

This Easement is an easement in Gross

PIPELINE EASEMENT

WHEREAS the Transferor is the owner in fee simple of those lands and premises more particularly described as: “*insert full legal description here*” (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 of the Transferee's lands the right, liberty, privilege and easement on, over, in, under, across and/or through a strip of the Transferor's Lands more particularly described as being “*insert legal description here*” (hereinafter referred to as the "Lands") to survey, lay, construct, maintain, inspect, patrol, alter, remove, replace, reconstruct, repair, move, keep, use and/or operate one Pipe line for the transmission of pipeline quality natural gas (hereinafter referred to as the "Pipeline") as defined in The National Energy Board Act R.S.C. 1985 C. N-7 (the “Act”) 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 herein granted. The Transferor and Transferee hereto mutually covenant and agree each with the other as follows:

1. In consideration of the sum of “*insert amount here*” DOLLARS (\$) of lawful money of Canada, and the additional sum of:

(Delete (a) or (b))

(a) the lump sum of “*insert amount here*” DOLLARS (\$_____) of lawful money of Canada (the receipt and sufficiency of which is hereby acknowledged by the Transferor).

(b) the sum of “*insert amount here*” Dollars (\$_____) of lawful money of Canada paid on the _____day of _____, 20__ (the receipt and sufficiency of which is hereby acknowledged by the Transferor) and the further sum of “*insert amount here*” DOLLARS (\$_____) of lawful money of Canada to be paid on the _____day of _____in each and every year thereafter for a period of ____years of until abandonment of the rights and interest hereby granted if prior to the expiration of such period.

(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 20 hereof to be paid by the Transferee to the Transferor within ninety (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.

2. The Transferor has the option of requiring the compensation for the rights and interest hereby granted to be made by one lump sum payment or by annual or periodic payments of equal or different amounts over a period of time. The Transferor has selected the method of compensation referred to above.
3. The Transferor acknowledges receipt, prior to the entering into of this agreement, of a notice pursuant to Section 87 of the Act setting out or accompanied by:

- a) A description of the portion of the Lands of the Transferor required by the Transferee for a section or part of the Pipeline;
 - b) Details of the compensation offered by the Transferee for the Lands required;
 - c) A detailed statement made by the Transferee of the value of the Lands required in respect of which compensation was offered;
 - d) A description of the procedure for approval of the detailed route of the Pipeline; and
 - e) A description of the procedure available for negotiation and arbitration under Part V of the Act in event that the Transferor and Transferee are unable to agree on any matter respecting the compensation payable.
4. Where the Transferor has selected annual or periodic payments the amount of such compensation payable by the Transferee shall be reviewed every five (5) years. Where the Transferor has selected annual or other periodic payments the Transferor hereby waives and releases to the Transferee any lien it may have on the rights and interest hereby granted in connection with such payments. Where the Transferor has selected periodic payments the Transferor may re-elect to receive a lump sum payment which will be recalculated to recognize any periodic payments made.
 5. The Transferee's use of the Lands shall be restricted to use in connection with the Pipeline.
 6. The Transferee may at any time and from time to time surrender by appropriate instrument, the rights acquired by it hereunder in all or in part of the Lands and the Transferee may, but shall not be obligated to remove all or any part of the pipeline which the Transferee may have installed or placed in the Lands or part thereof being surrendered. The Transferee agrees to remove and discharge any instrument or encumbrance registered against the Transferors title as it relates to its interest in the Lands being surrendered. The Transferee will comply with the requirements of the National Energy Board or any successor regulatory Board or Tribunal in the event it removes the pipeline or any part of same.
 7. Prior to a surrender referred to in Clause 6, 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 it's previous productivity and fertility so far as is reasonably possible, save and except for items in respect of which compensation is due under Clause 10 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.
 8. Provided that upon the discontinuance of the use of the Lands and of the exercise of the rights hereby granted, the Transferee shall and will restore the Lands to the same conditions so far as it is possible so to do as the same were prior to the entry thereupon and the use thereof by the Transferee, provided that the Transferee shall be under no obligation or requirement to remove the pipeline from the Lands as part of its obligation to restore the Lands as set out herein.
 9.
 - a) Except as provided in subclause (b) or (c) of this Clause 9, periodic payments of compensation, if any shall be made to the registered owner from time to time of the Lands.
 - b) In the event of a change in the ownership of all or a part of the Lands, the Transferee may nevertheless at its option continue, until thirty (30) days after proper notice of such change has been given to the Transferee, to make any such periodic payments to the person or persons to whom it was making such payments at the time of such change.

