

ATLANTIC POWER CORP
Form DEF 14A
April 30, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Atlantic Power Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS AND
MANAGEMENT INFORMATION CIRCULAR
AND
PROXY STATEMENT**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 21, 2013**

April 30, 2013

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Headquarters Address
One Federal Street, 30th Floor
Boston, Massachusetts 02110
United States

Registered Address
215-10451 Shellbridge Way
Richmond, British Columbia V6X 2W8
Canada

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of Atlantic Power Corporation (the "**Corporation**" or "**Atlantic Power**") will be held at Vancouver Marriott Pinnacle Downtown Hotel, Ambleside Room, 1128 West Hastings Street, Vancouver, British Columbia, Canada on Friday the 21st day of June, 2013 at the hour of 10:00 a.m. (Pacific time) for the following purposes:

1. **TO RECEIVE** the financial statements of the Corporation for the year ended December 31, 2012, together with the report of the auditors thereon;
2. **TO ELECT** six directors to the board of directors of the Corporation;
3. **TO APPOINT** auditors of the Corporation and authorize the board of directors of the Corporation to fix the remuneration of the auditors;
4. **TO HOLD** a non-binding advisory vote on named executive officer compensation;
5. **TO CONSIDER** and, if deemed advisable, to pass an ordinary resolution of the Shareholders (the "**Rights Plan Resolution**"), the full text of which is set forth in Schedule "B" to the accompanying management information circular and proxy statement (the "**Information Circular and Proxy Statement**"), to approve, ratify and confirm the adoption of the Shareholder Rights Plan (the "**Rights Plan**") adopted by the board of directors of the Corporation effective February 28, 2013 between the Corporation and Computershare Investor Services Inc., as rights agent (the "**Rights Agent**"). A copy of the Rights Plan will be available for inspection by Shareholders at the Corporation's records office in British Columbia, Canada during statutory business hours on the five business days immediately preceding the Meeting. The Rights Plan was filed on the System of Electronic Document Analysis and Retrieval at www.sedar.com and as Exhibit 4.1 to the Corporation's Current Report on Form 8-K on March 1, 2013 on Electronic Data Gathering, Analysis and Retrieval at www.sec.gov/edgar.shtml;
6. **TO CONSIDER** and, if deemed advisable, to pass an ordinary resolution of the Shareholders (the "**Advance Notice Resolution**"), the full text of which is set forth in Schedule "C" to the accompanying Information Circular and Proxy Statement, to approve, ratify and confirm the adoption of the Corporation's Advance Notice Policy adopted by the board of directors effective April 1, 2013, the full text of which is included in Schedule "D" of the Information Circular and Proxy Statement; and
7. **TO TRANSACT** such further or other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

At the Meeting, each Shareholder of record at the close of business on April 23, 2013 will be entitled to one vote for each common share of the Corporation held on all matters proposed to come before the Meeting.

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The accompanying Information Circular and Proxy Statement provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON JUNE 21, 2013**

The Corporation's Information Circular and Proxy Statement and Annual Report for the year ended December 31, 2012 are available free of charge at <http://materials.proxyvote.com/04878Q>.

DATED at Ottawa, Ontario this 30th day of April, 2013.

BY ORDER OF THE BOARD OF DIRECTORS

"Irving R. Gerstein"

Chair of the Board of Directors
Atlantic Power Corporation

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**ATLANTIC POWER CORPORATION
INFORMATION CIRCULAR AND PROXY STATEMENT**

This information circular and proxy statement (the "**Information Circular and Proxy Statement**") is furnished in connection with the solicitation of proxies by or on behalf of the board of directors (the "**Directors**", the "**Board**", or the "**Board of Directors**", and each one individually, a "**Director**") of Atlantic Power Corporation (the "**Corporation**" or "**Atlantic Power**"), for use at the annual and special meeting (the "**Meeting**") of shareholders (the "**Shareholders**") of the Corporation to be held on June 21, 2013 at Vancouver Marriott Pinnacle Downtown Hotel, Ambleside Room, 1128 West Hastings Street, Vancouver, British Columbia, Canada commencing at 10:00 a.m. (Pacific time), and at all postponements or adjournments thereof, for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**"). In this Information Circular and Proxy Statement, references to "Cdn\$" and "Canadian dollars" are to the lawful currency of Canada and references to "\$", "US\$" and "U.S. dollars" are to the lawful currency of the United States. All dollar amounts herein are in U.S. dollars, unless otherwise indicated. The information contained herein is given as at April 30, 2013, except where otherwise noted.

This Information Circular and Proxy Statement is being first mailed to Shareholders on or about May 10, 2013. In accordance with the requirements of National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer, for purposes of distributing to non-registered Shareholders who have requested a copy, the Corporation has distributed copies of this Information Circular and Proxy Statement to the intermediaries for onward distribution to such non-registered Shareholders.

Important Information Regarding the Availability of Proxy Materials

The Corporation's Information Circular and Proxy Statement and annual report for the year ended December 31, 2012 ("**Annual Report**") are available free of charge at <http://materials.proxyvote.com/04878Q>.

Electronic Access to the Proxy Materials

You can elect to receive future proxy materials by email, which will save the Corporation the cost of producing and mailing documents to you. Shareholders may enroll to receive proxy materials electronically as follows:

Shareholders of Record: If you are a registered shareholder, you may request electronic delivery on the Internet at www.proxyvote.com.

Beneficial Holders: If your shares are not registered in your name, check the information provided to you by your bank or broker, or contact your bank or broker for information on electronic delivery service.

Voting and Quorum

A quorum must be present at the Meeting for any business to be conducted. Pursuant to the Corporation's articles of continuance (the "**Articles**"), two persons, present in person, each being a Shareholder entitled to vote at a meeting of Shareholders or a duly appointed proxy for a Shareholder so entitled constitutes a quorum. Shares represented by "broker non-votes," as described below, will be considered as present for purposes of constituting a quorum.

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Shareholders may vote by attending the Meeting and voting in person. If you choose not to attend the Meeting, you may still authorize your proxy by mailing the accompanying form of proxy ("**Form of Proxy**") or by sending voting instructions ("**Voting Instructions**") to your nominee in accordance with the procedures set forth below under " Information for Beneficial Holders of Securities". All shares entitled to vote and represented by properly executed proxies received before the polls are closed at the Meeting, and not revoked or superseded, will be voted at the Meeting in accordance with the instructions indicated on those proxies.

A "broker non-vote" occurs when a nominee holding shares for a beneficial holder has not received Voting Instructions from such beneficial holder but such nominee submits a Form of Proxy in respect of such shares in accordance with New York Stock Exchange ("**NYSE**") rules. Generally, under current Canadian securities laws and NYSE rules, brokers will not have discretionary authority to vote such uninstructed shares with respect to any matter to be voted upon at the Meeting, except that U.S. brokers will have discretionary authority to vote uninstructed shares with respect to the appointment of auditors as described below, in accordance with NYSE rules.

For purposes of counting votes, (i) abstentions from voting will be counted as votes cast at the Meeting; however such abstentions will not be counted as votes cast for or against a matter; and (ii) broker non-votes will not be counted as votes cast at the Meeting, except that broker votes with respect to which U.S. brokers have exercised their discretionary authority to vote uninstructed shares in accordance with NYSE rules shall be counted as votes cast at the Meeting.

Proxy Solicitation and Voting

Solicitation of Proxies

The solicitation of proxies for use at the Meeting is being made by or on behalf of the Board of Directors of the Corporation. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by telephone by employees of the Corporation, at nominal cost. The Corporation will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of the Information Circular and Proxy Statement. In addition, MacKenzie Partners, Inc. ("**MacKenzie**") has been retained to assist in the solicitation of proxies for the Meeting at a fee of approximately \$20,000, plus associated costs and expenses. MacKenzie will provide advisory and solicitation services to the Corporation in connection with the Meeting.

