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October 27, 2025

Ontario Energy Board  
2300 Yonge Street  
27th Floor  
Toronto, ON M4P 1E4

Attn: Ritchie Murray, Acting Registrar

Dear Mr. Murray:

**Re: OEB File No. EB-2025-0014  
Oshawa PUC Networks Inc. ("Oshawa Power")  
2026 Rates Application  
Decision and Order on Confidentiality**

On October 27, 2025, the Ontario Energy Board ("**OEB**") issued Decision and Order on Confidentiality ordering Oshawa Power to file unredacted versions of certain documents with the OEB that the OEB has deemed non-confidential.

Concerning the aspects of the decision requiring Oshawa Power to file unredacted information or documents related to Oshawa Power's new consolidated administrative and operations facility, please note that pursuant to Section 5.1.15 of the Practice Direction on Confidential Filings, Oshawa Power intends to appeal or seek review of this aspect of the decision. Oshawa Power submits that the OEB not place the document on the public record until the appeal or review has been concluded or the time for filing an appeal or review has expired without an appeal or review having been commenced.

Oshawa Power has filed an updated unredacted version of Exhibit 1 IRRs on the public record, which includes Attachment 1-7 (Confidentiality Agreement between Oshawa Power and Lakefront Utilities)

Please find also attached to this letter Attachment 2-5: Service Level Agreement between 2825407 Ontario Inc. And Lakefront Utility Services Inc.

Sincerely,

*Valerie Bennett*

Valerie Bennett



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Director, Regulatory & Commercial Affairs  
Oshawa Power

Cc: John Vellone, Borden Ladner Gervais LLP

**SERVICE LEVEL AGREEMENT**

**BETWEEN**

**2825407 ONTARIO INC.**

**– and –**

**LAKEFRONT UTILITY SERVICES INC.**

**OCTOBER 15, 2024**

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## SERVICE LEVEL AGREEMENT

THIS AGREEMENT is dated as of October 15, 2024 (the "Effective Date")

### BETWEEN :

**2825407 ONTARIO INC.**, a corporation incorporated  
under the laws of Ontario

(the "Provider")

- and -

**LAKEFRONT UTILITY SERVICES INC.**, a corporation  
incorporated under the laws of Ontario

(the "Client")

### CONTEXT

1. The Provider provides a range of services that will meet the operational requirements of the Client.
2. The Client requires that the Provider provide the Services to facilitate the operation of the Business.

THEREFORE, the Parties agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement, the following terms have the following meanings:

- 1.1.1 "**Affiliate**" means an affiliate as that term is defined in the *Business Corporations Act* (Ontario).
- 1.1.2 "**Agreement**" means this agreement, including all Schedules, as it may be confirmed, amended, modified, supplemented or restated by written agreement between the Parties.
- 1.1.3 "**Applicable Law**" means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations, guidelines, orders and policies of any Governmental Authority having authority over that Person, property, transaction or event.
- 1.1.4 "**Arbitration Act**" is defined in Section 8.1.
- 1.1.5 "**Arbitrator**" is defined in Section 8.1.
- 1.1.6 "**Business**" means the business of distributing electricity in the Town of Cobourg and Village of Colborne.



- 1.1.7 **"Business Day"** means any day excluding a Saturday, Sunday or statutory holiday in the Province of Ontario.
- 1.1.8 **"Client"** is defined in the recital of the Parties above.
- 1.1.9 **"Client Data"** is defined in Section 4.4.
- 1.1.10 **"Communication"** means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- 1.1.11 **"Confidential Information"** means any information relating to the Client or its Business whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, and whether or not designated, marked, labelled or identified as confidential or proprietary, but excluding information, other than Personal Information, which:
- 1.1.11.1 was, is or becomes available to or known by the public, other than as a result of improper disclosure by the Provider or any of its Representatives, before the end of the Term; or
- 1.1.11.2 was or is obtained from a source other than the Client, any of its Representatives, or any Person bound by a duty of confidentiality to the Client or the Business.
- 1.1.12 **"Consents"** is defined in Section 4.5.2.
- 1.1.13 **"Defaulting Party"** is defined in Section 3.4.
- 1.1.14 **"Disputes"** is defined in Section 8.1.
- 1.1.15 **"Effective Date"** is defined above in the first line of this Agreement.
- 1.1.16 **"Failing Party"** is defined in Section 3.6.
- 1.1.17 **"Force Majeure"** means: acts of God; laws, orders, rules, regulations, acts and restraints of armies, militaries, enemies, terrorists, and Governmental Authorities; war, revolutions, mobilization, political and civil unrest or insurrection, embargos, disturbances and riots; epidemics, outbreak of disease, and quarantine; inclement weather including floods, storms, tornados, hurricanes, tsunamis, earthquakes, volcanic eruptions and landslides; explosions and fire; labour issues including disputes, walkouts, strikes, slowdowns, lockouts and picketing; damage, destruction or expropriation of property; delays or defaults in or caused by, and shortages of, power, water, transportation and common carriers, facilities, labour, subcontractors, goods, materials and supplies; breakdowns in or the loss of production; the non-availability of relevant markets and the state of the marketplace; and any other event or occurrence beyond the reasonable control of the applicable Party.
- 1.1.18 **"Good Utility Practice"** means any of the practices, methods, or acts engaged in or approved by a significant portion of the electric utility industry in Ontario, Canada during the relevant time period, or any of the practices, methods, or acts which, in the exercise of reasonable judgment in light of the facts known at the time, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and applicable laws and regulations. **"Good Utility Practice"** is not
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intended to be limited to the optimum practice or method, but rather includes a range of practices, methods, or acts generally accepted in the industry.

