



PIPELINE EASEMENT

Between **THE CORPORATION OF THE TOWN OF WINGHAM** (hereinafter called the "Easement")
(hereinafter called the "Transferor")
and
UNION GAS LIMITED
(hereinafter called the "Transferee")

This is an Easement in Gross.

WHEREAS the Transferor is the owner in fee simple of those lands and premises more particularly described as:

PIN: 41052-0159 (R)

Legal Description: LT 1 PL 417 WINGHAM; LT 9 PL 417 WINGHAM; LT 10 PL 417 WINGHAM; LT 11 PL 417 WINGHAM; LT 12 PL 417 WINGHAM; LT 13 PL 417 WINGHAM; LT 14 PL 417 WINGHAM; PT ALBERT ST PL 417 WINGHAM CLOSED BY R30891 & BY UNREGISTERED BYLAW; PT LT 8 PL 417 WINGHAM; PT LT 7 PL 417 WINGHAM; PT LT 6 PL 417 WINGHAM; PT LT 5 PL 417 WINGHAM; PT LT 3 PL 417 WINGHAM; PT LT 2 PL 417 WINGHAM; PT PK LT 10 PL 410 WINGHAM; LT 462 PL 410 WINGHAM; LT 463 PL 410 WINGHAM; LT 459 PL 410 WINGHAM; LT 428 PL 410 WINGHAM; LT 417 PL 410 WINGHAM; LT 51 PL 427 WINGHAM; PT LT 458 PL 410 WINGHAM; PT LT 457 PL 410 WINGHAM; PT PK LT 12 PL 410 WINGHAM; PT MINNIE ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; PT LT 464 PL 410 WINGHAM; PT LANE LYING BTN LT 459 & LTS 463 TO 464 PL 410 WINGHAM CLOSED BY R65760; PT LEOPOLD ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; PT ALFRED ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; PT LT 429 PL 410 WINGHAM; PT LANE LYING BTN LTS 414 TO 417 PL 410 & LT 51 PL 427 & LTS 428 TO 433 PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; PT LT 416 PL 410 WINGHAM; PT LT 415 PL 410 WINGHAM; PT WILLIAM ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; LT 52 PL 427 WINGHAM; LT 53 PL 427 WINGHAM; LT 54 PL 427 WINGHAM; LT 55 PL 427 WINGHAM; LT 56 PL 427 WINGHAM; LT 57 PL 427 WINGHAM; LANE LYING BTN LTS 53 TO 57 PL 427 & LTS 396 TO 400 PL 410 WINGHAM CLOSED BY R71332; PT PATRICK ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; PT LT 396 PL 410 WINGHAM; PT LT 397 PL 410 WINGHAM; PT LT 398 PL 410 WINGHAM; PT LT 399 PL 410 WINGHAM; PT LT 400 PL 410 WINGHAM; PT JOHN ST PL 410 WINGHAM CLOSED BY UNREGISTERED BYLAW; LT 370 PL 410 WINGHAM; LT 369 PL 410 WINGHAM; LT 368 PL 410 WINGHAM; LT 367 PL 410 WINGHAM; PT MILL RESERVE BLK D PL 410 WINGHAM; PT LT 17 PL 425 WINGHAM; LT 18 PL 425 WINGHAM; PT LT 23 PL 425 WINGHAM EXCEPT PT 1, 22R5992 & EXCEPT PT 1, 22R6342 SUBJECT TO AN EASEMENT OVER PART PARK LOT 10 PLAN 410 WINGHAM; PART LOTS 1, 2, 5, 6 & 7 PLAN 417 WINGHAM BEING PART 4, 22R3903 IN FAVOUR OF PART PARK LOT 10 PLAN 410 WINGHAM AS IN R133286 & PARTS 5 & 6, 22R3903 & PART 1, 22R4107; S/T R133286; PART PARK LOT 9 PLAN 410 WINGHAM BEING PART 2, 22R5714 AS IN R346113 TOWNSHIP OF NORTH HURON

(hereinafter called the "Transferor's Lands").