Appointment and Revocation of Proxies

Together with the Information Circular and Proxy Statement, the Shareholders will also be sent a Form of Proxy. The persons named in such Form of Proxy are Directors. **A Shareholder who wishes to appoint some other person to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the accompanying Form of Proxy or by completing another proper Form of Proxy.** Such other person need not be a Shareholder of the Corporation.

To be valid, a Form of Proxy must be deposited at the offices of Computershare Investor Services Inc. (the "**Agent**"), 9th Floor, North Tower, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1 or returned to the Agent by fax at 1-866-249-7775 (North America) or 416-263-9524 (outside North America), or at the offices of the Corporation by written instrument, fax or any other method of transmitting legibly recorded messages, so as not to arrive later than 10 a.m. (Pacific time) on June 19, 2013. If the Meeting is adjourned, a Form of Proxy must be deposited at the offices of the Agent 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the Form of Proxy is to be used.

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The document appointing a proxy must be in writing and completed and signed by a registered Shareholder or his or her attorney authorized in writing or, if the registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Instructions provided to the Agent by a registered Shareholder must be in writing and completed and signed by the registered Shareholder or his or her attorney authorized in writing or, if the registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators, and trustees or similarly otherwise should so indicate and provide satisfactory evidence of such authority.

A Shareholder that has given a Form of Proxy may revoke the Form of Proxy: (a) by completing and signing a Form of Proxy bearing a later date and depositing it as aforesaid; (b) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the applicable Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the Chair of the Meeting prior to the commencement of such Meeting on the day of such Meeting or any adjournment thereof; or (c) in any other manner permitted by law. In order for a Beneficial Holder (as defined below) to revoke Voting Instructions previously given to his or her intermediary (such as a broker, securities dealer, bank, trust company or similar entity) with respect to the voting of the Common Shares, the Beneficial Holder must carefully follow the procedures and instructions received from his or her intermediary.

Voting of Proxies

The persons named in the accompanying Form of Proxy will vote such proxy in accordance with the instructions contained therein. **Unless contrary instructions are specified, if the accompanying Form of Proxy is executed and returned (and not revoked) prior to the Meeting, the Common Shares represented by the Form of Proxy will be voted at the Meeting as follows:**

FOR the election of Irving R. Gerstein, Kenneth M. Hartwick, John A. McNeil, R. Foster Duncan, Holli Ladhani and Barry E. Welch to the Board of Directors as described under the heading "Matters to be Considered at the Meeting Election of Directors";

FOR the appointment of KPMG LLP as auditors of the Corporation and to authorize the Board of Directors to fix the auditor's remuneration;

FOR the approval, by non-binding advisory vote, of named executive officer compensation;

FOR the approval of an ordinary resolution of the Shareholders (the "Rights Plan Resolution"), the full text of which is set forth in Schedule "B" to this Information Circular and Proxy Statement, to approve, ratify and confirm the adoption of the Shareholder Rights Plan (the "Rights Plan") adopted by the Board of Directors of the Corporation effective February 28, 2013 between the Corporation and Computershare Investor Services Inc., as rights agent (the "Rights Agent"); and

FOR the approval of an ordinary resolution of the Shareholders (the "Advance Notice Resolution"), the full text of which is set forth in Schedule "C" to this Information Circular and Proxy Statement, to approve, ratify and confirm the adoption of the Corporation's Advance Notice Policy adopted by the Board of Directors effective April 1, 2013, the full text of which is included in Schedule "D" of this Information Circular and Proxy Statement.

For more information on these issues, please see the section entitled "Matters to be Considered at the Meeting" in this Information Circular and Proxy Statement.

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The persons appointed pursuant to the Form of Proxy are conferred with discretionary authority with respect to amendments to or variations of matters identified in the Form of Proxy and the Notice of Meeting and with respect to other matters that may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter or business. At the time of printing the Information Circular and Proxy Statement, the Directors know of no such amendments, variations or other matters.

Information for Beneficial Holders of Securities

Information set forth in this section is very important to persons who hold Common Shares otherwise than in their own names.

A non-registered Shareholder of the Corporation (a "**Beneficial Holder**") who beneficially owns Common Shares, but whose Common Shares are registered in the name of an intermediary (such as a securities broker, financial institution, trustee, custodian or other nominee who holds securities on behalf of the Beneficial Holder or in the name of a clearing agency in which the intermediary is a participant) should note that only a Form of Proxy deposited by Shareholders whose names are on the records of the Corporation as the registered holders of Common Shares as at the Record Date (as defined below) can be recognized and acted upon at the Meeting.

Common Shares that are listed in an account statement provided to a Beneficial Holder by a broker are likely not registered in the Beneficial Holder's own name on the records of the Corporation and such Common Shares are more likely registered in either the name of CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee, or the name of The Depository Trust Company ("**DTC**") or its nominee.

Applicable regulatory policy requires brokers and other intermediaries to seek Voting Instructions from Beneficial Holders in advance of shareholders' meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order to ensure that their Common Shares are voted at the Meeting. Often, the voting instruction form (the "**Voting Instruction Form**") supplied to a Beneficial Holder by its broker is identical to the Form of Proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Holder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions ("**Broadridge**"). Broadridge typically prepares a machine-readable Voting Instruction Form, mails those forms to the Beneficial Holders and asks Beneficial Holders to return Voting Instructions to Broadridge. Broadridge then tabulates the results of all Voting Instructions received and provides appropriate instructions representing the voting of the securities to be represented at the Meeting. A Beneficial Holder receiving a Broadridge Voting Instruction Form cannot use that Voting Instruction Form to vote Common Shares directly at the Meeting. Voting Instructions must be returned to Broadridge well in advance of the Meeting in accordance with the instructions set out on the Voting Instruction Form in order to have the Common Shares voted.

Generally, Canadian securities laws and NYSE rules prohibit brokers from voting on any of the proposals without receiving Voting Instructions from the Beneficial Holders of the Common Shares, except that U.S. brokers will have discretionary authority to vote uninstructed shares with respect to the appointment of auditors, in accordance with NYSE rules. In the absence of Voting Instructions, Common Shares subject to such broker non-votes will not be counted as voted or as represented on those proposals and so will have no effect on the vote other than with respect to the appointment of auditors where a U.S. broker has exercised its discretionary authority to vote uninstructed shares in accordance with NYSE rules. **As brokers generally may not vote your Common Shares in the absence of your specific instructions**

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as to how to vote (except in the limited circumstances described above), we encourage you to provide Voting Instructions to your broker regarding the voting of your Common Shares.

Although Beneficial Holders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of CDS, DTC or their broker or other intermediary, a Beneficial Holder may attend the Meeting as proxy holder for the registered Shareholder and vote his or her Common Shares in that capacity. Beneficial Holders who wish to attend the Meeting and indirectly vote their own Common Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the Voting Instruction Form provided to them and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting.

Voting Securities and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of Common Shares. As of the date of this Information Circular and Proxy Statement, there were 119,777,366 Common Shares outstanding.

At the Meeting, each Shareholder of record at the close of business on April 23, 2013, the record date established for the Notice of Meeting and for voting at the Meeting (the "**Record Date**"), will be entitled to one vote for each Common Share held on all matters proposed to come before the Meeting. At the close of business on the Record Date, there were 119,777,366 Common Shares outstanding and entitled to be voted at the Meeting.

To the knowledge of the Board of Directors, there are no persons that beneficially own or exercise control or direction over Common Shares carrying approximately 10% or more of the votes attached to the issued and outstanding Common Shares, except BlackRock, Inc., which beneficially owns 10.56% of the Common Shares based on the Schedule 13G filed on April 10, 2013 with the Securities and Exchange Commission (the "**SEC**"). For more information, please see the section entitled "Security Ownership of Certain Beneficial Owners and Management" in this Information Circular and Proxy Statement.