**1.1.19 "Governmental Authority" means:**

1.1.19.1 any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and

1.1.19.2 any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

**1.1.20 "Indemnified Party" is defined in Section 7.3.1.**

**1.1.21 "Indemnifying Party" is defined in Section 7.3.1.**

**1.1.22 "Initial Term" is defined in Section 3.2.**

**1.1.23 "Licences" is defined in Section 4.5.1.**

**1.1.24 "Loss" means:**

1.1.24.1 any loss, liability, damage, cost, expense, charge, fine, penalty or assessment including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise and all interest, fines, penalties and reasonable professional fees and disbursements;

but excluding

1.1.24.2 any indirect, special, punitive or consequential losses, or damages.

**1.1.25 "Nominee" is defined in Section 9.1.**

**1.1.26 "Non-Defaulting Party" is defined in Section 3.4.**

**1.1.27 "Parties" means the Provider and the Client, collectively, and "Party" means any one of them.**

**1.1.28 "Person" will be broadly interpreted and includes:**

1.1.28.1 a natural person, whether acting in their own capacity, or in their capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;

1.1.28.2 a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and



1.1.28.3 a Governmental Authority.

1.1.29 **"Personal Information"** means information relating to identifiable individuals.

1.1.30 **"Provider"** is defined in the recital of the Parties above.

1.1.31 **"Representatives"** means the Affiliates of a Party, and the advisors, agents, consultants, directors, officers, management, employees, subcontractors, and other representatives, including accountants, auditors, financial advisors, lenders and lawyers of a Party and of that Party's Affiliates.

1.1.32 **"Services"** means the services set out at Schedule "A".

1.1.33 **"Term"** means the period of time during which this Agreement is in full force and effect.

1.1.34 **"Third Party Agreements"** is defined in Section 4.5.1.

## 1.2 **Certain Rules of Interpretation**

1.2.1 In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.

1.2.2 The division of this Agreement into Articles and Sections, the insertion of headings and the inclusion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

1.2.3 References in this Agreement to an Article, Section, or Schedule are to be construed as references to an Article, Section, or Schedule of or to this Agreement unless otherwise specified.

1.2.4 Unless otherwise specified in this Agreement, time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day.

1.2.5 Unless otherwise specified, any reference in this Agreement to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.

## 1.3 **Governing Law**

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.



#### **1.4 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

#### **1.5 Business Day**

Whenever any calculation or payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, the calculation or payment is to be made, or action is to be taken on the next Business Day.

### **ARTICLE 2 REPRESENTATIONS AND WARRANTIES**

#### **2.1 Representations and Warranties of the Parties**

Each Party represents and warrants in favour of the other Party as follows:

- 2.1.1 it is a corporation duly incorporated, amalgamated or continued, and existing, under the laws of the Province of Ontario, and has all necessary corporate power and capacity to enter into and perform its obligations under this Agreement;
- 2.1.2 it has taken all necessary corporate action to authorize the execution and delivery by it of its obligations under this Agreement;
- 2.1.3 it has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms, subject only to bankruptcy, insolvency, liquidation, reorganization, moratorium and other similar laws generally affecting the enforcement of creditors' rights, and to the fact that equitable remedies, such as specific performance and injunction, are discretionary remedies;
- 2.1.4 no authorization, consent, permit, exemption, approval or other action by, or filing with, or notice to, any Governmental Authority is required in connection with the execution and delivery by it of this Agreement or the performance of its obligations under this Agreement, all of which have been obtained, made or given;
- 2.1.5 the execution and delivery by it of this Agreement, and the performance of its obligations under this Agreement, do not and will not breach or result in a default under:
  - 2.1.5.1 any of its constating documents;
  - 2.1.5.2 any Applicable Law to which it is subject; or
  - 2.1.5.3 any contract or covenant by which it is bound; and