The Transferor does hereby GRANT, CONVEY, TRANSFER AND CONFIRM unto the Transferee, its successors and assigns, to be used and enjoyed as appurtenant to all or any part of the lands, the right, liberty, privilege and easement on, over, in, under and/or through a strip of the Transferor's Lands more particularly described as:

Part of the PIN: 41052-0175 (R)

Legal Description: PART OF PARK LOT 10, REGISTERED PLAN 410, DESIGNATED AS PART 4 ON 22R-3903 SAVE AND EXCEPT PART 1 ON 22R-4107; TOWNSHIP OF NORTH HURON

(hereinafter called the "Lands") to survey, lay, construct, maintain, brush, clear trees and vegetation, inspect, patrol, alter, remove, replace, reconstruct, repair, move, keep, use and/or operate one pipeline for the transmission of pipeline quality natural gas as defined in The Ontario Energy Board Act S.O. 1998 (hereinafter referred to as the "Pipeline") including therewith all such buried attachments, equipment and appliances for cathodic protection which the Transferee may deem necessary or convenient thereto, together with the right of ingress and egress at any and all times over and upon the Lands for its servants, agents, employees, those engaged in its business, contractors and subcontractors on foot and/or with

vehicles, supplies, machinery and equipment for all purposes necessary or incidental to the exercise and enjoyment of the rights, liberty, privileges and Easement hereby granted. The parties hereto mutually covenant and agree each with the other as follows:

1. In consideration of the sum of TWO XX/100 Dollars (\$2.00) (hereinafter called the "Consideration"), which sum is payment in full for the rights and interest hereby granted and for the rights and interest, if any, acquired by the Transferee by expropriation, including in either or both cases payment in full for all such matters as injurious affection to remaining lands and the effect, if any, of registration on title of this document and where applicable, of the expropriation documents, subject to Clause 12 hereof to be paid by the Transferee to the Transferor within 90 days from the date of these presents or prior to the exercise by the Transferee of any of its rights hereunder other than the right to survey (whichever may be the earlier date), the rights, privileges and Easement hereby granted shall continue in perpetuity or until the Transferee, with the express written consent of the Transferor, shall execute and deliver a surrender thereof . Prior to such surrender, the Transferee shall remove all debris as may have resulted from the Transferee's use of the Lands from the Lands and in all respects restore the Lands to its previous productivity and fertility so far as is reasonably possible, save and except for items in respect of which compensation is due under Clause 2, hereof. Transferor and Transferee hereby agree that nothing herein shall oblige Transferee to remove the Pipeline from the Lands as part of Transferee's obligation to restore the Lands.
2. The Transferee shall make to the Transferor (or the person or persons entitled thereto) due compensation for any damages to the Lands resulting from the exercise of any of the rights herein granted, and if the compensation is not agreed upon by the Transferee and the Transferor, it shall be determined by arbitration in the manner prescribed by the Expropriations Act, R.S.O. 1990, Chapter E-26 or any Act passed in amendment thereof or substitution therefore. Any gates, fences and tile drains, curbs, gutters, asphalt paving, lockstone, patio tiles interfered with by the Transferee shall be restored by the Transferee at its expense as closely as reasonably possible to the condition and function in which they existed immediately prior to such interference by the Transferee and in the case of tile drains, such restoration shall be performed in accordance with good drainage practice and applicable government regulations.
3. The Pipeline (including attachments, equipment and appliances for cathodic protection but excluding valves, take-offs and fencing installed under Clause 9 hereof) shall be laid to such a depth that upon completion of installation it will not obstruct the natural surface run-off from the Lands nor ordinary cultivation of the Lands nor any tile drainage system existing in the Lands at the time of installation of the Pipeline nor any planned tile drainage system to be laid in the Lands in accordance with standard drainage practice, if the Transferee is given at least thirty (30) days notice of such planned system prior to the installation of the Pipeline; provided that the Transferee may leave the Pipeline exposed in crossing a ditch, stream, gorge or similar object where approval has been obtained from the authority having jurisdiction in the premises. The Transferee agrees to make reasonable efforts to accommodate the planning and installation of future tile drainage systems following installation of the Pipeline so as not to obstruct or interfere with such tile installation.
4. As soon as reasonably possible after the construction of the Pipeline, the Transferee shall level the Lands and unless otherwise agreed to by the Transferor, shall remove all debris as may have resulted from the Transferee's use of the Lands therefrom and in all respects restore the Lands to its previous productivity and fertility so far as is reasonably possible, save and except for items in respect of which compensation is due under Clause 2 hereof.
5. It is further agreed that the Transferee shall assume all liability and obligations for any and all loss, damage or injury, (including death) to persons or property that would not have happened but for this Easement or anything done or maintained by the Transferee hereunder or intended so to be and the Transferee shall at all times indemnify and save harmless the Transferor from and against all such loss, damage or injury and all actions, suits, proceedings, costs, charges, damages, expenses, claims or demands arising therefrom or connected therewith provided that the Transferee shall not be liable under the clause to the extent to which such loss, damage or injury is caused or contributed to by the gross negligence or wilful misconduct of the Transferor.
6. In the event that the Transferee fails to comply with any of the requirements set out in Clause 2, 3, or 4 hereof within a reasonable time of the receipt of notice in writing from the Transferor setting forth the failure complained of, the Transferee shall compensate the Transferor (or the person or persons entitled thereto) for any damage, if any, necessarily resulting from such failure and the reasonable costs if any, incurred in the recovery of those damages.