MATTERS TO BE CONSIDERED AT THE MEETING

MATTER 1: ELECTION OF DIRECTORS

The number of Directors to be elected at the Meeting is six. **The persons named in the accompanying Form of Proxy will vote such proxy in accordance with the instructions contained therein. Unless contrary instructions are specified, if the accompanying Form of Proxy is executed and returned (and not revoked) prior to the Meeting, the Common Shares represented by the Form of Proxy will be voted for the election, as Directors, of the proposed nominees whose names are set out below.** If a Director is unable to stand for election, the persons named in the enclosed Form of Proxy reserve the right to vote for another nominee at their discretion. Each nominee elected as a Director will hold office until the next annual meeting of the Shareholders or until his or her successor is elected or appointed.

Majority Voting Policy

The Board of Directors has adopted a majority voting policy. Under this policy, a Director in an uncontested election who receives more votes withheld than cast in favour of his or her election will be required to tender his or her resignation to the Chair of the Board of Directors following the applicable meeting of the Corporation's Shareholders. The resignation will be effective when accepted by the Board of Directors. The Nominating and Corporate Governance Committee of the Board of Directors will consider whether or not to accept the offer of resignation and will recommend to the Board of Directors

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whether or not to accept the resignation. With the exception of special circumstances that would warrant the continued service of the applicable Director on the Board of Directors, the Nominating and Corporate Governance Committee expects that resignations will be recommended for acceptance and accepted by the Board of Directors. Within 90 days following the applicable meeting of the Shareholders, the Board of Directors will make a decision on the Nominating and Corporate Governance Committee's recommendation. The Board of Directors will announce its decision (including, if applicable, the reasons for not accepting any resignation) via press release in accordance with applicable securities laws, rules and regulations.

Information Regarding Director Nominees

The following table sets forth the names of, and certain information for, the individuals proposed to be nominated for election as Directors. The nominees make up the current Board of Directors. Biographies for each nominee, which include a summary of each nominee's age, positions with the Corporation, principal occupation and employment within the five preceding years, are set out below.

Name and Province of Residence	Age	Position	Principal Occupation	Date Appointed as a Director	Ownership or Control over Common Shares ⁽¹⁾
IRVING R. GERSTEIN ⁽²⁾⁽³⁾ Ontario, Canada	72	Director	Member of the Senate of Canada, Corporate Director	October 4, 2004	21,102 ⁽⁶⁾
KENNETH M. HARTWICK ⁽²⁾⁽⁴⁾ Ontario, Canada	50	Director	Chief Executive Officer, President and Director, Just Energy Group Inc.	October 4, 2004	77,111 ⁽⁶⁾
JOHN A. MCNEIL ⁽²⁾ Ontario, Canada	71	Director	President, BDR North America Inc.	October 4, 2004	25,802 ⁽⁶⁾
R. FOSTER DUNCAN ⁽²⁾ Louisiana, U.S.A.	59	Director	Member, MFB Energy Partners LLC; Senior Advisor, EHS Partners and Industry Funds Management (US), LLC	June 29, 2010	16,433 ⁽⁶⁾
HOLLI LADHANI ⁽²⁾⁽⁵⁾ Texas, U.S.A.	42	Director	Executive Vice-President and Chief Financial Officer, Rockwater Energy Solutions	June 29, 2010	11,994 ⁽⁶⁾
BARRY E. WELCH Massachusetts, U.S.A.	55	Director, President and Chief Executive Officer	President and Chief Executive Officer of the Corporation	June 6, 2007	417,942 ⁽⁷⁾

(1) The information as to Common Shares beneficially owned, directly or indirectly, including by associates or affiliates, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually as of April 26, 2013.

(2) The Board of Directors has determined that each of Messrs. Gerstein, Hartwick, McNeil and Duncan and Ms. Ladhani is an independent Director. Each independent Director is also a member of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee of the Corporation.

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- (3) Chair of the Board of Directors and the Nominating and Corporate Governance Committee.
- (4) Chair of the Compensation Committee.
- (5) Chair of the Audit Committee. Ms. Ladhani became Chair of the Audit Committee on April 1, 2013. Prior to such date, Mr. Hartwick had been Chair of the Audit Committee.
- (6) This number includes 1,302 deferred share units ("DSUs") issued to Mr. Gerstein, 75,111 DSUs issued to Mr. Hartwick, 1,302 DSUs issued to Mr. McNeil, 7,733 DSUs issued to Mr. Duncan and 11,994 DSUs issued to Ms. Ladhani, under the DSU Plan (as defined herein). For further details on the DSU Plan, see the discussion under "Compensation of Directors – Deferred Share Unit Plan" in this Information Circular and Proxy Statement.
- (7) This number includes 89,374 unvested notional shares granted under the Corporation's LTIP (as defined herein).

Biographies

Irving R. Gerstein, C.M., O.Ont: The Honourable Irving R. Gerstein has been a Director of the Corporation since October 2004. Senator Gerstein is a Member of the Order of Canada and a Member of the Order of Ontario, and was appointed to the Senate of Canada in December 2008. He is a retired executive, and is currently a director of Medical Facilities Corporation and Student Transportation Inc., and previously served as a director of other public companies including Economic Investment Trust Limited, CTV Inc., Traders Group Limited, Guaranty Trust Company of Canada, Confederation Life Insurance Company and Scott's Hospitality Inc., and as an officer and director of Peoples Jewellers Limited. Senator Gerstein is an honorary director of Mount Sinai Hospital (Toronto), having previously served as Chairman of the Board, Chairman Emeritus and a director over a period of 25 years, and is currently a member of its Research Committee. Senator Gerstein earned a Bachelors of Science in Economics from the University of Pennsylvania (Wharton School of Finance and Commerce). Mr. Gerstein's substantial experience on the boards of numerous other public companies and his prior experience as an executive of a substantial public company make him a valued advisor and highly qualified to serve as Chair of our Board of Directors and as Chair of our nominating and corporate governance committee (the "**Nominating and Corporate Governance Committee**").

Kenneth M. Hartwick, C.A.: Mr. Hartwick has been a Director of the Corporation since October 2004. Ken Hartwick has over 13 years of management experience in the energy sector, and more than 20 years' experience in the financial sector. Mr. Hartwick's experience in the energy industry spans several markets having played an integral role as an executive officer for Just Energy Group Inc. since April 2004, helping launch their businesses in Alberta, British Columbia, Indiana, Texas, Georgia, Manitoba, Ontario, Québec, Saskatchewan, California, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio and Pennsylvania. He currently serves as the President and Chief Executive Officer for, and is a director on the board of, Just Energy Group Inc., an integrated retailer of commodity products. Mr. Hartwick has served as President and Chief Executive Officer for Just Energy Group Inc. since June 2008, as President from 2006 until June 2008, and as Chief Financial Officer from April 2004 to 2006. Mr. Hartwick understands the issues facing the electricity industry through his previous role as Chief Financial Officer of one of the largest distribution companies in North America, Hydro One Inc., where he gained increasing executive-level responsibility throughout his career, and provided strategic direction as Ontario transitions towards a competitive energy marketplace. Mr. Hartwick earned his Honours of Business Administration from Trent University, Peterborough, Ontario. Mr. Hartwick's substantial experience in the energy industry and financial sector make him a valued advisor and highly qualified to serve as a member of our Board of Directors and as Chair of our compensation committee (the "**Compensation Committee**").