- 2.1.6 there is no action, litigation or other proceeding in progress, pending or, to its knowledge, threatened against it which might result in a material adverse change in its financial condition or which would materially adversely affect its ability to perform its obligations under this Agreement.

**2.2 Representations and Warranties Continuously Given**

All representations and warranties of the Parties will be deemed to be continuously given throughout the Term.

**ARTICLE 3  
TERM AND TERMINATION**

**3.1 Review**

On the date that is 3 months following the Effective Date, the Parties agree to review the terms of this Agreement, including the performance of the Parties hereunder, and consider whether any of the terms herein should be modified. If any such modification is mutually agreed, the Parties will enter into a written amendment hereto.

**3.2 Term**

The initial term of this Agreement (the "Initial Term") will be for a consecutive 12 month period commencing on the Effective Date and continuing through to and including the date immediately prior to the consecutive 12 month anniversary date of the Effective Date, subject to the termination provisions set out in this Agreement.

**3.3 Renewals**

The Initial Term may be extended upon written mutual agreement of the Parties.

**3.4 Termination for Default**

The provision of Services under this Agreement may be terminated by a Party (the "Non-Defaulting Party") upon 20 Business Days notice to the other Party (the "Defaulting Party") if the Defaulting Party is in default of any term of this Agreement and the default has not been cured within 10 Business Days following written notice of that default having been given by the Non-Defaulting Party to the Defaulting Party.

**3.5 Termination for Bankruptcy or Insolvency**

The provision of Services under this Agreement may be terminated by a Party upon notice to the other Party upon the occurrence of any of the following events:

- 3.5.1 if the Defaulting Party becomes insolvent, makes an assignment for the benefit of creditors or is the subject of any proceeding under any bankruptcy and/or insolvency law;
- 3.5.2 if the Defaulting Party winds up, dissolves, liquidates or takes steps to do so or otherwise ceases to function as a going concern; or
- 

- 3.5.3 if a receiver or other custodian (interim or permanent) of any of the assets of the Defaulting Party is appointed by private instrument or by court order or if any execution or other similar process of any court becomes enforceable against the Defaulting Party or its assets or if distress is made against any of the Defaulting Party's assets.

**3.6 Termination for Convenience**

- 3.6.1 The Client shall have the right to terminate this Agreement for its convenience prior to the expiration of the Initial Term or any renewal thereof, upon providing the Provider with 20 Business Days notice.
- 3.6.2 The Provider shall have the right to terminate this Agreement for its convenience prior to the expiration of the Initial Term or any renewal thereof, upon providing the Client with 90 Business Days notice.

**3.7 Force Majeure**

If a Party (the "Failing Party") is unable or fails to perform any of its duties and obligations under this Agreement by reason of Force Majeure, the Failing Party will not be liable to the other Party during the period of Force Majeure and to the extent of its inability or failure, but:

- 3.7.1 the Failing Party claiming Force Majeure must notify the other Party in writing within 72 hours after the Force Majeure event, setting out in reasonable detail the nature of the event, giving a good faith estimate of the expected duration of the event and outlining the steps the Failing Party intends to take to mitigate the effect of the event; and
- 3.7.2 the Failing Party will make commercially reasonable efforts in the circumstances to surmount the event of Force Majeure, and to resume full performance as soon as it is reasonably possible to do so, provided that the Failing Party will not be required to settle any labour issues including disputes, walkouts, strikes, slowdowns, lockouts or picketing on commercially unreasonable terms.

**3.8 Effect of Termination**

Despite termination of the provision of Services under this Agreement, the Parties will complete a final reconciliation of amounts owed to the Provider under this Agreement as contemplated in Article 5.

**3.9 Continuing Obligation**

Termination of this Agreement will not release, discharge or otherwise affect the obligation of the Client to pay for any Services provided to it before the termination took effect, including any interest on unpaid amounts as contemplated by Section 5.4.

