

TURNKEY CONSTRUCTION, REPORTING AND INDEMNITY AGREEMENT
Installation of 22 x L2 EV Chargers at 8 Public Locations in the **STRATROY-CARADOC**
MUNICIPALITY under the Zero Emissions Vehicle Infrastructure Program.

THIS AGREEMENT (the “**Agreement**”) is made in duplicate

BETWEEN:

The Municipality of Strathroy-Caradoc, a [REDACTED] incorporated under the laws of Ontario (the “**Owner**”)

- and -

CHARGERCREW CANADA INC., a corporation incorporated under the laws of Canada (the “**Contractor**”).

RECITALS:

- A. The Contractor wishes to deploy a public network of twenty two (22) public electric vehicle Level 2 EV chargers each an “**EVSE**”) at eight (8) locations:
1. 52 Frank Street Strathroy
 2. 208 Caradoc Street, N Strathroy
 3. 334 Metcalfe Street, W Strathroy
 4. 475 Metcalfe St, W Strathroy
 5. 299 Frances St Strathroy
 6. 667 Adair Blvd Strathroy
 7. 8605 Falconbridge Dr. Mt Brydges
 8. 22501 Adelaide Rd Mt Brydges
- B. The Contractor successfully applied for funding under the Electric Vehicle and Alternative Fuel Infrastructure Deployment Initiative (“**ZEVIP**”) to assist with the deployment of the EV Chargers at WRDSB.
- C. The Contractor has entered into a legally binding Repayable Contribution Agreement (Project/AMI No.: ZP-237 with Natural Resources Canada (the “**Contribution Agreement**”) and the Owner agrees that it will comply with the Contribution Agreement pursuant to the terms of this Agreement, as outlined more fully in Article 6 herein.
- D. The Owner wishes to own, operate and maintain 11 units Level 2 Dual ports (the “**Project**”) located in the Strathroy-Caradoc, as indicated on previous page, which will be connected to and supplied electricity from the local LDC. (the “**Utility**”).
- E. Pursuant to the terms and conditions of this Agreement, the Owner has agreed to contribute the funding described in Schedule B exchange for ownership of the Project, and the

Contractor agrees to engineer, procure and construct the Project and deliver ownership of the Project to the Owner upon substantial completion.

NOW THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Services

1.1 Subject to Section 1.2, the Contractor will provide all of the services and equipment associated with constructing and commissioning and achieving commercial operation of the Project including, without limitation, engineering, procurement, installation, construction, commissioning and turnkey project management services (collectively, the “**Services**”) in accordance with the terms and conditions of this Agreement.

1.2 For greater certainty, the utility connection work, if applicable, shall be undertaken by the Utility, pursuant to the normal course of business for the connection of EVSEs in Ontario.

2. Land Rights

2.1 The Project will be located on the parcels of land described in Schedule A (the “**Project Locations**”).

2.2 The Project Location is owned by a Landlord and the Owner is responsible for negotiating and maintaining a valid lease with the landlord establishing land rights with respect to the construction, ownership and operation of the Project for a minimum of ten (10) years (the “**Lease**”). The Owner represents that the contents of the Lease will (a) satisfy the requirements of the Contribution Agreement and (b) contain industry standard terms and conditions with respect to site access by the Contractor during the construction of the Project.

3. Project Costs, Funding and Payment Terms

3.1 The total costs to complete the Project are quoted to be **\$219,880 DOLLARS plus HST** (the “**Total Project Costs**”). The Parties acknowledge and agree that Total Project Costs described in this Section 3.1 is the Total Project Costs (less the NRCan Funding received as described in Section 3.2 below).

3.2 Pursuant to the terms of the Contribution Agreement, Natural Resources Canada (“**NRCan**”) has agreed to contribute Fifty Percent (50%) of the Eligible Project Costs up to a maximum of \$110,000 (the “**NRCan Funding**”). For clarification, all NRCan funding is pre-tax and will not pay out HST as a federal entity.

3.3 Conditional upon the Contractor remaining in compliance with the terms of the Contribution and pursuant to the terms of this Agreement, the Owner agrees to contribute

the Total Project Costs as per Schedule B (the “**Owner Funding**”) which shall be invoiced by the Contractor in accordance with the terms of this Article 3. The “CONTRACTOR” will provide a credit of the amount received from NRCan to the “OWNER” and provide payment of said amount in 3.2 upon receipt of funding from NRCan as per Schedule B

3.4 The Owner Funding is plus HST, any sales, use or other taxes or governmental charges.

3.5 The Owner agrees to pay the Owner Funding as follows:

- a) Ten Percent (10%) of the Owner Funding upon execution of this Agreement;
- b) Forty-Five Percent (45%) upon receipt of EV charger and other equipment; and
- c) Forty-Five Percent (45%) upon substantial completion of the Project.