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John A. McNeil: Mr. McNeil has been a Director of the Corporation since October 2004. Mr. McNeil is President of BDR NorthAmerica Inc., an energy consulting company based in Toronto, Ontario. Prior to his appointment at BDR NorthAmerica Inc. in 2000, Mr. McNeil was Managing Director Investment Banking with Scotia Capital Inc. from 1996 to 1999. Previously, he was a Senior Vice-President and Director of Scotia McLeod Inc. from 1991 to 1995. Mr. McNeil has extensive expertise in the areas of asset management models, capitalization, mergers and acquisitions, business and enterprise valuations, capital markets and market ratings and has worked extensively throughout North America and Europe. Mr. McNeil specializes in the electric power sector and his major focus in recent years has been in the field of corporate and enterprise unbundling and reconstitution resulting from the restructuring of the electricity sector in North America. Mr. McNeil earned a Bachelors of Arts (Honors) from Queens University, a Bachelor of Laws from the University of Toronto and a Master of Business Administration from the University of British Columbia. Mr. McNeil's extensive experience in the financial and capital markets sectors, as well as his expertise in the electric power sector, make him a valued advisor and highly qualified to serve as a member of our Board of Directors.

R. Foster Duncan: Mr. Duncan has been a Director of the Corporation since June 2010. He has more than 30 years of senior corporate, investment banking and private equity experience. Mr. Duncan is a Member of MFB Energy Partners, LLC and serves as a Senior Advisor to EHS Partners in New York, a management consulting firm focused on improving operational effectiveness, earnings and growth. Mr. Duncan is also a Senior Advisor to Industry Funds Management (US), LLC, a global investment management company with US\$35 billion under management, including US\$12 billion of global infrastructure investments. Previously, Mr. Duncan was a Partner in SAIL Sustainable Partners of Louisiana, LLC, a firm focused on providing capital to later stage cleantech, water and green innovation companies, and was a Managing Director at Advantage Capital Partners with senior management responsibility for the firm's energy portfolio and energy initiatives. From 2005 through 2009, Mr. Duncan was managing member of KD Capital L.L.C., an affiliate of Kohlberg Kravis Roberts & Co. ("**KKR**") which he and KKR formed. Mr. Duncan was located in KKR's offices and worked exclusively with KKR and its portfolio companies in connection with creating value and investing in the energy, utility, natural resources and infrastructure sectors. Previously, Mr. Duncan was Executive Vice President and CFO of Cinergy Corp. ("**Cinergy**"), Chairman of Cinergy's Investment Committee and CEO and President of Cinergy's Commercial Business Unit. Mr. Duncan is active with the Edison Electric Institute, is a past member of the Wall Street Advisory Group and past Chairman of the Finance Executive Advisory Committee. He has also held senior management positions at LG&E Energy Corp., Freeport-McMoRan Copper & Gold and Howard Weil, a premier energy investment banking boutique. He graduated with Distinction from the University of Virginia and later received a Masters of Business Administration from the A. B. Freeman Graduate School of Business at Tulane University. Mr. Duncan is also on the board of directors of Essential Power, LLC in Princeton, New Jersey and Xtreme Power Inc. in Austin, Texas. Mr. Duncan also serves on the Advisory Council of Greentech Capital Advisors in New York and the Board of Advisors of NanoFex, LLC in New Orleans. Mr. Duncan is active in a number of civic organizations including the board of directors of the Eye, Ear, Nose and Throat Hospital Foundation in New Orleans and in Charlottesville, Virginia the National Advisory Board of the University of Virginia Jefferson Scholars Program. Mr. Duncan's extensive experience as a senior executive in the electric utility industry, as well as his experience in the private equity sector, make him a valued advisor and highly qualified to serve on our Board of Directors.

Holli Ladhani: Ms. Ladhani has been a Director of the Corporation since June, 2010. She currently serves as the Chief Financial Officer of Rockwater Energy Solutions, Inc. ("**Rockwater**"). Houston-based Rockwater provides fluids management and environmental solutions to the energy industry in North America to uniquely address the special fluid and environmental-related challenges associated with modern day unconventional and conventional oil and gas resource development. Rockwater is controlled by SCF Partners, a private equity investor since 1989 that provides equity capital and strategic

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growth assistance to build energy service and equipment companies that operate throughout the world. Prior to joining SCF Partners in March 2011, Ms. Ladhani served in a number of positions with Dynegy Inc. ("**Dynegy**"), a provider of wholesale power, capacity and ancillary services in multiple regions of the United States, most recently as Executive Vice President and Chief Financial Officer. In November 2011, subsequent to Ms. Ladhani's departure, two Dynegy subsidiaries of which Ms. Ladhani had formerly been an officer filed for bankruptcy protection. Prior to joining Dynegy, Ms. Ladhani was a Senior Manager-Audit with PricewaterhouseCoopers LLP, where she supervised teams that provided audit services to large public companies in the oil and gas industry. A Certified Public Accountant, Ms. Ladhani received a Bachelors of Science from Baylor University and a Masters of Business Administration from Rice University. She serves on the board of His Grace Foundation, which supports children who undergo bone marrow transplants. Ms. Ladhani's extensive experience as a senior executive in the independent power industry, as well as her financial and accounting background, make her a valued advisor and highly qualified to serve on our Board of Directors and as Chair of our audit committee (the "**Audit Committee**").

Barry E. Welch: Mr. Welch has been our President and Chief Executive Officer since October 2004 (until December 31, 2009, through Atlantic Power Management, LLC (the "**Manager**")) and a Director since June 2007. Prior to joining the Corporation, Mr. Welch was the Senior Vice President and co-head of the Bond and Corporate Finance Group of John Hancock Financial Services ("**John Hancock**"), Boston, Massachusetts, from 2000 to 2004. Mr. Welch served on several committees at John Hancock, including its Pension Investment Advisory Committee and Investment Operating Committee. Mr. Welch was Chairman of John Hancock's Bond Investment Committee and reported monthly on investment portfolio, strategy and activity to the Committee of Finance of John Hancock's board of directors. Mr. Welch also led the development and approval of John Hancock's involvement with ArcLight Capital Partners and served as a member of ArcLight Energy Partners Fund I's Investment Committee. During his time at John Hancock, Mr. Welch headed the Bond and Corporate Finance Group's Power and Energy investment team. From 1989 to 2004, he was involved directly or oversaw \$25 billion of investments in more than 1,000 utility, project finance and oil and gas transactions. Prior to joining John Hancock, Mr. Welch spent more than three years as a developer of power projects at Thermo Electron Corporation's Energy Systems Division (later known as Thermo Ecotek). There, he was involved in greenfield development of natural gas, wood and waste-to-energy projects, as well as asset management roles for operating plants. Mr. Welch earned a Bachelors of Science in Mechanical and Aerospace Engineering from Princeton University, and a Masters of Business Administration from Boston College. Mr. Welch serves on the board of directors of the Walker Home and School in Needham, Massachusetts. Mr. Welch's extensive experience in energy investment and related activities in the financial sector, as well as his in-depth knowledge of our company through his position as President and Chief Executive Officer, make him highly qualified to serve as a member of our Board of Directors.

Table of Contents**The Board of Directors recommends a vote FOR each of the six nominees discussed above and listed on the Form of Proxy.****Information Regarding Named Executive Officers**

The following table sets forth the names, ages and positions of the Corporation's principal executive officer, principal financial officer, and other executive officers of the Corporation:

Name	Age	Position	Date Appointed as Officer
Barry E. Welch	55	Director, President and Chief Executive Officer	October 4, 2004
Terrence Ronan	53	Executive Vice President Chief Financial Officer, Principal Financial and Accounting Officer and Corporate Secretary	August 20, 2012
Paul H. Rapisarda	59	Executive Vice President Commercial Development	February 22, 2008
Edward Hall	53	Executive Vice President Chief Operating Officer	April 2, 2013