**ARTICLE 4  
SERVICES**

**4.1 Provision of Services**

The Provider agrees to provide the Services set out at Schedule "A" to the Client throughout the Term.



#### 4.2 Performance Standards

The Provider will provide the Services to the Client adhering to a standard of care that is consistent with Good Utility Practice.

#### 4.3 Personnel

The Provider will provide all necessary and appropriate personnel to perform the Services in accordance with the standard of care required by Section 4.2. The Provider's personnel will have appropriate education and training to perform the Services in a workmanlike manner. The personnel performing the Services will not be required to perform services exclusively for the Client, but may also provide similar services for the Provider and other entities. While providing the Services, the Provider's personnel will remain employees of the Provider. The Provider will be responsible for all wages, benefits, withholdings for tax purposes, and all other employer liabilities and responsibilities relating to all its personnel. The Provider will make commercially reasonable efforts to provide the Services in a timely manner consistent with the Provider's operation of its business.

#### 4.4 Processing Errors

The Client is responsible from the Effective Date for the accuracy and completeness of all information, data or other items submitted by the Client to the Provider for processing or transmission in connection with the Services (the "Client Data") and for any errors in and with respect to information, data or other items obtained from the Provider because of any inaccurate or incomplete Client Data.

#### 4.5 Third Party Agreement and Consents

4.5.1 The Parties recognize that certain of the Services and certain related software and hardware licences (the "Licences") are provided by third parties under specific third party agreements (the "Third Party Agreements"). The Parties further recognize that the Third Party Agreements may have been entered into by the Provider or an Affiliate of the Provider and that the Client receives support services and Licences as a result of the Third Party Agreements. Each Party will:

- 4.5.1.1 make commercially reasonable efforts to cause the third party providers to continue to provide the support and Licences to the Client under the terms of the Third Party Agreements as in effect as of the date of this Agreement; and
- 4.5.1.2 if successful in causing third party providers to provide support and Licences to the Client, pass through any services to which the Provider is entitled under those Third Party Agreements.

If a Third Party Agreement terminates before the expiration of the Term, the Provider will make commercially reasonable efforts to secure an alternative method of making the Services or Licences available to the Client, which alternative method has terms, and results in economic benefits and burdens to the Parties which are, substantially similar to those that exist as of the date of this Agreement. If the Provider or an Affiliate of the Provider allows the Client to use software or hardware that is licensed from a third party under a Third Party Agreement, the Client will abide by the applicable terms and conditions of that Third Party Agreement.



- 4.5.2 The Parties will make commercially reasonable efforts to obtain all consents, approvals or amendments to Third Party Agreements or any other existing agreements necessary to allow the Provider to provide the Services to the Client (the "Consents"). The Client will pay the cost of obtaining the Consents and any fees or charges associated with the Consents, including any additional licence or sublicense fees.

#### 4.6 Security

The Provider will maintain adequate back-up material that will enable the regeneration of Client Data, computer files, printer output and other data generated in the course of providing the Services, in case any of it is lost. For the purposes of this Section 4.6, back-up material will mean exact copies of the magnetic tapes, disks or other Client Data furnished to, or in the possession of, the Provider at any time. The Provider will adopt reasonable measures and safeguards to prevent the loss, damage or destruction of Client Data and back-up material.

#### 4.7 General Limitations

Nothing in this Agreement will require the Provider to:

- 4.7.1 perform any services not provided for in this Agreement; or
- 4.7.2 make any change or addition that will require any capital expenditures by the Provider without the prior agreement of the Provider.

Nothing in this Agreement will prohibit the Provider from making minor changes or additions to the Services, so long as the Provider continues to provide the Services substantially in the manner that it has agreed to provide them under this Agreement.

#### 4.8 Status of Parties

The Parties acknowledge that they are separate entities, that the Provider and the Client have each entered into this Agreement for independent business reasons, and that the execution and performance of this Agreement does not create a partnership or joint venture between them.

### ARTICLE 5 COMPENSATION

#### 5.1 Compensation

- 5.1.1 In respect of the Services, the Provider will charge the Client as follows:

- 5.1.1.1 100% of the costs of the materials, labour and overhead required to provide the Services; plus
- 5.1.1.2 10% of the cost of such materials, labour and overhead.

#### 5.2 Reconciliation and Invoicing

- 5.2.1 Each month the Provider will prepare and deliver to the Client an invoice for amounts payable to it in respect of the Services provided in the immediately preceding month.
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- 5.2.2 Within 30 days after the end of the Term, the Provider will prepare and deliver to the Client a final invoice for Services rendered during the Term.

