loan is interest-free (see discussion below under Question 40, regarding certain U.S. federal income tax consequences applicable to employee loans).

14. May I change my contribution method?

Yes. If you are eligible for an employee loan you may change your contribution method at any time by submitting a new Election Agreement for the next Investment Period to the payroll office of your employer. The new Election Agreement becomes effective upon receipt and processing by the payroll office, but it will not affect any contributions made to the Plan prior to submitting the new Election Agreement.

15. What happens if I stop making contributions under the Plan?

Fortis may direct the Administrative Agent to terminate your participation in the Plan if you have not made a contribution in the previous 24 months.

16. May I contribute to the Plan through my employer's 401(k) plan?

No. The Participating Company employer 401(k) plans do not currently offer the option to make contributions to the Plan.

PURCHASES UNDER THE PLAN

17. How are Common Shares purchased under the Plan?

All employee contributions and employer contributions to the Plan during an Investment Period are sent to the Administrative Agent approximately five days prior to the Investment Date and are held by the Administrative Agent for the purpose of purchasing Common Shares under the Plan. Employee contributions and employer contributions made in U.S. dollars are converted into Canadian dollars by the Administrative Agent on or prior to the Investment Date based on the exchange rate in effect at the time of conversion. Common Shares are purchased by the Administrative Agent on the Investment Date immediately following the Investment Period in which contributions were received. Prior to purchasing the Common Shares, the Administrative Agent may choose to either hold the contributions it receives in cash or invest the contributions it receives in short-term government obligations or investments with a Canadian chartered bank having an original maturity of not greater than one year.

The Common Shares are purchased by the Administrative Agent on the Investment Date either (i) from Fortis, (ii) on the open market, or (iii) using a combination of (i) and (ii), in each case as may be determined by Fortis. As of March 31, 2017, 286,166 Common Shares are reserved for issuance by Fortis under the Plan.

Common Shares purchased by the Administrative Agent from Fortis are purchased at a price equal to the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the "TSX") during the five trading days immediately preceding the Investment Date. Common Shares may also be purchased by the Administrative Agent on the open market through the facilities of the TSX and/or such other stock exchange as the Common Shares may from time to time be listed and posted for trading. Fortis pays all brokerage fees and all other ancillary expenses relating to the purchase of Common Shares on the open market under the Plan.

18. When do I receive Common Shares purchased under the Plan?

You will not receive any Common Shares purchased under the Plan until you cancel your participation in the Plan, or your employment is terminated. See Questions 24, 25 and 27 below for a discussion of the consequences of ceasing to participate in the Plan.

19. What happens to the Common Shares purchased under the Plan?

All Common Shares purchased by the Administrative Agent under the Plan are registered in the name of the Administrative Agent and held by the Administrative Agent on behalf of all participants pending distribution to such participants. At the end of each Investment Period, the Administrative Agent will allocate the Common Shares held by it among the participants in accordance with their respective entitlements under the Plan by crediting an account established and maintained for each participant by the Administrative Agent (each, a "Plan Account"), as explained in Question 21 below.

All cash, Common Shares, dividends or property that the Administrative Agent receives or holds under the Plan is held for the exclusive benefit of participants, but is subject to a charge in favor of the Administrative Agent in respect of compensation payable to it by Fortis for the performance of its duties.

20. What happens to cash dividends and other distributions on the Common Shares purchased under the Plan?

Until Common Shares held by the Administrative Agent on behalf of participants are distributed to participants, all cash dividends and all distributions of property, warrants, options or rights in respect of such shares will be received by the Administrative Agent as the registered holder of such shares and held by the Administrative Agent.

The Administrative Agent must to the extent possible sell all non-cash dividends or distributions of property or rights, other than stock dividends, received by it in respect of the Common Shares in the open market or by private sale. The Administrative Agent will use all cash dividends and the proceeds from the sale of any distributions of property, warrants, options or rights available for investment to purchase Common Shares under the Plan. At the end of each Investment Period, the Administrative Agent will allocate the Common Shares held by it, including those purchased using cash dividends or the proceeds from the sale of any distributions of property, warrants, options or rights received by the Administrative Agent under the Plan during the Investment Period, among all Plan Accounts on a *pro rata* basis as explained in Question 21 below.