Terrence Ronan: Mr. Ronan joined Atlantic Power in August 2012. He is currently Executive Vice President Chief Financial Officer, Principal Financial and Accounting Officer and Corporate Secretary, with primary responsibility for all finance-related functions, as well as playing a central role in the development and execution of Atlantic Power's operational and strategic initiatives. Mr. Ronan is a financial professional with more than 20 years of management and capital raising experience. Most recently, Mr. Ronan served as Managing Director-Finance and Assistant Treasurer at Plains All American Pipeline, L.P., a publicly traded master limited partnership engaged in the transportation, storage, terminalling and marketing of crude oil, refined products and liquefied petroleum gas and other natural gas related products. Prior to that, Mr. Ronan served as President and Chief Executive Officer of SemGroup, L.P. where he oversaw the operations of the privately held partnership engaged in the transportation, storage, terminalling and marketing of crude oil, LPG and natural gas. He was appointed Interim President and Chief Executive Officer of SemGroup, L.P. with the knowledge that bankruptcy proceedings would be filed in the United States and Canada in 2008 and led SemGroup, L.P. through its reorganization. From 2006-2008, Mr. Ronan served as Managing Director at Merrill Lynch Capital where he co-founded the start-up Energy Finance practice, in which he was responsible for origination activities in the midstream and Exploration and Production ("E&P") sectors. Mr. Ronan also spent 14 years at Bank of America, and predecessors Fleet Boston and BankBoston, culminating in his role as Managing Director where he focused on financing industry leading E&P, midstream and refining and marketing companies. Mr. Ronan graduated with a Bachelors of Science from Bates College and later received a Masters of Business Administration from the University of Michigan Ross School of Business. He also served in the U.S. Navy from 1981 to 2007, retiring after 26 years with the rank of Captain.

Paul H. Rapisarda: Mr. Rapisarda joined Atlantic Power in 2008. Since 2011, Mr. Rapisarda has been our Executive Vice President Commercial Development. He has primary responsibility for overseeing our development strategy, including our acquisitions and organic growth initiatives, as well as managing our commercial relationships. Mr. Rapisarda currently serves as a director on the board of Feeney Brothers, a private infrastructure company, and Rollcast Energy, our 60%-owned affiliate. From 2008 to 2011, Mr. Rapisarda was our Managing Director Acquisitions and Asset Management. Prior to joining Atlantic Power, Mr. Rapisarda spent more than 25 years working in energy, utility and independent power investment banking. From 2001 to early 2008 he was a Principal with Compass Advisors, a boutique M&A advisory firm in New York, where he was involved in numerous strategic advisory, restructuring and principal transactions in the energy and power sectors. Prior to Compass Advisors, Mr. Rapisarda held senior positions at Schroders, Merrill Lynch and BT Securities. Prior to that he was a Managing Director and Co-Head, Utilities and Structured Finance, at Drexel Burnham Lambert. While at Drexel, he also

- Represents the aggregate grant date fair value computed consistent with FASB ASC Topic 718. For further discussion of our accounting policies for stock-based compensation and assumptions used in calculating the grant date fair value of stock-based compensation awards, see Note 15 to the Consolidated Financial Statements in our 2012 Annual Report on Form 10-K. The actual amount of compensation realized, if any, for option awards may differ from the amounts presented in the table. See Footnote 1 to the Outstanding Equity Awards at 2012 Fiscal Year-End Table for a description of the terms of these awards.
1. Consists of \$5,000 of flexible benefit plan payment and \$4,788 of excess life insurance premiums.
 2. Consists of \$5,000 of flexible benefit plan payment, \$4,788 of excess life insurance premiums and \$3,115 of matching contributions to 401(k) Plan.
 3. Consists of matching contributions to 401(k) Plan.
 4. Mr. Bell began his employment with the Company on October 1, 2012.

Narrative Disclosure to Summary Compensation Table

Our compensation program for executive officers is intended to:

- provide each officer with a conservative base salary; and
- create an incentive for retention and achievement of our long-term business goals using a sizeable, multi-year stock or option bonus programs.

The Compensation Committee is responsible for evaluating the performance of, and reviewing and approving all compensation of, our executive officers, including those executive officers named on the Summary Compensation Table (the “named executive officers”). The Compensation Committee’s designated officer-delegate (currently our Corporate Secretary) is responsible for approving certain issuances of stock under our 2006 Employee Equity Plan to non-executive employees. The Board approves equity awards to all executive officers, including the named executive officers and directors, to preserve the exemption from short swing liability under Section 16(b) of the Securities Exchange Act of 1934.

Our goal is to create performance-based compensation that motivates management to increase stockholder value. Our current Executive Chairman and CEO receives no cash compensation. We compensate our other senior executive officers with a conservative base salary and incentivize them to remain with us through issuance of stock, including stock options, and payment of performance-based cash bonuses. The Compensation Committee has not independently reviewed peer group or other market data in setting base salaries or incentive compensation for senior executives. Because our compensation programs are limited, we do not have policies regarding the allocation of compensation between short and long-term or cash and non-cash.

Base Salaries. We have established base salaries according to each named executive officer’s position, responsibilities and performance. We do not pay Mr. Monroe a salary for his services as Chairman or Chief Executive Officer or Mr. Roberts a salary for his services as Corporate Secretary. Salaries for Mr. Navarra, Mr. Ponder and Mr. Bell are consistent with their respective positions, responsibilities and performance. All executive officers are at-will employees.

Discretionary Cash Bonuses. In 2013, Mr. Ponder received a \$50,000 bonus in recognition of his efforts in 2012.

We provide limited perquisites to certain named executive officers consisting primarily of premiums for term life insurance policies and funding of flexible spending accounts.

We reimburse Thermo for transportation, lodging and meal expenses incurred by Mr. Monroe, Mr. Lynch and Mr. Roberts in connection with each of these persons performing services for us. These reimbursements are reviewed and approved for payment by our Chief Accounting Officer or Corporate Controller at least once a year. The Compensation Committee reviews the total reimbursement amount annually. During 2012, we reimbursed Thermo approximately \$180,062 for these expenses.

Employment Agreement. On September 25, 2012, we entered into an employment agreement with Frank Bell in conjunction with his appointment as President of Global Sales and Marketing. The agreement provides for an annual base salary of \$250,000. In addition, Mr. Bell is entitled to receive a 50% bonus for any year in which we achieve goals for revenue and gross margin to be set by the Board and a further 50% bonus for any year in which we achieve higher goals for revenue and gross margin. His bonus for any partial year will be pro-rated. The Board has not yet set these goals, and Mr. Bell did not receive a bonus for 2012.

Beginning in 2013, Mr. Bell is entitled to participate in the senior managers' cash bonus plan or a similar plan.

Pursuant to the agreement, we issued to Mr. Bell an initial option (the "Initial Option") to purchase 250,000 shares of Common Stock and an initial incentive option (the "Initial Incentive Option") to purchase another 250,000 shares of Common Stock. We also agreed that if, at a future date, Mr. Bell were to assume substantial additional responsibilities, we would issue to him an additional option (the "Future Option") to purchase 250,000 shares of Common Stock. All of the options are to be issued as qualified options under our 2006 Equity Incentive Plan. The exercise price of the Initial Option and the Initial Incentive Option is \$0.48 per share, the market price of the Common Stock on September 25, 2012. The exercise price of the Future Option will be the market price of the Common Stock on the date that Option is granted.

The Initial Option will vest 40% on September 25, 2013 and 20% on each of the next three anniversaries of that date. However, if the Common Stock trades at a price above \$2.50 per share for 10 consecutive trading days at any time, the Initial Option will vest immediately. The Initial Incentive Option will vest 50% when, in any 12-month period, our gross revenue is greater than \$125 million. The remaining 50% will vest when, in any 12-month period, gross revenue exceeds \$160 million. Gross revenue is defined as all revenue other than revenue from extraordinary revenue sources such as gateway or spectrum sales or leases and other special and other nonrecurring revenue.

All of the Options will vest if Mr. Bell is employed by us on the date of any Change in Control.

Mr. Bell is subject to a 12-month noncompetition restriction and is required to assign to us any intellectual property related to our current or anticipated business developed during his employment. Mr. Bell will also be eligible to participate in all benefit plans and programs that are generally available to our senior executive officers, such as employee life, health and disability insurance and 401(k) plan participation.