7. Except in case of emergency, the Transferee shall not enter upon any of the Transferor's Lands, other than the Lands, without the consent of the Transferor. In case of emergency the right of entry upon the Transferor's Lands for ingress and egress to and from the Lands is hereby granted. The determination of what circumstances constitute an emergency, for purposes of this paragraph is within the absolute discretion of the Transferee, but is a situation in which the Transferee has a need to access the Pipeline in the public interest without notice to the Transferor, subject to the provisions of Clause 2 herein. The Transferee will, within 72 hours of entry upon such Lands, advise the Transferor of the said emergency circumstances and thereafter provide a written report to Transferor with respect to the resolution of the emergency situation. The Transferee shall restore the Lands of the Transferor at its expense as closely as reasonably practicable to the condition in which they existed immediately prior to such interference by the Transferee and in the case of tile drains, such restoration shall be performed in accordance with good drainage practice.
8. The Transferor shall have the right to fully use and enjoy the Lands except for planting trees over the lesser of the Lands or a six (6) metre strip centered over the Pipeline, and except as may be necessary for any of the purposes hereby granted to the Transferee, provided that without the prior written consent of the Transferee, the Transferor shall not excavate, drill, install, erect or permit to be excavated, drilled, installed or erected in, on, over or through the Lands any pit, well, foundation, pavement, building, mobile homes or other structure or installation. Notwithstanding the foregoing the Transferee upon request shall consent to the Transferor erecting or repairing fences, hedges, pavement, lockstone constructing or repairing tile drains and domestic sewer pipes, water pipes, and utility pipes and constructing or repairing lanes, roads, driveways, pathways, and walks across, on and in the Lands or any portion or portions thereof, provided that before commencing any of the work referred to in this sentence the Transferor shall (a) give the Transferee at least thirty (30) clear days' notice in writing describing the work desired so as to enable the Transferee to evaluate and comment on the work proposed and to have a representative inspect the site and/or be present at any time or times during the performance of the work, (b) shall follow the instructions of such representative as to the performance of such work without damage to the Pipeline, (c) shall exercise a high degree of care in carrying out any such work and, (d) shall perform any such work in such a manner as not to endanger or damage the Pipeline as may be required by the Transferee.
9. The rights, privileges and easement herein granted shall include the right to install, keep, use, operate, service, maintain, repair, remove and/or replace in, on and above the Lands any valves and/or take-offs subject to additional agreements and to fence in such valves and/or take-offs and to keep same fenced in, but for this right the Transferee shall pay to the Transferor (or the person or persons entitled thereto) such additional compensation as may be agreed upon and in default of agreement as may be settled by arbitration under the provisions of The Ontario Energy Board Act, S.O. 1998, or any Act passed in amendment thereof or substitution therefore. The Transferee shall keep down weeds on any lands removed from cultivation by reason of locating any valves and/or take-offs in the Lands.
10. Notwithstanding any rule of law or equity and even though the Pipeline and its appurtenances may become annexed or affixed to the realty, title thereto shall nevertheless remain in the Transferee.
11. Neither this Agreement nor anything herein contained nor anything done hereunder shall affect or prejudice the Transferee's rights to acquire the Lands or any other portion or portions of the Transferor's Lands under the provisions of The Ontario Energy Board Act, S.O. 1998, or any other laws, which rights the Transferee may exercise at its discretion in the event of the Transferor being unable or unwilling for any reason to perform this Agreement or give to the Transferee a clear and unencumbered title to the Easement herein granted.
12. The Transferor covenants that he has the right to convey this Easement notwithstanding any act on his part, that he will execute such further assurances of this Easement as may be requisite and which the Transferee may at its expense prepare and that the Transferee, performing and observing the covenants and conditions on its part to be performed, shall have quiet possession and enjoyment of the rights, privileges and Easement hereby granted. If it shall appear that at the date hereof the Transferor is not the sole owner of the Lands, this Easement shall nevertheless bind the Transferor to the full extent of his interest therein and shall also extend to any after-acquired interest, but all moneys payable hereunder shall be paid to the Transferor only in the proportion that his interest in the Lands bears to the entire interest therein.
13. In the event that the Transferee fails to pay the consideration as hereinbefore provided, the Transferor shall have the right to declare this Easement cancelled after the expiration of fifteen (15) days from personal service upon the Lands Department of the Transferee at its Executive Head Office in Chatham, Ontario, (or at such other point in Ontario as the Transferee may from time to time specify by notice in writing to the Transferor) of notice in writing of such default, unless during