In addition, as indicated above, employers will also contribute to the Plan an amount equal to 10% of all dividends payable by Fortis on all Common Shares allocated to their employees' Plan Accounts. Such additional contributions in respect of dividends are also considered employer contributions, to be used by the Administrative Agent to purchase additional Common Shares under the Plan.

21. How many Common Shares will be allocated to my Plan Account at the end of an Investment Period?

The number of Common Shares allocated to your Plan Account at the end of an Investment Period will be determined by dividing (a) the sum of (i) your contributions to the Plan and those of your employer on your behalf during the Investment Period (after converting such amounts into Canadian dollars based on the exchange rate in effect at the time of conversion as described in Question 17), (ii) your *pro rata* share of all cash dividends received by the Administrative Agent in the Investment Period in respect of all Common Shares held by the Administrative Agent, and (iii) your *pro rata* share of all proceeds of sale received by the Administrative Agent in the Investment Period for any property, warrants, options or rights distributed to the Administrative Agent in respect of all Common Shares held by the Administrative Agent, by (b) the average cost per Common Share of all shares purchased by the Administrative Agent in the Investment Period.

The average cost per Common Share of the Common Shares purchased during an Investment Period is determined by dividing the total number of Common Shares purchased in such Investment Period into the total cost of such shares (excluding brokerage fees and other ancillary expenses paid by Fortis), as determined by the Administrative Agent after making any required currency conversion adjustments.

Your *pro rata* share of any dividends or proceeds of sale of distributions is determined by dividing the number of Common Shares allocated to your Plan Account as at the record date for the dividend or distribution, as applicable, by the total number of Common Shares allocated to all employees' Plan Accounts as at the record date for the dividend or distribution.

22. May I vote or direct the voting of the Common Shares allocated to my Plan Account?

Yes. As mentioned in Question 19, all Common Shares held by the Administrative Agent are registered in the name of the Administrative Agent. Until the Common Shares held by the Administrative Agent are distributed, the Administrative Agent has all voting and corporate rights in respect of such Common Shares. However, the Administrative Agent must vote, directly or by proxy, the Common Shares allocated to your Plan Account in such manner as directed by you in writing, and in the absence of any such direction the Administrative Agent must refrain from voting such shares. If you request the Administrative Agent to do so, the Administrative Agent will execute a proxy to enable you to attend Fortis shareholder meetings and vote the Common Shares held by the Administrative Agent on your behalf at any such meeting in place of the Administrative Agent.

23. Will I receive any statements on my Plan Account?

You will receive a statement of account from the Administrative Agent after the end of each Investment Period. The statement of account indicates for the relevant Investment Period the number of Common Shares allocated to your Plan Account (including all whole and fractional Common Shares), the number of Common Shares withdrawn from your Plan Account, your *pro rata* share of all cash dividends received by the Administrative Agent in respect of the Common Shares held by the Administrative Agent and the amount of any lump sum contributions to the Plan that the Administrative Agent has received from you.

LEAVING THE PLAN

24. May I withdraw from the Plan?

Yes. You may cancel your participation in the Plan at any time by submitting to the payroll office of your employer a cancellation notice in the form provided by Fortis or your employer. Cancellation is effective upon receipt by the Administrative Agent of the cancellation notice.

Following your withdrawal from the Plan, provided that all your employee loans have been repaid in full, you will receive the whole number of Common Shares allocated to your Plan Account, net of any applicable withholding taxes, as of the effective date of cancellation, but subject to the limitation that Common Shares purchased using employer contributions must be retained within your account until the first anniversary of the making of such contribution (the "Employer Contribution Holdback"), unless your employment is otherwise terminated. You will also receive a cash payment for any fraction of a Common Share to which you are entitled. For the purposes of determining the amount of any cash payment, Common Shares will be valued using the average cost of the Common Shares which were allocated in the Investment Period in which the effective date of cancellation occurs.

25. When will I receive the Common Shares allocated to my Plan Account and any cash payment following my withdrawal from the Plan?