2012 Grants of Plan-Based Awards

Name	Grant Date	Estimated Future	All Other Stock	All Other Option	Exercise or	Grant Date Fair
		Payouts Under	Awards: Number	Awards: Number of		
		Equity	of Shares of	Securities	of Option	Value of Stock
		Incentive Plan	Stock Or Units	Underlying	Awards	and
		Awards		Options		Option Awards
(a)	(b)	Target (#)	(#)	(#) (1)	(\$/Sh)	(\$)
(a)	(b)	(g)	(i)	(j)	(k)	(l)
James Monroe III	—	—	—	—	—	—
Anthony J. Navarra	—	—	—	—	—	—
L. Barbee Ponder IV	—	—	—	—	—	—
Frank Bell	9/25/12	—	—	250,000	0.48	\$ 61,950 (2)
	9/25/12	—	—	250,000	0.48	\$ 81,163 (3)

(1) Awards under our 2006 Equity Incentive Plan. See Footnote 1 to the Outstanding Equity Awards at 2012 Fiscal Year-End Table for additional details.

(2) Represents the value of options granted pursuant to our 2006 Equity Incentive Plan as calculated pursuant to the provisions of FASB ASC Topic 718, using the Black-Scholes value at grant date of \$0.25. These options vest in four equal installments on September 25, 2013, 2014, 2015 and 2016. Notwithstanding the calendar-based vesting dates stated above: (a) all unvested Options will immediately vest if the Common Stock trades at a price in excess of \$2.50 per share (based on closing bid prices) for ten (10) consecutive trading days; and (b) upon a “Change of Control” as defined in the Plan, all unvested Options will vest immediately.

(3) Represents the value of performance options granted pursuant to our 2006 Equity Incentive Plan as calculated pursuant to the provisions of FASB ASC Topic 718, using the Black-Scholes value at grant date range of \$0.32 to \$0.33. Notwithstanding the “not earlier than” date in Notice of Grant, upon a “Change of Control” as defined in the Plan, all unvested Options will vest immediately.

Outstanding Equity Awards at Fiscal Year-End

The following table reports, on an award-by-award basis, each outstanding equity award held by the named executive officers on December 31, 2012. We generally do not permit executive officers to transfer awards prior to the vesting date, and no transfers were permitted during 2012.

Outstanding Equity Awards at 2012 Fiscal Year-End

Name	Option Awards Number of Securities Underlying Unexercised Options (#)		Option Exercise Price (\$)	Option Expiration Date
	Exercisable	Unexercisable		
(a)	(b)	(c)	(e)	(f)
James Monroe III	200,000	—	\$ 0.38	11/14/2018
Anthony J. Navarra	—	100,000	(1) \$ 0.40	10/4/2021
L. Barbee Ponder IV	— 100,000	185,000 100,000	(1) \$ 0.40 (2) \$ 1.64	10/4/2021 7/13/2020
Frank J. Bell II	—	250,000 250,000	(3) \$ 0.48 (4) \$ 0.48	9/25/2022 9/25/2022

Option awards granted in October 2011 pursuant to our 2006 Equity Incentive Plan. These options vest on the earlier of (i) the first trading day after the company's common stock has traded on the over-the-counter market for (1) more than ten consecutive trading days at or above a per share closing price of \$2.50, and (ii) the day that a binding written agreement is signed for the sale of the company, as determined by the Board of Directors in its discretion reasonably exercised.

- (2) Represents options granted pursuant to our 2006 Equity Incentive Plan. These options vest in four equal annual installments on July 13 of 2011, 2012, 2013 and 2014.
Represents options granted pursuant to our 2006 Equity Incentive Plan. These options vest in four equal installments on September 25, 2013, 2014, 2015 and 2016. Notwithstanding the calendar-based vesting dates
- (3) stated above: (a) all unvested Options will immediately vest if the Common Stock trades at a price in excess of \$2.50 per share (based on closing bid prices) for ten (10) consecutive trading days; and (b) upon a “Change of Control” as defined in the Plan, all unvested Options will vest immediately.
- Performance share awards are granted pursuant to our 2006 Equity Incentive Plan and vest upon achievement of
- (4) the performance condition. Notwithstanding the “not earlier than” date in Notice of Grant, upon a “Change of Control” as defined in the Plan, all unvested Options will vest immediately.

Additional Narrative Disclosure

Pension Plan

Mr. Navarra is entitled to benefits under a defined benefit pension plan originally maintained by Space Systems/Loral for employees of our predecessor, among others. The accrual of benefits in our predecessor's segment of this plan was curtailed, or frozen, as of October 23, 2003. On June 1, 2004, the assets and frozen pension obligations of our predecessor's segment of the plan were transferred to a new Globalstar Retirement Plan, which remains frozen. We continue to fund the plan in accordance with Internal Revenue Code requirements, but participants are not currently accruing benefits beyond those accrued at October 23, 2003. The estimated annual benefit payable upon retirement at normal retirement age to Mr. Navarra is \$35,394. The actual amount of the estimated annual benefit depends upon a number of factors such as time of retirement, years of contributions to the Plan, final average salary, social security wage base and the election for receipt of benefit payments. The estimated annual benefits upon retirement include either a contributory benefit (for those who have enrolled in the Plan) or a non-contributory benefit or a combination of both. The non-contributory benefit equals \$21 per month times the years of non-contributory service. The contributory benefit is the larger of the primary benefit formula, which factors in Social Security and a minimum benefit formula, which does not. The assumptions for valuation of the Pension Plan are described in Note 12 to our Consolidated Financial Statements contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Payments Upon Termination or Change In Control

We have entered into a written, at-will employment agreement with Mr. Bell. If the Company terminates Mr. Bell's employment without Cause or as a result of a Change in Control, he will be entitled to 90 days' salary and continuation of health insurance coverage as required by law, but for not less than 12 months. If the Company terminates Mr. Bell's employment without Cause and within two years following a Change of Control, he will be entitled to the following severance and benefits: (i) 12 monthly installment payments of his then-current base salary plus pro rata portion of most recent annual bonus; and (ii) the same continuation of health insurance coverage as described in the preceding sentence.

We do not have written employment agreements with our other current executive officers. All Company employees, including our executive officers, are at-will employees. Voluntary termination of employment or retirement would not result in any payments to the named executive officers beyond customary short-term severance allowances and such additional awards, if any, that the affected employee would be entitled to receive under our pension and retirement plans. We pay life insurance premiums for all U.S.-based employees that would be paid (based on a multiple of salary) to the employee's beneficiary upon death, in addition to an immediate payment of two weeks' base salary.

We also have a severance allowance applicable to all U.S.-based employees if an employee is terminated due to a reduction in workforce of ten or more positions and upon the employee's execution of a release of claims. Under this plan, the named executive officers would receive a lump sum payment equal to six to eight week's base salary. Other severance, if any, is determined at the time of dismissal and is subject to negotiation.

Under our 2006 Equity Incentive Plan, if a participant dies, becomes disabled or is terminated for cause, unvested awards are forfeited. For vested option awards, the participant or his survivor generally has 12 months to exercise. If a participant is terminated for cause, all unexercised vested options also are forfeited. If a change in control occurs, any unvested options outstanding would vest immediately. A change in control occurs when: (1) a person or group (other than us, an existing controlling stockholder, or trustee for a employee benefit plan) acquires beneficial ownership of 50% or more of the voting power in the election of directors; (2) our merger or consolidation; (3) a sale of all or substantially all of our assets; or (4) the sale or exchange by the stockholders of more than 50% of our voting stock; provided however, that a change in control is not deemed to have occurred if the majority of the board of directors of the surviving company is comprised of our directors. The Compensation Committee, in its discretion, also may take other actions to provide for the acceleration of the exercisability or vesting of other awards under the Plan prior to, upon or following a change in control.