such 15 day period the Transferee shall pay the said consideration; upon failing to pay as aforesaid, the Transferee shall forthwith after the expiration of fifteen (15) days from the service of such notice execute and deliver to the Transferor at the expense of the Transferee, a valid and registrable release and discharge of this Easement.

14. All payments under these presents may be made either in cash or by cheque of the Transferee and may be made to the Transferor (or person or persons entitled thereto) either personally or by mail. All notices and mail sent pursuant to these presents shall be addressed to:

the Transferor at: Township of North Huron
P.O. Box 90
274 Josephine Street
Wingham, Ontario
N0G 2W0

and to the Transferee at: Union Gas Limited
P.O. Box 2001
50 Keil Drive North
Chatham, Ontario N7M 5M1
Attention: Lands Department

or to such other address in either case as the Transferor or the Transferee respectively may from time to time appoint in writing.

15. The rights, privileges and easement hereby granted are and shall be of the same force and effect as a covenant running with the Transferor's Land and this Easement, including all the covenants and conditions herein contained, shall extend to, be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the Parties hereto respectively; and, wherever the singular or masculine is used it shall, where necessary, be construed as if the plural, or feminine or neuter had been used, as the case may be.
16. (a) The Transferee represents that it is registered for the purposes of the Harmonized Goods and Services Tax (hereinafter called "HST") in accordance with the applicable provisions in that regard and pursuant to the Excise Tax Act, (R.S.C., 1985, c. E-15), (hereinafter called "Excise Tax Act"), as amended.
- (b) The Transferee covenants to deliver a Statutory Declaration, Undertaking and Indemnity confirming its HST registration number, which shall be conclusive evidence of such HST registration, and shall preclude the Transferor from collection of HST from the Transferee.
- (c) The Transferee shall undertake to self-assess the HST payable in respect of this transaction pursuant to subparagraphs 221(2) and 228(4) of the Excise Tax Act, and to remit and file a return in respect of HST owing as required under the said Act for the reporting period in which the HST in this transaction became payable.
- (d) The Transferee shall indemnify and save harmless the Transferor from and against any and all claims, liabilities, penalties, interest, costs and other legal expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated by this Easement. The Transferee's obligations under this Clause shall survive this Easement.
17. The Transferor hereby acknowledges that this Easement will be registered electronically.

DATED this _____ day of _____, 20____.

THE CORPORATION OF THE TOWN OF WINGHAM

Signature (Transferor)

Print Name(s) (and position held if applicable)
I have authority to bind the Corporation.

Address (Transferor)

Signature (Transferor)

Print Name(s) (and position held if applicable)

Address (Transferor)

UNION GAS LIMITED

Signature (Transferee)

Cheryl Chauvin-Fryscok, Project Manager Distribution
Name & Title (Union Gas Limited)

I have authority to bind the Corporation.

519-436-4673
Telephone Number (Union Gas Limited)

Additional Information: (if applicable):

Property Address:

HST Registration Number:

Province of Ontario

I, Cheryl Chauvin-Fryscok, of the Municipality of Chatham Kent, in the Province of Ontario;

DO SOLEMNLY DECLARE THAT:

1. I am Project Manager Distribution Lands Department of Union Gas Limited, the Transferee in the attached Grant of Easement and as such have knowledge of the matters herein deposed to.
2. The use of or right in the land described in the said Grant of Easement being:

Part of the PIN: 41052-0175 (R)

Legal Description: PART OF PARK LOT 10, REGISTERED PLAN 410, DESIGNATED AS PART 4 ON 22R-3903 SAVE AND EXCEPT PART 1 ON 22R-4107; TOWNSHIP OF NORTH HURON

acquired by Union Gas Limited for the purpose of a hydrocarbon line within the meaning of Part VI of the Ontario Energy Board Act, 1998.

AND I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath, and by virtue of The Canada Evidence Act.

DECLARED before me at the _____)
 _____)
 _____)
 in the Province of Ontario)
 _____)
 this ____ day of _____, 20____)

A Commissioner, etc.