Subject to the Employer Contribution Holdback, delivery of a share certificate or other evidence of share ownership representing the whole Common Shares to which you are entitled, and of the cash payment relating to any fractional share entitlement, if any, will be made to you at the end of the Investment Period following the Investment Period in which your cancellation becomes effective. Unless you instruct otherwise, such share certificate or other evidence of share ownership will be registered in your name and delivered to you at the address indicated in your Election Agreement.

Example: If your cancellation becomes effective April 1, the Investment Period in which your cancellation becomes effective ends May 30, and you will receive your Common Shares and cash payment at the end of the next Investment Period on August 31, subject to the Employer Contribution Holdback.

Following the first anniversary of the withdrawal of Common Shares from under the Plan, a separate request should be filed with the Plan Administrator in order to receive the

share certificate or other evidence of share ownership representing the whole Common Shares, and the cash payment relating to any fractional share entitlement, if any, resulting from any Employer Contribution Holdback. Your entitlement in respect of any Employer Contribution Holdback will be delivered to you at the end of the Investment Period following the Investment Period in which your request is delivered to the Administrative Agent.

26. What happens if I take a leave of absence from my employment?

If you take a leave of absence from your employment, your enrolment in the Plan will be suspended until you resume your employment. You will not be permitted to remit payments for the purchase of Common Shares under the Plan unless so authorized by Fortis's board of directors (the "Board"). Additionally, if you have an outstanding employee loan, you will be required to make arrangements to satisfy your obligations under such loan satisfactory to the payroll office of your employer.

27. What happens if I retire, or if my employment is terminated, or upon my death?

When you retire, your employment is terminated, or upon your death, you (or in the case of death, your estate) will be entitled to receive the whole Common Shares allocated to your Plan Account, net of any applicable withholding taxes, by delivery of a share certificate or other evidence of share ownership to you or your estate, as well as a cash payment for the value of any fraction of a Common Share allocated to your Plan Account. Alternatively, you or your estate may direct the Administrative Agent to sell the whole Common Shares allocated to your Plan Account and remit the proceeds of such sale, net of any applicable fees, expenses and withholding taxes, to an external account. The determination of the number of Common Shares to which you are entitled for the purpose of distribution or sale is made as of the end of the Investment Period in which you retire, your employment is terminated, or your death occurs, as applicable.

Upon retirement from your employment, you will be deemed to have cancelled your Election Agreement and withdrawn from the Plan as of the last day of the Investment Period that ended immediately prior to the date on which your retirement occurred. Therefore, you will be deemed not to have participated in the Plan during the Investment Period in which your retirement occurred.

Upon termination of your employment or your death, you will be deemed to have cancelled your Election Agreement, withdrawn from the Plan and will cease to receive any employer contributions on the last day of the Investment Period in which such event occurs.

A notice electing to (i) transfer the whole Common Shares allocated to your Plan Account to an external account, or (ii) sell the whole Common Shares allocated to your Plan Account and transfer the net proceeds to an external account, must be submitted in the form determined by Fortis to the payroll office of your employer within 90 days of your retirement, termination or death. If no notice is filed within 90 days following such event, you or your estate will be deemed to have elected to have your Common Shares transferred to your name or your estate, as applicable.

28. What happens if I am transferred to another employer in the Fortis group?

If you are transferred in an employer-supported transfer from one company in the Fortis group to another, your Election Agreement will remain in effect with your new employer.

29. May I assign or transfer any rights under the Plan?

No. Except as required by law, you may not assign or transfer any of your rights or interests under the Plan. Also, except as required by law or in connection with your obligations in respect of any employee loan, your rights and interests under the Plan are not liable for or subject to any of your personal obligations or liabilities.

ADDITIONAL INFORMATION ABOUT THE PLAN

30. Who administers the Plan?

The Plan is administered by the Board. The Board may adopt policies, guidelines, rules and regulations for administering the Plan as it may deem proper and in the best interests of Fortis. The Board may, subject to applicable law, delegate any of its powers in that capacity to a committee of the Board or an officer or officers of Fortis.

31. How is the Plan interpreted and governed?

Determinations of the Board (or a duly appointed committee or individual thereof) as to any questions which may arise with respect to the interpretation of the Plan are final and binding on all participants. The Plan is governed and construed in accordance with the laws of the Province of Newfoundland & Labrador and the laws of Canada applicable therein.