COMPENSATION OF DIRECTORS

In 2012, we provided the following compensation to our non-employee directors:

2012 Director Compensation

Name	Fees				Total (\$)
	Earned or Paid in Cash (\$) (a)	Stock Awards (\$) (c)	Option Awards (\$) (1) (d)	All Other Compensation (\$) (g)	
William Hasler	—	—	—	—	—
John Kneuer	—	—	122,500	—	122,500
James Lynch	—	—	—	—	—
J. Patrick McIntyre	—	—	—	—	—
Richard Roberts	—	—	—	—	—

(1) Represents the aggregate grant date fair value computed consistent with FASB ASC Topic 718. For further discussion of our accounting policies for stock-based compensation and assumption used in calculating the grant date fair value of stock-based compensation awards, see Note 15 to the Consolidated Financial Statements in our 2012 Annual Report on Form 10-K. The actual amount of compensation realized, if any, for option awards may differ from the amounts presented in the table.

On March 16, 2012, Mr. Kneuer received options to purchase 250,000 shares of common stock at the closing price of the common stock on the date of grant with vesting on a monthly schedule based on continued service as a director. The options are subject to decreasing incremental risk of forfeiture until April 1, 2013 on a monthly schedule based on

continued service as a director.

Narrative Disclosure of the Registrant's Compensation Policies and Practices as They Relate to the Registrant's Risk Management

We do not believe that our compensation policies or practices are reasonably likely to have a material effect on us, due in part on the structure of our compensation programs and risk mitigation provided by Board oversight of significant business decisions.

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Related Person Transactions

Reportable Related Party Transactions

Services Provided by Thermo. We have an informal understanding with Thermo that we will reimburse Thermo for expenses incurred by Messrs. Monroe, Lynch and Roberts in connection with their services to us including temporary living expenses while at our offices or traveling on its business. For the year ended December 31, 2012, we recorded approximately \$180,062 for general and administrative expenses incurred by Thermo on our behalf. In addition, we recorded \$528,525 for services provided to us by officers of Thermo that were accounted for as a contribution to capital. Neither Thermo nor Messrs. Monroe, Lynch or Roberts receive any fees or reimbursements other than as described above or under “Director Compensation.”

Thermo Agreements. To fulfill certain conditions precedent to funding under our senior secured credit facility agreement with a syndicate of French banks (the “Facility Agreement”), we entered into several agreements with Thermo Funding as described below.

Secured Debt Conversion

In June 2009, Thermo Funding exchanged all of the approximately \$180 million of outstanding secured debt (including accrued interest) we owed to it under our senior secured credit agreement for one share of Series A Convertible Preferred Stock (the “Series A Preferred”), and the credit agreement was terminated. In December 2009, Thermo Funding converted the share of Series A Preferred into 109,424,034 shares of voting common stock and 16,750,000 shares of nonvoting common stock.

Note and Warrant Offerings

In June 2009, we sold \$55 million in aggregate principal amount of 8.00% Convertible Senior Unsecured Notes and warrants to purchase shares of our common stock to selected institutional investors, including \$11.4 million principal amount of notes and warrants to an affiliate of Thermo Funding, in a direct offering registered under the Securities Act of 1933.

In June 2011, we sold \$38 million in aggregate principal amount of 5.0% Convertible Senior Unsecured Notes and warrants guaranteed by substantially all domestic subsidiaries including \$20 million to Thermo Funding in a private placement.

Contingent Equity Agreement

In June 2009, we entered into a Contingent Equity Agreement with Thermo Funding whereby Thermo Funding agreed to deposit \$60 million into a contingent equity account to fulfill a condition precedent for borrowing under the Facility Agreement. Under the terms of the Facility Agreement, we were required to make drawings from this account if and to the extent we had an actual or projected deficiency in our ability to meet indebtedness obligations due within a forward-looking 90-day period. Thermo Funding pledged the contingent equity account to secure our obligations under the Facility Agreement. When we drew funds from the contingent equity account, we issued Thermo Funding shares of our common stock calculated using a price per share equal to 80% of the average closing price of the common stock for the 15 trading days immediately preceding the draw.

The Contingent Equity Agreement also provides that we will pay Thermo Funding an availability fee of 10% per year for maintaining funds in the contingent equity account. This fee is payable solely in warrants to purchase common stock at \$0.01 per share with a five-year exercise period from issuance, with respect to a number of shares equal to the available balance in the contingent equity account divided by \$1.37, subject to an annual retroactive adjustment at each anniversary of the date of the agreement. No voting common stock is issuable if it would cause Thermo Funding and its affiliates to own more than 70% of our outstanding voting stock. For more information on the shares and warrants issued pursuant to the Contingent Equity Agreement, see Note 4 to the Consolidated Financial Statement contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Subordinated Loan Agreement

In June 2009, we entered into a Loan Agreement with Thermo Funding whereby Thermo Funding agreed to lend us \$25 million for the purpose of funding the debt service reserve account required under the Facility Agreement. This loan is subordinated to, and the debt service reserve account is pledged to secure, all of our obligations under the Facility Agreement. The loan accrues interest at 12% per annum, which is capitalized and added to the outstanding principal in lieu of cash payments. We will make payments to Thermo Funding only when permitted under the Facility Agreement. The loan becomes due and payable six months after the obligations under the Facility Agreement have been paid in full, a change in control of the Company or any acceleration of the maturity of the loans under the Facility Agreement occurs. As additional consideration for the loan, we issued Thermo Funding a warrant to purchase 4,205,608 shares of common stock at \$0.01 per share with a five-year exercise period. No common stock is issuable upon such exercise if such issuance would cause Thermo Funding and its affiliates to own more than 70% of our outstanding voting stock.

Short-Term Note

In advance of the funding of the Facility Agreement, Thermo Funding provided cash to meet our working capital needs under a short-term, unsecured promissory note. In January 2010, Thermo Funding agreed with us, upon recommendation and approval of the Board, to convert our promissory note held by Thermo Funding in the principal amount of \$2,259,531 (plus accrued interest) into 2,525,750 shares of our nonvoting common stock.

HOUSEHOLDING

Under SEC rules, only one annual report, information statement or Notice of Internet Availability of Proxy Materials, as applicable, need be sent to any household at which two or more of our stockholders reside if they appear to be members of the same family and contrary instructions have not been received from an affected stockholder. This procedure, referred to as householding, reduces the volume of duplicate information stockholders receive and reduces mailing and printing expenses for us. Brokers with accountholders who are our stockholders may be householding these materials. Once you have received notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, now or at any time in the future, you no longer wish to participate in householding and would like to receive a separate annual report, information statement or Notice of Internet Availability of Proxy Materials, or if you currently receive multiple copies of these documents at your address and would prefer that the communications be householded, you should contact us at the address or telephone number provided below.

REQUESTS FOR CERTAIN DOCUMENTS

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). You may read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street, NE, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for information on the public reference room. The SEC maintains an internet site that contains annual, quarterly and current reports, proxy and information statements and other information that issuers (including Globalstar) file electronically with the SEC. Our electronic SEC filings are available to the public at the SEC's internet site, www.sec.gov.

We make available free of charge financial information, news releases, SEC filings, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports as soon as reasonably practical after we electronically file such material with, or furnish it to, the SEC, on our website at www.globalstar.com. The documents available on, and the contents of, our website are not incorporated by reference into this Information Statement.

INCORPORATION BY REFERENCE

Items 7, 7A, 8 and 9 of the Company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2012, which was filed with the SEC on March 15, 2013, are incorporated by reference herein.

Covington, LA

April __, 2013

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APPENDIX A

FORM OF

CERTIFICATE OF AMENDMENT

OF THE AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION OF

GLOBALSTAR, INC.

1. The name of the corporation is Globalstar, Inc. (the “Corporation”). The Corporation was originally formed on November 21, 2003 as a Delaware limited liability company named New Operating Globalstar LLC. The Corporation converted to a Delaware corporation under the name Globalstar, Inc. and filed the original Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware on March 17, 2006. The Corporation filed an Amended and Restated Certificate of Incorporation on October 25, 2006. The Corporation filed a Certificate of Designation of Series A Convertible Preferred Stock on June 19, 2009. The Corporation filed Amendment #1 to the Amended and Restated Certificate of Incorporation on September 24, 2009.