3.6 The Utility’s connection costs (if applicable) for the work described in Section 1.2 (the “**Connection Costs**”) will be billed to and paid by the Contractor for submission of the Total Project Costs to NRCan and such costs will be included in the Total Project Costs that will be invoiced to the Owner in accordance with this Article 3.

4. Transfer of Ownership

4.1 Upon receipt of the final payment described in Section 3.6 above and subject to the Owner’s compliance with Section 6 below, the Contractor shall transfer ownership of the Project to the Owner.

5. Contractor’s Representations, Warranties and Indemnities

5.1 The Contractor will perform Services with all due diligence and in accordance with industry standards and practices for services of a similar nature, and it will use commercially reasonable efforts to achieve commercial operation of the Project no later than **Dec 31st, 2022**. In the absence of a mutually agreed target dates, the Contractor will complete the work within a commercially reasonable time period understanding that time is of the essence in respect this Agreement.

5.2 The Contractor represents that: (a) the Services will be performed in a professional and workmanlike manner in accordance with standard industry practice and in compliance with appropriate laws, regulations and by-laws; (b) it has the right and has obtained and holds all necessary licences, permits, consents and other authorizations in order to enable it to perform the Services; (c) there are no existing restrictions or constraints on its right and ability to perform the Services; (d) it has not improperly infringed upon the rights of any other persons with respect to the performance of the Services, and has not received notice of an impending dispute regarding such an infringement; and (e) materials or equipment manufactured or supplied by a third party will be supplied and installed in

accordance with the third party's published literature or performance standards and will comply with the their product literature.

- 5.3 The Contractor will indemnify, defend and hold the Owner and its representatives harmless from and against any and all liabilities, losses, damages, costs, and expenses, and any legal fees and expenses relating to its defence, resulting from any suit or action brought against the Owner and its representatives caused by the gross negligence or willful misconduct of the Contractor or its representatives in delivering the Services.

6. Owner's Obligations and Indemnities

- 6.1 Any capitalized terms not defined in this Section 6 that are not otherwise defined herein shall have the meaning ascribed thereto in the Contribution Agreement.

- 6.2 For a period of ten (10) years commencing on the day immediately following the Project Completion (the "**Funding Period**"), the Owner agrees:

6.2.1 to track the use of the EVSE and any Profit arising from the Project;

6.2.2 to pay to the Contractor as per Schedule B and pay NRCan annually the Profit arising from the Project in the same ratio as that of the NRCan Funding to the Total Project Costs (the aggregate of which is not to exceed the total amount of NRCan Funding) for remittance by the Contractor to NRCan pursuant to the terms of the Contribution Agreement;

6.2.3 to submit financial reports and payments to the Contractor as described in Schedule C (Reports) of the Contribution Agreement for remittance by the Contractor to NRCan pursuant to the terms of the Contribution Agreement;

6.2.4 that all considerations to be received by the Owner in respect of the licensing, selling, marketing or commercialization of the Intellectual Property arising in the course of the Project to non-arms' length parties shall be that which would be established in bona fide arm's length transactions between the parties; and

6.2.5 to comply with all other terms and conditions set out in the Contribution Agreement within the control of the Owner.

- 6.3 The Owner shall pay to the Contractor (for reimbursement to NRCan) interest at the Interest Rate on any payment that is overdue from the date such amount becomes overdue and ending on the day before the day on which repayment to NRCan is received.

- 6.4 The Owner will indemnify, defend and hold the Contractor and its representatives harmless from and against any and all liabilities, losses, damages, costs, and expenses, and any legal fees and expenses relating to its defence, resulting from any suit or action brought against the Contractor and its representatives caused by the failure of the Owner

to comply with this Article 6. For greater certainty, the Owner agrees to reimburse the Contractor for any monies (not to exceed the amount of the NRCan Funding) for remittance to NRCan if the Owner breaches Sections 6.2 and 6.3 above and, due to such breach, NRCan demands repayment of all or some of the NRCan Funding pursuant to the terms of the Contribution Agreement.