**5.3 Payment**

Payment of amounts owed by the Client to the Provider will be made by the 30<sup>th</sup> day following the receipt of the invoice provided by the Provider to the Client. Payments will be made to an account specified by the Provider in writing. If there is a dispute as to the amount payable to the Provider for Services rendered, the Client will, within 30 days of receipt of the Provider's invoice, notify the Provider in writing that it disputes the Provider's invoice. Despite the submission of a dispute notice by the Client, the Client will pay to the Provider, in accordance with the terms of this Agreement, all amounts that are not in dispute. The Client and the Provider will negotiate in good faith to resolve any invoice dispute. If within 15 days of receipt of the Client's dispute notice the Client and the Provider are unable to resolve the invoice dispute, the invoice dispute will be submitted to arbitration in accordance with Article 8.

**5.4 Interest on Overdue Amounts**

If the Client fails to comply with its payment obligations in accordance with this Agreement, interest on the outstanding amount will be billed to the Client from the due date until paid at a rate of 15% per annum.

**ARTICLE 6  
CONFIDENTIALITY**

**6.1 Confidentiality**

**6.1.1 The Provider acknowledges and agrees that:**

- 6.1.1.1 the Client is the exclusive owner of all right, title and interest in and to the Confidential Information; and
- 6.1.1.2 the Provider has no right, title, licence, or interest in or to the Confidential Information, except for the right, subject to this Agreement, to review the Confidential Information for the purpose of carrying out its obligations under this Agreement.

Accordingly, the Provider agrees to hold in strict confidence and not disclose or use, and the Provider will not allow any of its Representatives to disclose or use, any Confidential Information, for any purpose, except as provided in this Section 6.1.

**6.1.2 The Client or any of its Representatives will disclose Confidential Information to the Provider or any of its Representatives upon the following conditions:**

- 6.1.2.1 the Provider will hold, and will cause its Representatives to hold, all Confidential Information in trust for the Client and will not use, or permit any of its Representatives to use, any of the Confidential Information, at any time or in any manner, except as is required by the Provider to carry out its obligations under this Agreement;
  - 6.1.2.2 the Provider will limit the disclosure of the Confidential Information to those of its Representatives who have a need to know the Confidential Information to assist
- 



the Provider in carrying out its obligations under this Agreement, who are informed by the Provider of the confidential nature of the Confidential Information and who agree in writing to act in accordance with and be bound by the terms and conditions of this Agreement; and

6.1.2.3 the Provider will be responsible for any breach of this Section 6.1, or any disclosure, divulgence, communication or use of any Confidential Information in a manner not authorized by this Agreement by any of its Representatives.

6.1.3 The Provider will take appropriate measures to protect the Confidential Information and will keep a record of the location of the Confidential Information and all of its Representatives to whom Confidential Information is provided. The Provider will store the Confidential Information properly and securely and ensure that appropriate technical and organizational means and physical or electronic storage media are in place to protect the Confidential Information against unauthorized or unlawful access or processing, and against accidental loss, destruction or damage, including taking reasonable steps to ensure the reliability of any Representative of the Provider permitted by the Provider to have access to the Confidential Information.

6.1.4 The Provider will, upon the written request of the Client, return promptly to the Client, or destroy, and provide written certification of the destruction of, all documents, physical or tangible manifestations and electronic and computerized forms of the Confidential Information received from the Client, including all copies, reproductions and applications of the Confidential Information, without retaining any copies or records.

6.1.5 If the Provider or any Representative of the Provider is required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information, the Provider or that Representative will provide the Client with prompt written notice of that requirement, so that the Client may contest the disclosure of the Confidential Information and seek an appropriate protective order or other appropriate remedy.

6.1.6 If, in the absence of a protective order or other appropriate remedy, the Provider or any Representative of the Provider is, in the reasonable opinion of its lawyers, required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information or stands liable for contempt or to suffer other censure or penalty, then the Provider or that Representative may, without liability under this Agreement, disclose that portion of the Confidential Information, but only that portion, that the Provider or the Representative is legally required to disclose.

6.1.7 The Provider will notify the Client immediately upon discovery of any breach of this Section 6.1 or any unauthorized or unlawful disclosure, divulgence, communication or use of any Confidential Information.

6.1.8 The covenants and obligations contained in this Section 6.1 will survive the expiration or earlier termination of this Agreement.