In any case where the strict application of any provision of the Plan may cause hardship to a participant, the Board (or a duly appointed committee or individual thereof) may in its sole discretion waive or partially waive such strict application, on such terms as it deems appropriate, but any such waiver will not constitute a general waiver of such provision.

Neither Fortis nor any of its subsidiaries or affiliates participating in the Plan will be liable under the Plan, except in the case of willful misconduct, for any act or for any omission to act including, any claims of liability with respect to the price at which Common Shares are acquired. Neither Fortis, nor any of its subsidiaries or affiliates participating in the Plan nor the Administrative Agent are liable to any participant for any loss resulting from a decline in the market value of any Common Shares purchased under the Plan; any change in market price of the Common Shares between the time in which an employee contribution or employer contribution is made and the purchase of Common Shares using such contributions takes place; and any change in the market price of the Common Shares between the time any dividends are paid in respect of the Common Shares and the time a purchase of Common Shares using such dividends takes place.

32. Can the Plan be amended?

Yes. The Board may, insofar as permitted by law and subject to any required approval of the TSX, any other stock exchange or other authority, amend or otherwise change the terms of the Plan, except that no amendment or change may use or divert any part of the cash, Common Shares, dividends or property held by the Administrative Agent under the Plan for purposes other than for the exclusive benefit of participants. In some instances, depending on the substance of the amendment being proposed, shareholder approval of the amendment may be required (or recommended by the Board). You should refer to section 19 of the Plan for the list of amendments that can be made by the Board without shareholder approval.

The Board will determine when amendments are effective. Notice of an amendment of the Plan will be given promptly to the Administrative Agent and employers, and, except for changes of a minor nature which do not adversely affect their interests, will also be given to participants.

33. Can the Plan be terminated?

Yes. Fortis may at any time terminate the Plan by resolution of the Board. Prior to the effective date of any such termination, participants and employers will be given at least 30 days' notice in writing.

If the Plan is terminated, participants will receive the whole Common Shares allocated to their Plan Accounts and payment in cash for any fractional Common Share entitlement. For the purposes of making such cash payment, the Administrative Agent must sell the fractional Common Shares of participants in the open market or by private sale and the proceeds of any such sale will be divided among the participants in proportion to the number of fractional Common Shares held by the participants.

34. Where will my notices, statements of account and share certificates be sent?

All notices, statements of account, share certificates and other documents to be delivered to you will be mailed to the address you have provided in your Election Agreement. You must notify the payroll office promptly in writing of any change of address.

35. If I have questions who can I contact?

Notices to the Administrative Agent should be sent to:

Fortis Inc. – Amended and Restated 2012 Employee Share Purchase Plan
c/o Computershare Trust Company of Canada
1500 University Avenue, 7th Floor
Montreal, QC H3A 3S8
Telephone No.: (416) 263-9200

For enrollment and other information concerning the Plan and its administration, contact:

Fortis Inc.:

Tanya Finlay, Director, Talent Management & Human Resources
Fortis Place, Suite 1100, 5 Springdale Street
St. John's, Newfoundland and Labrador, Canada A1E 0E4
Telephone No.: (709) 737-2963
Email: tfinlay@fortisinc.com

Central Hudson Gas and Electric Company and its subsidiaries:

Theresa Athanas, Payroll Supervisor
248 South Avenue, Poughkeepsie, NY 12601
Telephone No.: (845) 486-5294
Email: tathanas@cenhud.com

UNS Energy Corporation and its subsidiaries:

Kristin Page-Iverson, Director
Mail Stop HQE202, PO Box 711, Tucson, AZ 85702
Telephone No.: (520) 884-3702
Email: KPage-Iverson@tep.com

ITC Holdings Corp. and its subsidiaries:

Rebecca Golem, Assistant Corporate Secretary
ITC Holdings Corp., 27175 Energy Way, Novi, MI 48377
Telephone No.: (248) 946-3576
Email: rgolem@itctransco.com

