

THIS AGREEMENT made as of this _____ day of _____, 2018.

B E T W E E N:

THE CORPORATION OF THE TOWN OF KINGSVILLE

(hereinafter called the “Town”)

and

HYDO ONE NETWORKS INC (HONI)

(hereinafter called “Hydro One”)

WHEREAS the Town is the owner of or otherwise exercises jurisdiction over certain public rights-of-way, highways, streets, municipal easements including storm and sewer, municipal drains, walkways, bridges, driveways, ditches, and associated grassy areas and the allowances that are situated within its geographic boundaries (collectively referred to as the “Municipal Road Allowances”).

AND WHEREAS Hydro One wishes to utilize the Municipal Road Allowances otherwise known as Road 2 East, between Essex County Rd 29 (“Division Rd North”) and Hazel Crescent East to the boundary of the property municipally known as 160 Road 2 East, for the purpose of delivering certain supplies, equipment and components related to the construction and operation of Hydro electric transmission facilities.

AND WHEREAS the parties have negotiated the terms of such use and the Town has agreed to grant to Hydro One certain rights in respect of the same.

AND WHEREAS the parties are entering into this Agreement in order to set out their respective rights and obligations and other matters as provided for herein.

NOW THEREFORE, for Two Dollars (\$2.00) of lawful money of Canada now paid by each of the parties to the other and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

Term

1. The term of this Agreement shall commence on April 27, 2018 and shall continue and be in full force and effect until May 14, 2018 (the “Term”). The terms of any renewal agreement shall be subject to the mutual concurrence of the parties, and there shall be no automatic right of renewal.

Grant of Road Use

2. Subject to the terms and conditions set out herein, the Town hereby grants to Hydro One the following rights during the Term:
 - a) to travel on, over, along Road 2 East to deliver certain supplies, equipment and components related to the construction and operation of Hydro Electric Transmission facilities in the Town of Kingsville (the “Road Use”).
3. Hydro One shall ensure that its Road Use does not unduly interfere with the use of any Municipal Road Allowances by members of the public. Without limiting the generality of the foregoing, Hydro One shall not be entitled to close or temporarily block any of the Municipal Road Allowances without the prior written consent of the Town. Hydro One, at its sole cost, shall reimburse the Town for any services rendered for traffic control purposes, and/or the erection of road closures/barriers during the Term. Hydro One acknowledges that the rights granted hereunder are non-exclusive, are in the nature of a licence only, and do not constitute a grant of easement or any other permission other than as expressed herein in writing.

Standard of Work

4. Hydro One agrees that all work carried out by Hydro One or its agents under this Agreement shall be carried out expeditiously in a good and workmanlike manner, in accordance with good engineering and trade practice and so as to cause a minimum of nuisance or disruption to any other person. Hydro One shall take all reasonable precautions

Repair of Damage

5. The Town shall conduct its own inspection to evaluate the condition of the Municipal Road Allowance prior to and following Hydro One’s Road Use.
6. In the event that the Town identifies any damage or destruction, which in the opinion of the Town was caused by the Road Use, the Town shall, within 10 business days of identifying said damage or destruction, provide written notice to Hydro One setting out the following:
 - a) those parts of the Municipal Road Allowances that have been damaged or destroyed by the Road Use (the “Damage”); and
 - b) the repairs, replacements or remedial work necessary to repair the Damage (the “Repairs”).
7. Hydro One shall, at its sole expense, complete the Repairs identified by the Town, within ninety (90) days of its receipt of notice. The Repairs shall be completed to the satisfaction of the Town.
8. If Hydro One fails to complete the Repairs in accordance with paragraph 7, the Town may complete the Repairs at the sole expense of Hydro One.

9. If, in the sole opinion of the Town, the Repairs are of an urgent nature (the “Urgent Repairs”), the Town may either:
 - a) complete the Urgent Repairs at the expense of Hydro One; or
 - b) give written notice to Hydro One that Urgent Repairs are required to be conducted within the time set out in the said notice. In the event Hydro One does not, in the sole opinion of the Town, proceed diligently to undertake the Urgent Repairs or fails to complete the Urgent Repairs within the time set out in the notice, the Town may complete the Urgent Repairs at the sole expense of Hydro One.