- c) In the event of a severance in ownership of the Lands, the notice referred to in subclause (b) of this Clause 9 may include a provision as to the manner in which such future periodic payments of compensation are to be divided between or among registered owners of the Lands. If no such notice is given or if such a notice is given but no such provision is included, then the provisions of subclauses (a) and (b) of this Clause 9 shall apply except that in addition, the Transferee may at its option make any such payment jointly to all of the persons to whom it is entitled to make payment in accordance with this Clause 9.
- d) For the purposes of this Clause 9, “proper notice” shall consist of (i) written notice of such change in ownership executed by both the prior registered owner and the new registered owner, including the address of the new registered owner, accompanied by (ii) a Notarial or certified copy of the registered instrument affecting such change in ownership.
10. The Transferee shall make to the Transferor (or the person or persons entitled thereto) due compensation for any damages 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 Act or any Act passed in amendment thereof or substitution therefor. Any gates, fences and tile drains interfered with by the Transferee shall be restored by the Transferee at its expense as closely as reasonably possible to their function and in the case of tile drains, such restoration shall be performed in accordance with good drainage practice. The Transferee will be responsible for any defects in the integrity and performance of tile installed or repaired in conjunction with construction, operation or repair, provided the defects are caused by the Transferee’s activities, fault materials or workmanship. The Transferee and Transferor agree that they shall apply reasonable efforts to the negotiation of an agreement in advance of the Arbitration referred to in this paragraph.
11. The Pipeline (including attachments, equipment and appliances for cathodic protection but excluding valves, take-offs and fencing installed under Clause 17 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. 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.
12. 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 10 hereof.
13. The Transferee shall indemnify the Transferor for any and all liabilities, damages, costs, claims, suits and actions which are directly attributable to the exercise of the rights hereby granted, except to the extent of those resulting from the gross negligence or willful misconduct of the Transferor.
14. In the event that the Transferee fails to comply with any of the requirements set out in Clause 10, 11 or 12 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.

15. 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 10 herein. The Transferee will, within seventy-two (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.
16. The Transferor shall have the right to fully use and enjoy the Lands except for planting trees over the lessor 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, place or permit to be excavated, drilled, installed, erected or placed 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 as may be required by the Transferee and in such a manner so as not to endanger or damage the Pipeline.
17. 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 said 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 Act or any Act passed in amendment thereof or substitution therefor. The Transferee agrees to make all reasonable efforts to locate such facilities adjacent to lot lines and public road allowances. 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.
18. Notwithstanding any rule of law or equity and even though the Pipeline and its appurtenances may become annexed or affixed to the Lands, title to the Pipeline shall nevertheless remain in the Transferee.
19. 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 Act, 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.

20. 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 Indenture 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.
21. In the event that the Transferee fails to pay the consideration as hereinbefore provided, the Transferor shall have the right to declare this easement canceled after the expiration of fifteen (15) days from personal service, upon the Transferee of notice in writing of such default, unless during such fifteen (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 registerable release and discharge of this easement.
22. 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 *"insert mailing address here"* and to the Transferee at Dawn Gateway, LP c/o Union Gas Limited, P.O. Box 2001, 50 Keil Drive North, Chatham, Ontario N7M 5M1. Attention: Manager, Lands or to such other address in either case as the Transferor or the Transferee respectively may from time to time appoint in writing.
23. The rights, privileges and easement hereby granted are and shall be of the same force and effect as a covenant running with the land and this Indenture, including all the covenants and conditions herein contained, shall extend to, be binding upon and enure 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.
24. The Transferor hereby acknowledges that this transfer will be registered electronically and the Transferor hereby authorizes the Transferee to complete the registration of this transfer.

IN WITNESS WHEREOF the parties hereto have executed and delivered this agreement as of the _____ day of _____, 20__.

SIGNED, SEALED AND DELIVERED)

) _____

) Transferor

Witness) _____

) Transferor

Witness)

Dawn Gateway, LP (Transferee)

Per _____

Municipality of Chatham-Kent

Province of Ontario

DECLARATION REQUIRED UNDER
SECTION 50 OF THE PLANNING
ACT, R.S.O. 1990, as amended

I, _____ of the City of _____, in the Province of Ontario.

DO SOLEMNLY DECLARE THAT

- 1. I am a Senior Lands Agent, Lands Department of Union Gas Limited, the agent of 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 is being acquired by the Transferee for the purpose of a hydrocarbon transmission 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 _____)
Municipality of Chatham-Kent, _____)
in the Province of Ontario _____)
this ____ day of _____, 200 _____)
_____)

A Commissioner, etc.