**QUESTIONS AND ANSWERS ON UNITED STATES AND CANADIAN FEDERAL TAX
CONSEQUENCES**

United States Federal Income Tax Consequences

The following sets forth general U.S. federal income tax principles that are expected to apply to employees who (i) are U.S. citizens or residents and remain in the United States until disposal of their investment, for the purposes of the tax laws of the United States and the Convention between the United States of America and Canada with Respect to Taxes on Income and Capital, entered into force on August 16, 1984 (the "Treaty"), and any protocols thereto, (ii) are entitled to the benefits of the Treaty, (iii) do not hold their Common Shares in connection with a permanent establishment or fixed base in Canada, (iv) hold their Common Shares as capital assets, (v) own, directly or indirectly, less than 10% of the share capital or voting stock of Fortis and (vi) conduct their transactions in U.S. dollars. Such general principles may not apply, however, to all such employees in all cases. For definitive advice, you should consult your own tax advisers regarding the tax consequences of purchasing Common Shares pursuant to this

Prospectus. This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive.

The tax consequences listed below are described in accordance with certain U.S. federal income tax laws, as well as the Treaty, all of which, as in effect on the date of this Prospectus. This description is not intended to be exhaustive and does not address all matters which may be relevant to you based on your specific circumstances. This description expressly does not discuss the income tax laws of any state, municipality, or non-U.S. taxing jurisdiction, or the gift, estate, excise (including the rules applicable to deferred compensation under section 409A of the Internal Revenue Code of 1986, as amended (the "Code")), or any other tax laws other than U.S. federal income tax law.

The following is not intended or written to be used, and cannot be relied upon, for the purposes of avoiding taxpayer penalties. Because individual circumstances may vary, you should consult with your own tax advisor regarding the income tax consequences of your particular transactions under the Plan. If you are not a United States taxpayer, the taxing jurisdiction or jurisdictions that apply to you will determine the tax effect of your participation in the Plan.

36. What are the U.S. federal income tax consequences of my participation in the Plan?

There are no U.S. federal income taxes due upon enrollment in the Plan or when an Investment Period begins. Contributions by participants in the Plan will be made on an after-tax basis, which means you will pay tax on the funds you contribute to the Plan. The employer contribution made by your employer on your behalf, including any employer contribution made on reinvested dividends, is also taxable income to you. This income constitutes wages, subject to withholding for U.S. federal income and payroll taxes. Any taxes required to be withheld by your employer with respect to the employer contribution made on your behalf shall be withheld from other income payable to you by your employer. As you make contributions, your payroll check stub will reflect your employer's contribution (including those paid on dividends received under the Plan) as ordinary taxable income.

You are considered to be the owner of the Common Shares allocated to your Plan Account for U.S. federal income tax purposes. Dividends, if any, paid on the Common Shares allocated to your Plan Account are taxable to you as dividend income in the year in which the dividend is paid. Dividends are taxable income even when reinvested in Common Shares by the Administrative Agent. The Administrative Agent will produce quarterly statements, as well as a year-end "Tax Reporting Statement", if you received dividends equaling \$10 or more or you received proceeds from the sale of securities in your Plan Account. The Tax Reporting Statement will document your transactions, including price, number of Common Shares and any dividends received and reinvested. You will be responsible for keeping documents relating to the Plan in a safe place for U.S. federal income tax purposes. You will need these statements to accurately report any capital gains you may obtain in the sale of Common Shares that you hold (see discussion below under Question 41, regarding U.S. federal income tax treatment of dividends and gains from the disposition of Common Shares).

37. Am I subject to backup withholding on payments from or with respect to my Plan Account?

For U.S. residents and citizens, you may be subject to backup withholding with respect to dividend payments on and proceeds from the sale of Common Shares from your Plan Account. Backup withholding will not apply if you furnish a correct taxpayer identification number (generally on a properly completed Form W-9). If you are subject to backup withholding, the maximum allowable U.S. federal income tax will be withheld from the proceeds of any sales of Common Shares or on dividends credited to your Plan Account. If you are not subject to backup withholding, no U.S. federal income taxes are withheld. Failure to supply the W-9 certification may subject your Plan Account to backup withholding. Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your U.S. federal income tax liability. You may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the Internal Revenue Service and furnishing any required information.