## **ARTICLE 7 INDEMNIFICATION**

### **7.1 Indemnification by Provider**

The Provider agrees to defend, indemnify and save harmless the Client, its officers, directors, shareholders, agents and employees, from and against any Loss sustained or incurred by the Client, its officers, directors, shareholders, agents and employees which arises or results directly from:

- 7.1.1 the breach by the Provider of any representation, warranty or covenant contained in this Agreement; or
- 7.1.2 any negligent or wilful act or omission of the Provider or its Representatives and Nominee in the provision of the Services.

### **7.2 Indemnification by Client**

The Client agrees to defend, indemnify and hold harmless the Provider, its agents and employees, from and against any Loss sustained or incurred by the Provider, its agents or employees which arises or results directly from the breach by the Client of any representation, warranty or covenants contained in this Agreement.

### **7.3 Third Party Claims**

- 7.3.1 Upon receipt of a claim by either Party (the "**Indemnified Party**") from a third party for which the other Party (the "**Indemnifying Party**") has agreed to indemnify the Indemnified Party, the Indemnified Party will notify the Indemnifying Party in writing of that claim.
- 7.3.2 Upon receipt of that notice, the Indemnifying Party will have the right to defend and/or settle any such claim at its own expense, provided that the Indemnifying Party advises the Indemnified Party of its intention to do so with 10 days of receipt of that notice.
- 7.3.3 If the Indemnifying Party fails to advise the Indemnified Party within the time specified in Section 7.3.2, the Indemnified Party will have the right but not the obligation to defend or settle that claim, employing counsel chosen exclusively by the Indemnified Party, in which case the Indemnifying Party will indemnify the Indemnified Party for all amounts which it is required to pay in settlement or satisfaction of those claims and will reimburse the Indemnified Party for all expenses (including reasonable legal fees and costs) incurred in the defence or compromise that claim.
- 7.3.4 Any settlement of any claim by the Indemnifying Party must include a full and complete release of the Indemnified Party.

### **7.4 Continuing Obligation**

The indemnities in this Article 7 are continuing and irrevocable and the obligations of a Party under this Agreement will not be released, discharged, impaired or affected by:

- 7.4.1 any extensions of time or variations of obligations which the Party may grant or permit in respect of the observance or performance of any of the obligations of the Party;



7.4.2 any waiver by or neglect or failure of the Party to enforce any of the terms, covenants and conditions in respect of this Agreement; or

7.4.3 any amendment to this Agreement.

#### 7.5 Limitation of Liability

7.6.1 Notwithstanding anything else in this Agreement, the maximum liability of the Provider in any calendar year, whether in contract, law or otherwise under any theory or principle of liability, shall be limited in the aggregate to an amount not greater than the compensation paid in such calendar year by the Client to the Provider pursuant to Section 5.1.

7.6.2 Notwithstanding anything else in this Agreement, the Provider shall not be liable for lost profits, indirect, special, punitive or consequential losses, or damages, including but not limited to loss of revenue, loss of business and loss of data.

### ARTICLE 8 ARBITRATION

#### 8.1 Nominee Resolution

Prior to the commencement of arbitration set out below, each Parties' respective Nominee shall meet and attempt to discuss any disputes, disagreements, controversies, questions or claims arising out of or relating to this Agreement ("**Disputes**").

#### 8.2 Arbitration

Disputes that cannot be resolved pursuant to Section 8.1 after more than 10 Business Days will be determined by a sole arbitrator (the "**Arbitrator**") under the *Arbitration Act, 1991* (Ontario) (the "**Arbitration Act**"). In addition:

8.2.1 Section 7(2) of the Arbitration Act will not apply to the arbitration of a Dispute;

8.2.2 the Arbitrator will be a person on whom the Parties can agree to appoint. If the Parties cannot agree, the Arbitrator will be appointed by a judge of the Superior Court of Justice of Ontario on the application of any Party on notice to the other Party. No person will be appointed as Arbitrator unless the person agrees in writing to be bound by the provisions of this Article 8;

8.2.3 the law of Ontario will apply to the substance of all Disputes;

8.2.4 the arbitration will take place in the City of Toronto unless otherwise agreed in writing by the Parties;

8.2.5 the language to be used in the arbitration will be English;

8.2.6 the Arbitrator, after giving the Parties an opportunity to be heard, will determine the procedures for the arbitration of the Dispute, provided that those procedures will include an opportunity for written submissions and responses to written submissions by or on behalf of all Parties, and may also include an opportunity for exchange of oral argument and any other procedures as the Arbitrator considers appropriate. However, if the Parties agree on a code



of procedures or on specific matters of procedure, that agreement will be binding on the Arbitrator;