- 6.5 For the purposes of ensuring compliance with the terms of the Contribution Agreement, the Owner agrees that, for the term of the Funding Period, the Contractor may register security on title with respect to the Project for an amount not to exceed the NRCan Funding Amount. Alternatively, upon mutual agreement of the Parties, the Owner may provide a letter of credit or other performance security in favour of the Contractor for the purposes of ensuring compliance with the terms of the NRCan Contribution Agreement.

7. Insurance

- 7.1 During the construction period, Contractor shall at all times maintain, at its sole cost and expense, and in the name of the Contractor with the Owner named as an additional insured, such insurance coverage as would be maintained by a prudent person conducting business activities identical to or similar in nature to the Services. Upon the Owner's request, the Contractor shall deposit certificates of all such insurance coverage with the Owner.
- 7.2 After commercial operation is reached and during the Funding Period, the Owner agrees to insure the Project, at its sole cost and expense, and in the name of the Owner with the Contractor as an additional insured, at an amount that shall not be less than NRCan's Funding amount. Upon the Contractor's request, the Owner shall deposit certificates of all such insurance coverage with the Owner

8. Miscellaneous

- 8.1 This Agreement may be modified only by a written instrument duly executed by an authorized representative of all of the parties.
- 8.2 The parties acknowledge that they have read, understood and will be bound by this Agreement, and that this Agreement is the complete and exclusive statement of the agreement between the parties regarding the subject matter hereof, superseding all proposals, oral or written, and all other communications between the parties relating to such subject matter.
- 8.3 The failure of a party to enforce any provision of this Agreement will not constitute a waiver of such provision or the right of such party to enforce such provision or any other provision.

- 8.4 The parties shall keep confidential all matters respecting the technical, commercial and legal issues relating to and arising out of the work described herein.
- 8.5 If any dispute arises in connection with work done or payments claimed, such dispute shall be resolved by binding arbitration in accordance with the *Arbitration Act, 1991* (Ontario).
- 8.6 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 8.7 Neither party may assign this Agreement without the prior written consent of the other party.
- 8.8 If any term or provision of this Agreement is determined to be invalid or unenforceable for any reason, it will be adjusted rather than voided, if possible, to achieve the intent of the parties to extent possible. In any event, all other terms and provisions will be deemed valid and enforceable to the maximum extent possible
- 8.9 Notices to be given or submitted by either party to other pursuant to this Agreement will be in writing and directed to the addresses set forth on the then current websites for each party.
- 8.10 The Contractor will perform the Services as an independent contractor, and nothing contained in this Agreement will be construed to create or imply a joint venture, partnership, principal-agent or employment relationship between the parties. Neither party will take any action or permit any action to be taken on its behalf that purports to be done in the name of or on behalf of the other party and will have no power or authority to bind the other party to assume or create any obligation or responsibility express or implied on the other party's behalf or in its name, nor will such party represent to anyone that it has such power or authority.
- 8.11 This Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any Party hereto by facsimile transmission shall be as effective as delivery of a manually executed copy of this Agreement by such Party.

THIS AGREEMENT is dated the _____ day of _____.

STRATHROY-CARADOC

CHARGERCREW CANADA INC.

Name:
Title:

Name:
Title:

Schedule A
PROJECT LOCATION

- | | |
|---------------------------|------------|
| 1. 52 Frank Street | Strathroy |
| 2. 208 Caradoc Street, N | Strathroy |
| 3. 334 Metcalfe Street, W | Strathroy |
| 4. 475 Metcalfe St, W | Strathroy |
| 5. 299 Frances St | Strathroy |
| 6. 667 Adair Blvd | Strathroy |
| 7. 8605 Falconbridge Dr. | Mt Brydges |
| 8. 22501 Adelaide Rd | Mt Brydges |

Schedule B FUNDING CONTRIBUTION

Project Contributions

Owner	25%
Contractor	25%
Natural Resource Canada (ZEVIP)	50%

Project Funding

The Contractor will submit all project invoices to Natural Resources Canada (NRCan) to receive the approved funding amount under the ZEVIP program.

The Contractor will invoice Owner 75% (Owner Funding) of the Total Project Costs as per Section 3.1 and the Contractor will contribute the remaining 25% of the Total Project Costs.

After receipt of funding from NRCan, funds will be divided equally between Owner and Contractor.

Income Distribution

As per Section 6.2, the Owner will share 25% of the income from the project with the Contractor until its net contributions are paid in full.

The owner continues to pay annually the profit arising from the project in the same ratio as that of the NRCan Funding to the Total Project Costs (the aggregate of which is not to exceed the total amount of NRCan Funding) for remittance by the Contractor to NRCan pursuant to the terms of the Contribution Agreement.