38. When will I be subject to U.S. federal income tax with respect to the Common Shares purchased under the Plan?

Generally, you will be subject to U.S. federal income tax with respect to the purchased Common Shares in the year in which you make a disposition of such shares (see discussion below under Question 41, regarding U.S. federal income tax treatment of gains from the disposition of Common Shares). The term "disposition" generally includes any transfer of legal title, whether by sale, exchange or gift, but does not include a transfer to your spouse or a transfer into joint ownership with right of survivorship if you remain one of the joint owners or a transfer into your brokerage account. Note that the mere distribution of Common Shares from the Administrative Agent to you upon the cancellation of your participation in the Plan or upon the termination of your employment with the Fortis group is not a taxable event.

39. What are the U.S. federal income tax consequences to the Fortis group?

The Fortis group may be entitled to a business expense deduction in connection with the employer contribution made on your behalf, including any employer contribution in respect of dividends, at the time and in the amount that ordinary income is reported by you.

40. What are the U.S. federal income tax consequences to the extent all or a portion of my contribution is funded with an employee loan?

Generally, the entering into and repayment of an employee loan does not trigger any U.S. federal tax consequences to you. If, however, the aggregate employee loan balance of all employee loans between you and your employer exceeds \$10,000, for U.S. federal income tax purposes, (i) interest may be imputed on the employee loan under the "below-market loan" rules, (ii) you will be deemed to pay, and your employer will be deemed to receive, an amount equal to such imputed interest, determined in accordance with the applicable published federal interest rate and (iii) the amount of imputed interest which you are deemed to pay, but did not actually pay, will be treated as additional taxable compensation to you, subject to tax and withholding as described above for contributions made to the Plan on your behalf.

41. What are the U.S. federal income tax consequences to the extent I am treated as receiving a dividend with respect to the Common Shares or realizing a gain on the disposition of the Common Shares?

For U.S. federal income tax purposes, the gross amount of a dividend paid on Common Shares acquired pursuant to the Plan will be included in your gross income as dividend income when such dividend is received by you or received by the Administrative Agent on your behalf. The amount of any dividend paid in Canadian dollars (including any Canadian withholding taxes withheld therefrom), will be treated as equal to the U.S. dollar value of the dividend calculated by reference to the currency exchange rate in effect on the date the dividend is includible in gross income.

Subject to certain exceptions, based on current law, the U.S. dollar amount of dividends received will be subject to taxation at a maximum rate of 20% if the dividends are "qualified dividends". Dividends paid on the Common Shares will be treated as qualified dividends if Fortis (i) is eligible for the benefits of Treaty and (ii) is not, in the year in which the dividend was paid or the prior year, a passive foreign investment company ("PFIC"). Fortis believes that it was not a PFIC for U.S. federal income tax purposes with respect to its 2016 taxable year and it does not anticipate becoming a PFIC for its 2017 taxable year. You should consult your own tax adviser regarding the availability of the reduced dividend tax rate in light of your own particular circumstances. Based on current law, dividends will also be subject to a 3.8% Medicare tax on "net investment income" if your modified adjusted gross income exceeds a threshold amount. The amount of net investment income subject to this tax is the lesser of (a) total net investment income; or (b) the amount of a taxpayer's modified adjusted gross income that exceeds \$200,000 (\$250,000 for married couples filing jointly).

Canadian withholding tax of 15% imposed on the gross amount of a dividend paid on Common Shares acquired pursuant to the Plan under the Treaty is treated as a payment of a foreign income tax. You may be able to take this amount as a credit against your U.S. federal income tax liability or alternatively as a deduction, subject to specific conditions and limitations. The U.S. federal income tax rules governing the availability and computation of foreign tax credits are complex. You should consult your own tax adviser concerning the implications of these rules in light of your particular circumstances.

You generally will recognize capital gain or loss on any sale or exchange of Common Shares purchased on your behalf pursuant to the Plan, measured by the difference between the U.S. dollar value of the amount realized upon the sale or exchange and your tax basis in the Common Shares (determined in U.S. dollars). Your tax basis generally will be the amount you paid for the Common Shares, increased by the amounts recognized by you as income upon receiving the Common Shares. (Any dividends generally will not be included in your basis in the Common Shares.) Your holding period for capital gains purposes will commence on the date the Common Shares are allocated to your account. Your gain or loss will be U.S. source gain or loss, and will be treated as long term capital gain or loss if your holding period in the Common Shares exceeds one year. Under current law, any long-term capital gain generally will be subject to federal income taxation at a maximum rate of 20%. The deductibility of capital losses is subject to limitations. Capital gain will also be subject to a 3.8% Medicare tax on "net investment income" if your modified adjusted gross income exceeds the threshold amounts described above.