2. This Amendment #2 to the Amended and Restated Certificate of Incorporation has been duly adopted in accordance with Section 242 of the General Corporation Law of the State of Delaware.

3. This Amendment #2 to the Amended and Restated Certificate of Incorporation shall be effective upon filing with the Delaware Secretary of State.

4. This Amendment #2 to the Amended and Restated Certificate of Incorporation hereby amends and restates Article Fourth of the Amended and Restated Certificate of Incorporation to read in its entirety as follows:

FOURTH

The Corporation shall have the authority to issue One Billion Seven Hundred Million (1,700,000,000) total shares of capital stock, consisting of One Hundred Million (100,000,000) shares of Preferred Stock, \$0.0001 par value per share (the "Preferred Stock"), and One Billion Six Hundred Million (1,600,000,000) shares of common stock, \$0.0001 par value per share (the "common stock"), of which One Billion Two Hundred Million (1,200,000,000) shares shall be voting common stock (the "Common Stock") and Four Hundred Million (400,000,000) shares shall be nonvoting common stock (the "Nonvoting Common Stock").

Subject to the provisions of law, the rights, preferences and limitations of the common stock and Series A Convertible Preferred Stock shall be as set forth in this Article Fourth. The Board of Directors of the Corporation (the "Board") is hereby authorized, without requirement of the consent, approval or authorization of the stockholders of the Corporation, except as otherwise expressly required by the terms of this Certificate (including, without limitation, the terms of any certificate or resolution designating the rights, powers, preferences, qualifications, limitations and restrictions of any other series of Preferred Stock), to authorize, establish, designate, create and issue by resolution of the Board from time to time one or more other series of Preferred Stock, each such series having such rights, powers, preferences, qualifications, limitations and restrictions as the Board shall designate in such resolution.

A. COMMON STOCK

Except as otherwise expressly provided in this Amendment #2 to the Amended and Restated Certificate of Incorporation, all outstanding shares of common stock shall be identical and shall entitle the holders thereof to the same rights and privileges. The holders of shares of common stock shall have no preemptive or preferential rights of subscription to any shares of any class of capital stock of the Corporation.

1. Dividends. Subject to the provisions of law and the rights that may be granted to holders of any Preferred Stock, the holders of common stock shall be entitled to receive out of funds legally available therefor a pro rata share of any dividends that the Board in its sole discretion may declare. The Board may fix a record date for the determination of holders of shares of common stock entitled to receive payment of a dividend declared thereon, which record date shall be not more than sixty (60) days nor less than ten (10) days prior to the date fixed for payment of the dividend.

2. Liquidation, Dissolution or Winding-Up and Distributions. Subject to the provisions of law and any rights that may be granted to holders of any Preferred Stock, the assets available for distribution to holders of common stock upon liquidation, dissolution or winding up of the Corporation shall be distributed ratably among the holders of the common stock.

3. Conversion Rights.

(a) Conversion of Nonvoting Common Stock. Upon the first to occur of the events described below (the "Conversion Events") with respect to a share of Nonvoting Common Stock, such share of Nonvoting Common Stock shall immediately become convertible at the option of the holder thereof into one share of Common Stock. Conversion of such share of Nonvoting Common Stock shall be effected by surrender of such holder's certificate, or evidence of ownership if such shares are uncertificated, representing such share of Nonvoting Common Stock accompanied by a written notice from such holder addressed to the Corporation requesting the conversion. Upon conversion, holders of converted shares of Nonvoting Common Stock will be issued certificates, or evidence of ownership if such shares are uncertificated, representing the full shares of Common Stock to which they are entitled. A Conversion Event with respect to a share of Nonvoting Common Stock is (i) conversion at the discretion of any holder; provided, however, that if the holder is Thermo (as defined in Article Sixth), Thermo may not convert any share of Nonvoting Common Stock if such conversion would cause Thermo to own directly or indirectly Voting Stock (as defined in the First Supplemental Indenture dated as of April 15, 2008 relating to the Corporation's 5.75% Convertible Senior Notes due 2028) representing 70% or more of the total voting power of all outstanding Voting Stock of the Corporation, (ii) the transfer (or, in the case of a transfer pursuant to a registration statement filed with the Securities and Exchange Commission or Rule 144 under the Securities Act of 1933, as amended, the proposed transfer) of such share of Nonvoting Common Stock by the holder thereof to any transferee other than Thermo (as defined in Article Sixth), (iii) the merger or consolidation of the Corporation with or into any other corporation (except a subsidiary of the Corporation or of Thermo) or (iv) the sale of all or substantially all of the Corporation's assets.

(b) No Reissue. Shares of Nonvoting Common Stock that are exchanged for shares of Common Stock as provided in this Article Fourth shall not be reissued.

(c) No Charge. The issuance of certificates or other means of evidencing shares of Common Stock upon conversion of shares of Nonvoting Common Stock shall be made without charge to the holders of such shares for any issue tax in respect thereof, or other cost incurred by the Corporation in connection with such conversion; provided, however, that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involving the issue and delivery of any certificate in a name other than that of the holder or former holder of the shares of Nonvoting Common Stock so exchanged.

(d) Reservation. The Corporation will at all times reserve and keep available, out of its authorized but unissued shares or its treasury, shares of Common Stock solely for the purpose of issue upon conversion of the shares of Nonvoting Common Stock, as herein provided, such number of shares of Common Stock as shall be issuable (irrespective of the occurrence or nonoccurrence of any contingency) upon a conversion of all outstanding shares of Nonvoting Common Stock. The shares of Common Stock so issuable shall be, when so issued, duly authorized and validly issued and will be fully paid and nonassessable.

4. Stock Dividends and Splits; Adjustments etc. If the Corporation shall in any manner subdivide or combine the outstanding shares of Common Stock or Nonvoting Common Stock, as the case may be, the outstanding shares of Nonvoting Common Stock, Common Stock or common stock underlying any convertible Preferred Stock, as the case may require, shall be proportionately subdivided or combined, as the case may be. If the Corporation issues any stock dividends on the outstanding shares of Common Stock, the outstanding shares of Nonvoting Common Stock shall receive an identical dividend in shares of Nonvoting Common Stock.

5. Voting Rights.

(a) In General. The holders of outstanding shares of Common Stock shall have the right to vote on all matters submitted to the stockholders of the Corporation; provided, however, that regardless of the number of shares of Common Stock owned, Thermo and its affiliates may not exercise in the election of directors voting rights of shares representing 70% or more of the total voting power of all outstanding voting stock having power to vote. Except as otherwise provided by law or in this paragraph, holders of shares of Nonvoting Common Stock shall not have any right to vote on any election or removal of directors of the Corporation, and the shares of Nonvoting Common Stock shall not be included in determining the number of shares voting or entitled to vote on any such matters. Holders of shares of Nonvoting Common Stock, together with holders of shares of Common Stock (considered for this purpose as one class), shall be entitled to one vote per share on any other matter requiring approval of the stockholders of the Corporation under Delaware law.

(b) Procedures at Meetings. At every meeting with respect to matters on which the holders of outstanding shares of Common Stock are entitled to vote, the holders of outstanding shares of Common Stock shall be entitled to one vote per share. At every meeting with respect to matters on which the holders of outstanding shares of Nonvoting Common Stock are entitled to vote as provided herein or by law, the holders of outstanding shares of Nonvoting Common Stock shall be entitled to one vote per share.

The undersigned has caused this Amendment #2 to the Amended and Restated Certificate of Incorporation to be executed this ____ day of _____, 2013.

GLOBALSTAR, INC.

Name: Richard S. Roberts

Title: Corporate Secretary

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