- 8.2.7 the Arbitrator will have the right to determine all questions of law and jurisdiction, including questions as to whether a Dispute is arbitrable, and will have the right to grant legal and equitable relief including permanent and interim injunctive relief, and final and interim damages awards. The Arbitrator will also have the discretion to award costs of the arbitration, including reasonable legal fees and expenses, reasonable experts' fees and expenses, reasonable witnesses' fees and expenses, and pre-award and post-award interest and costs, provided that the Arbitrator will not make an award of costs on a distributive basis;
- 8.2.8 the Parties intend, and will take all reasonable action necessary or desirable to ensure, that there be a speedy resolution to any Dispute, and the Arbitrator will conduct the arbitration of the Dispute with a view to making a determination and order as soon as possible;
- 8.2.9 the Parties desire that any arbitration should be conducted in strict confidence and that there will be no disclosure to any Person of the existence or any aspect of a Dispute except as is necessary for the resolution of the Dispute. Any proceedings before the Arbitrator will be attended only by those Persons whose presence, in the opinion of any Party or the Arbitrator, is reasonably necessary for the resolution of the Dispute. All matters relating to, all evidence presented to, all submissions made in the course of, and all documents produced in accordance with, an arbitration under this Article, as well as any arbitral award, will be kept confidential and will not be disclosed to any Person without the prior written consent of all the Parties except as required in connection with an application of a Party under section 46 or section 50 of the Arbitration Act, by Applicable Law, or by an order of an Arbitrator;
- 8.2.10 the fees of the Arbitrator will be paid equally by the Parties; and
- 8.2.11 subject to section 44 of the Arbitration Act, the Arbitrator's determination of a Dispute will be final and binding and there will be no appeal of that determination on any ground.
- 8.3 Interim Relief**
- 8.3.1 Prior to the appointment of the Arbitrator, the Parties may apply to the courts for interim relief. A request for interim relief by a Party to court will not be considered to be incompatible with Section 8.1 or as a waiver of that provision.
- 8.3.2 At the request of either Party, the Arbitrator may take any interim measures that the Arbitrator considers necessary in respect of the Dispute, including measures for the preservation of assets, the conservation of goods or the sale of perishable goods. The Arbitrator may require security for the costs of those measures.

## **ARTICLE 9 GENERAL PROVISIONS**

### **9.1 Contract Management**

Each of the Provider and Client will nominate one individual to act as representative of such Party for purposes of the administration of this Agreement (each a "Nominee").



- 9.1.1 Each Nominee will have full authority to act on behalf of their respective appointing Party for all purposes of this Agreement that are within their responsibilities as herein provided.
- 9.1.2 During any period when a Party's Nominee is unable, through illness, incapacity or any other reason whatsoever, to perform such Nominee's functions under this Agreement, the appointing Party will, by written notice to the other Party, promptly appoint an alternative Nominee to perform the functions which would otherwise be performed by such Nominee on an interim basis. If such inability lasts for more than 90 consecutive days, the relevant Party will appoint a new Nominee to replace the incapacitated individual.
- 9.1.3 Unless written notice is otherwise provided, a Party and its Nominee (and upon receipt of the notice set out in Section 9.1.2, the other Party and its Nominee) will be entitled to treat any act of the other Nominee (or alternative Nominee) which is authorized by this Agreement as being authorized by its appointing Party without being required to determine whether authority has in fact been given.

**9.2 Time of Essence**

Time is of the essence in all respects of this Agreement.

**9.3 Notices**

Any Communication must be in writing and either:

- 9.3.1 delivered personally or by courier; or
- 9.3.2 transmitted by e-mail.

Any Communication must be sent to the intended recipient at its address as follows:

to the Client at:

207 Division Street  
Cobourg, Ontario  
K9A 3P6

Attention: Dereck Paul, President & CEO  
E-mail: dpaul@lusi.on.ca

to the Provider at:

100 Simcoe Street, S  
Oshawa ON, L1H 7M7  
Attention: Daniel Arbour, President & CEO  
E-mail: darbour@oshawapower.ca

or at any other address as any Party may at any time advise the others by Communication given or made in accordance with this Section 9.3. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication transmitted by e-mail will be deemed to have been given or made and received on the day on which it is transmitted;





but if the Communication is transmitted on a day which is not a Business Day or after 5:00 p.m. (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day.