The Plan is not subject to any provisions of the Employee Retirement Income Security Act of 1974 and is not a qualified plan under Section 401(a) of the Code.

Canadian Federal Income Tax Consequences

The following summary describes the principal Canadian federal income tax consequences generally applicable to an employee who acquires, as beneficial owner, Common Shares pursuant to the Plan and who, at all relevant times for purposes of the *Income Tax Act* (Canada) (the "Canadian Tax Act") and the Treaty, (a) deals at arm's length with Fortis, (b) is a resident of the United States and is not, and is not deemed to be, a resident of Canada, (c) is fully entitled to the benefits of the Treaty, and (d) holds the Common Shares as capital property and does not use or hold, and is not deemed to use or hold, Common Shares in the course of carrying on a business in Canada.

This summary is based on the current provisions of the Canadian Tax Act, the regulations thereunder (the "Regulations"), all specific proposals to amend the Canadian Tax Act or the Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof and the current published administrative practices of the Canada Revenue Agency. No assurance can be made that the tax proposals will be enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations described. This summary is not exhaustive of all possible Canadian federal income tax consequences that may affect an employee who participates in the Plan.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular employee, and no representation with respect to the Canadian federal income tax consequences to any particular employee is made. Consequently, employees are advised to consult their own tax advisors with respect to their particular circumstances. This summary does not address any tax considerations applicable to persons other than employees who participate in the Plan and such persons should consult their own tax advisors regarding the consequences of acquiring, holding and disposing of Common Shares under the Canadian Tax Act and any jurisdiction in which they may be subject to tax.

42. What are the Canadian federal income tax consequences to the extent I am treated as receiving a dividend with respect to the Common Shares or realizing a gain on the disposition of the Common Shares?

Dividends paid or credited (or deemed to be paid or credited) on Common Shares to you (including where such shares are held of record by the Administrative Agent and allocated to your account pursuant to the Plan) are generally subject to Canadian withholding tax, even when such dividends are reinvested under the terms of the Plan. Under the Canadian Tax Act, the rate of withholding tax is 25% of the gross amount of such dividends. Under the Treaty, an employee who is resident in the United States for the purposes of the Treaty and who is entitled to the benefits of such treaty will generally be subject to Canadian withholding tax at a rate of 15% of the amount

of such dividends. Dividends to be reinvested in Common Shares under the Plan will be reduced by the amount of any applicable Canadian withholding tax.

You will not be subject to tax under the Canadian Tax Act on any capital gain realized on a disposition (or deemed disposition) of a Common Share unless the Common Share constitutes "taxable Canadian property" at the time of the disposition and you are not entitled to relief under the Treaty.

Generally, Common Shares will not be taxable Canadian property to you at a particular time provided that the Common Shares are listed on a designated stock exchange (such as the TSX or the New York Stock Exchange (the "NYSE")) at that time, unless at any time during the 60-month period that ends at that time: (i) one or any combination of (a) you, (b) persons with whom you do not deal at arm's length and (c) partnerships in which you or a person described in (b) hold a membership interest (directly or indirectly through one or more partnerships), own 25% or more of the issued shares of any class or series of Fortis, and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from any combination of: (a) real or immovable property situated in Canada, (b) "timber resource property" (within the meaning of the Canadian Tax Act), (c) "Canadian resource property" (within the meaning of the Canadian Tax Act) or (d) options in respect of, or interests in, or for civil law rights in, any of the foregoing, whether or not the property exists. Notwithstanding the foregoing, in certain circumstances set out in the Canadian Tax Act, a Common Share could be deemed to be taxable Canadian property.

Even if at the time you dispose of a Common Share it is considered to be taxable Canadian property, a capital gain realized on the disposition may nevertheless be exempt from tax under the Canadian Tax Act pursuant to the terms of the Treaty. Under the Treaty, a capital gain realized on the disposition of a Common Share by a U.S. resident who is entitled to the benefits of such treaty generally will be exempt from tax under the Canadian Tax Act except where the Common Share at the time of disposition derives its value principally from real property situated in Canada (including rights in respect of Canadian resource property).