Letters of Credit

10. Hydro One shall, prior to the commencement of the Term, provide to the Town an irrevocable letter of credit, in a form and with content satisfactory to the Town, in the amount of Two Hundred Thousand Dollars (\$200,000.00) to secure Hydro One’s obligations hereunder, which credit shall be held by the Town for a period of six (6) months following the expiration of the Term.
11. Hydro One acknowledges and agrees that the Town reserves the right to draw on and use the proceeds from the letters of credit to fulfill any of the obligations of Hydro One under this Agreement, including, but not limited to Hydro Ones’ obligations to complete the Repairs.
12. In the event that any portion of a letter of credit provided by Hydro One under this Agreement is drawn upon and used by the Town pursuant to the terms of this Agreement, Hydro One shall forthwith upon its receipt of written notice from the Town, replace the letter of credit or post further security, to the satisfaction of the Town.

Indemnity and Insurance

13. Hydro One covenants and agrees, on behalf of itself, its agents, contractors, trustees, administrators and permitted assigns to indemnify and save completely harmless the Town, its servants, officers, councillors and agents from and against all suits, judgments, demands, expenses, actions, causes of action and losses and for any and all liability for damages to property and injury to persons (including death and environmental liability) which the Town may incur, to the extent bodily injury, including death, and property damage is caused by the acts or omission of Hydro One or as a result of or arising out of or in relation to any of the terms, provisions or granting of rights under this Agreement.
14. Hydro One shall purchase and maintain for the Term, Commercial General Liability insurance in a form and with content satisfactory to the Town and with a minimum coverage limit of Fifteen Million Dollars (\$15,000,000) per occurrence and Thirty Million Dollars (\$30,000,000.00) in the aggregate, covering the legal liability arising, directly or indirectly, out of the Road Use and any work required to be completed by Hydro One under this Agreement, including, but not limited to the Repairs, which insurance shall name the Town as an additional insured and include cross liability and contractual liability,

non-owned automobile coverage with physical damage coverage for hired automobiles, pollution coverage (on a sudden, accident and gradual basis) and thirty (30) days written notice of cancellation. Hydro One shall provide the Town with a valid certificate of such insurance as evidence of the foregoing coverage upon signing this Agreement. Hydro One shall provide the Town with any renewal and replacement certificates as may be necessary during the Term. If the Town receives notice from the insurer that it has cancelled or refused to renew the insurance, or that it intends to do so, or if the Town otherwise determines that the insurance has lapsed or is about to lapse without renewal or replacement, the Town may, on written notice to Hydro One and at the sole cost and expense of Hydro One, obtain insurance in accordance with this section and Hydro One shall forthwith, upon receipt of written notice thereof from the Town, reimburse the Town for the cost of such insurance payable as noted above. In addition, the Town shall, at its sole discretion and option, be entitled to draw upon any security posted under this Agreement to cover the cost of the insurance. Hydro One shall, at its sole expense, pay for any deductible costs incurred by the Town to the extent the claim results from any negligence, act or omission of Hydro One or its agents or contractors.

Notices

15. Any notice required or permitted to be given by this Agreement is sufficiently given if sent by ordinary mail as follows:

To Hydro One : Hydro One Networks Inc. (HONI)
[NTD Contact Information Need]

To the Town: The Corporation of the Town of Kingsville
2021 Division Road North,
Kingsville, Ontario N9Y 2Y9
Attention: Director of Municipal Services

16. Any written notice sent by ordinary mail in accordance with this Agreement is deemed, for the purposes of this Agreement, received on the fifth day after mailing, unless actually received before. Nothing in this paragraph prevents the delivering of written notice personally, and if such notice is so delivered, shall be deemed received upon delivery.

General Provisions

17. Hydro One may not assign this Agreement or any part of this Agreement without the prior written consent of the Town.
18. This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
19. Unless otherwise required by the context in which any term appears the singular shall include the plural; all references to a particular entity shall include a reference to such entity's successors and permitted assigns; references to this Agreement shall include a reference to any appendices, annexes, schedules and exhibits hereto, as the same may be

amended, modified, supplemented or replaced from time to time; references to any agreement, document or instrument shall mean a reference to such agreement, document or instrument as the same may be amended, modified, supplemented or replaced from time to time.

20. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their duly authorized signing officers.

**THE CORPORATION OF THE
TOWN OF KINGSVILLE**

G. A. Plancke, Director of Municipal
Services

HYDRO ONE NETWORKS INC.

Name:
Title:

Name:
Title:

I/We have authority to bind the Company.