#### **9.4 Severability**

Each Section of this Agreement is distinct and severable. If any Section of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect:

- 9.4.1 the legality, validity or enforceability of the remaining Sections of this Agreement, in whole or in part; or
- 9.4.2 the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

#### **9.5 Submission to Jurisdiction**

Each of the Parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by Applicable Law, each of the Parties:

- 9.5.1 irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts;
- 9.5.2 irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 9.5, of the substantive merits of any suit, action or proceeding; and
- 9.5.3 to the extent a Party has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that Party irrevocably waives that immunity in respect of its obligations under this Agreement.

#### **9.6 Amendment and Waiver**

No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

#### **9.7 Further Assurances**

Each Party will, at the requesting Party's cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting Party to give effect to this Agreement and, without limiting the generality of this Section 9.7, will do or cause to be done all acts and things, execute and deliver or





cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required at any time by all Governmental Authorities having jurisdiction over the affairs of a Party or as may be required at any time under Applicable Law.

**9.8 Assignment and Enurement**

9.8.1 Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned.

9.8.2 This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

**9.9 Electronic Signatures and Delivery**

This Agreement and any counterpart of it may be:

9.9.1 signed by manual, digital or other electronic signatures; and

9.9.2 delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission,

and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Parties.

**9.10 Counterparts**

This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

**9.11 Payment and Currency**

Any money to be advanced, paid or tendered by one Party to another under this Agreement must be advanced, paid or tendered by bank draft, certified cheque or wire transfer of immediately available funds payable to the Person to whom the amount is due. Unless otherwise specified, the word "dollar" and the "\$" sign refer to Canadian currency, and all amounts to be advanced, paid, tendered or calculated under this Agreement are to be advanced, paid, tendered or calculated in Canadian currency.

**9.12 No Contra Proferentem**

This Agreement has been reviewed by each Party's professional advisors, and revised during the course of negotiations between the Parties. Each Party acknowledges that this Agreement is the product of their joint efforts, that it expresses their agreement, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**



Each of the Parties has executed and delivered this Agreement as of the Effective Date.

**2825407 ONTARIO INC.**

Per: \_\_\_\_\_  
Name:  
Title: Managing Director

Per:   
Name: Daniel Arbour  
Title: President & Chief Executive Officer

**LAKEFRONT UTILITY SERVICES INC.**

Per:   
Name: Derek Paul  
Title: President & Chief Executive Officer

## **SCHEDULE "A"**

### **SERVICES**

The Provider will provide the following Services to the Client:

**1. Capital Construction Oversight**

- A. Work with the Client's engineering and planning team on current and upcoming project(s) to budget plan/issue/supervise these activities in coordination with the Client's construction team and subcontractors in compliance with industry standards and regulatory requirements.
- B. Oversee timekeeping records to ensure proper cost allocation for five Journeymen Lineman, coordinating with the Client's lead-hand to ensure effective vacation, banked time off approvals.
- C. Assist with and oversee material orders and inventory to ensure proper control and cost allocation.

**2. Operations and Maintenance oversight**

- A. Work with the Client's field staff and subcontractors to ensure all operations and maintenance activities are enacted per Ontario Energy Board and Electrical Safety Authority requirements and the Client's **Distribution System Plan**, policy and procedure.
- B. Oversee timekeeping records to ensure proper cost allocation for two Technical Services staff (one Meter Tech and one Distribution Tech).
- C. Assist with and oversee material orders and inventory to ensure proper control and cost allocation.

**3. Overall Field Staff and Subcontractor Coordination and Planning**

- A. Daily and Weekly staff coordination and assignments for all operations and maintenance and capital activities.
- B. Approvals of vacations and time away from work for planning purposes.
- C. Coordination of subcontractor crews and activities.

**4. Health and Safety oversight**

- A. In coordination with the Client's staff and subcontractors, ensure proper health and safety policy and standard operating procedures are available and followed and activities and inspections are documented in accordance with relevant regulation.
- B. Conduct worksite safety inspections (12 annually) per the Client's policy.
- C. Participate with ESA 22/04 audit with the Client's Tech staff and lead-hand.

**5. Delegate management authority to participate in disciplinary action when necessary and accordingly.**

**6. Outages Communication**

- A. In the event of outages, ensure notification is communicated through the Client's community engagement channels (e.g., website, X [formerly Twitter], Facebook, etc.) via on-call Journeyman and on-call staff at Oshawa.