Generally, if a Common Share constitutes taxable Canadian property to you at the time of its disposition and any capital gain realized by you on the disposition is not exempt from tax under the Canadian Tax Act under the Treaty, you will be required to include one-half of the amount of the capital gain in your "taxable income earned in Canada" for the year of disposition as a taxable capital gain. Subject to and in accordance with the provisions of the Canadian Tax Act, one-half of any capital loss realized by you in a taxation year from the disposition of taxable Canadian property may be deducted as an allowable capital loss from any taxable capital gains realized by you in the year from the disposition of taxable Canadian property. If allowable capital losses for a year exceed taxable capital gains from the disposition of taxable Canadian property, the excess may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year from net taxable capital gains realized in such years from the disposition of taxable Canadian property to the extent and in the circumstances prescribed by the Canadian Tax Act. U.S. residents who dispose of taxable Canadian property are required to file a Canadian income tax return for the year of disposition, including where any resulting capital gain is not subject to tax under the Canadian Tax Act under the Treaty.

43. What currency should I use for Canadian federal income tax reporting purposes?

All amounts expressed in a currency other than Canadian dollars relating to the acquisition, holding or disposition of a Common Share, including dividends, adjusted cost base and proceeds of disposition, must be determined in Canadian dollars using the relevant rate of exchange required under the Canadian Tax Act.

CORPORATE INFORMATION

Fortis files reports and other information with the U.S. Securities and Exchange Commission (the "Commission"). This information is available on the Internet at the Commission's website at www.sec.gov under "Filings - Company Filings Search." The Common Shares are listed on the NYSE and the TSX under the symbol FTS. You may contact Fortis or its subsidiaries at their respective addresses or telephone numbers for further information concerning the Plan and its administration. See Question 35 for the contact information of Fortis and its subsidiaries.

On January 27, 2017, Fortis filed a registration statement (File No. 333-215777) (the "Registration Statement") with the Commission under the Securities Act of 1933, as amended (the "Securities Act"), relating to the Common Shares offered under the Plan. For further information about Fortis and the Common Shares, you should refer to the Registration Statement. In this Prospectus, Fortis has summarized material provisions of the Plan. Since this Prospectus may not contain all of the information you may find important, you should review the full text of the Plan, which is on file with the Commission as an exhibit to the Registration Statement. You may also obtain a copy of the Plan from Fortis, as provided below.

Fortis will provide to you, at no cost, upon your written or oral request to Fortis's Corporate Secretary, a copy of any or all of the documents incorporated by reference in this Prospectus (other than exhibits, unless such exhibits are specifically incorporated by reference into such documents) and any report, proxy statement or other communication distributed by Fortis to Fortis's shareholders generally. The documents listed below are hereby incorporated by reference into this Prospectus:

- (a) The prospectus filed by Fortis with the Commission on May 17, 2016 pursuant to Rule 424(b) under the Securities Act in connection with Fortis's Registration Statement on Form F-4 (File No. 333-210261) initially filed with the Commission on March 17, 2016, as amended.
- (b) Fortis's reports on Form 6-K furnished to the Commission on July 29, 2016, November 4, 2016 and November 23, 2016.
- (c) The description of the Common Shares contained in Fortis's Registration Statement on Form 8-A (File No. 001-37915), filed with the Commission on October 12, 2016, and any reports filed for the purpose of updating such description.

Fortis also incorporates by reference all of Fortis's future filings with the Commission under Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended.

Unless expressly incorporated into this Prospectus, a report furnished on Form 6-K shall not be incorporated by reference into this Prospectus. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained in any subsequently filed document which also is deemed to be incorporated by reference herein modifies or supersedes such statement.

SCHEDULE A

**LIST OF PARTICIPATING U.S. SUBSIDIARIES OF FORTIS
AS OF JANUARY 27, 2017**

1. Central Hudson Gas and Electric Company and its subsidiaries
2. UNS Energy Corporation and its subsidiaries
3. ITC Holdings Corp. and its subsidiaries