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Appendix "C" - Original Agreement

THIS AGREEMENT is made the [Enter Day] day of [Enter Month] year [Enter Year]

BETWEEN:

Corporation of the City of London
(hereinafter the "City")

and

Trojan Technologies
(hereinafter "Trojan")

WHEREAS the City owns and operates a water pollution control plant at Westminster Pollution Control Plant (the "Westminster PCP") located at 3225 Dingman Drive, London, Ontario.

AND WHEREAS Trojan has requested permission to maintain an ultra-violet testing facility at Westminster PCP (the "W-Facility") for the purpose of conducting research and development projects within the Westminster PCP and the City is agreeable to permitting Trojan to operate the W-Facility as set out herein rent-free, provided Trojan agrees to pay the utility and other costs associated with their operation;

NOW THEREFORE in consideration of the mutual covenants and agreements to be kept and performed on the part of the parties, the City and Trojan covenant and agree as follow:

1. The City shall:

- a. Permit Trojan in its absolute discretion to modify Westminster PCP for the W-Facility within the boundaries of Westminster PCP as shown in figure 1 on Schedule A; as it sees fit; including without limitation to upgrade the main electrical feed to building; install new electrical distribution service for Trojan's testing requirements; install waterline(s); sewer-line(s) and allow access to the current building for Trojan usage;
- b. Permit Trojan to operate the W-Facility at Westminster PCP for a term of (10) years, commencing upon execution of this agreement (the "Term"). Trojan shall have unfettered discretion to cease operating the W-Facility any time prior to the expiration of the

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Term if it so chooses, in which case this agreement shall be terminated and all rights and obligations relating thereto shall be as if the said term had expired;

- c. Invoice Trojan monthly for actual hydro usage in relation to W-Facility;
- d. Grant permission for Trojan to access appropriate drainage on City property to dispose of test water, from time to time, as necessary;
- e. Provide a minimum of 1 year notice to Trojan if the W-Facility needs to be removed from the Westminster PCP for any reason;
- f. Permit Trojan to change locks at Westminster so Trojan is the only key holder for the site and grant Trojan an exclusive access to the Westminster PCP; notify Trojan in the event the City requires site access and have Trojan employee to accompany City employee during any such access **[Note: this is for due diligence for intellectual property]**
- g. Grant to Trojan the rights and benefits set out above without requiring rent or other compensation other than that which is specifically set out herein.

2. Trojan shall:

- a. Install a new main hydro meter and assume all charges for hydro for Westminster PCP as facility currently operates only using electricity to operate sump pump, 120 volt outlets, overhead lighting and heating;
- b. Promptly pay for actual hydro usage related to the W-Facility (invoiced monthly);
- c. On expiry of this agreement, remove all of the test equipment and associated infrastructure promptly;
- d. Respond in timely manner to accommodate City requests to visit site;
- e. Provide, free of charge, up to \$30,000 worth of personnel hours annually from its service department for maintenance of City's ultra-violet disinfection equipment;
- f. Permit the City to directly purchase parts at 30% discount off Trojan's list price during the Term of this Agreement;
- e. At its own expense, obtain and maintain during the term of this Agreement, and promptly provide evidence of:
 - i. Comprehensive general liability (CGL) on an occurrence basis for an amount not less than Five Million (\$5,000,000) dollars and shall include City as an additional insured with respect to Trojan's

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operations, acts and omissions relating to its obligations under this Agreement, including without limitation the supply, care, handling, use or disposal of any raw material brought by Trojan onto the Westminster PCP site; such CGL insurance policy to include non-owned automobile liability, personal injury, broad form property damage, contractual liability, owners' and contractors' protective, products and completed operations, contingent employers liability, cross liability and severability of interest clauses;

- ii. Automobile liability insurance for an amount not less than Two Million (\$2,000,000) dollars on forms meeting statutory requirements covering all owned or leased vehicles used in any manner in connection with the performance of the terms of this Agreement.
- iii. The policies shown above will not be cancelled or permitted to lapse unless the insurer or Trojan notifies the City in writing at least thirty (30) days prior to the effective date of cancellation or expiry. London reserves the right to request such higher limits of insurance or other types of policies appropriate to the work as the City may reasonably require.
- iv. Trojan agrees to provide evidence of continued insurance from insurer(s) licensed to operate in Canada once annually in a form acceptable to the City at each policy renewal date for the duration of the contract.

3. Other terms to be observed by and between the parties:

- a. Amendments to the terms of this agreement must be in written form and approved by both parties in writing.
- b. The W-Facility together with all associated Trojan infrastructure and equipment, including but not limited to UV disinfection equipment, piping, pumps, flow meters, valves, gates, building covering structure and all electrical wiring and conduits from main plant are the property of Trojan. Trojan shall have the right to remove all of its equipment and infrastructure at any time.
- c. Nothing herein contained shall be deemed or construed as creating a relationship of principal and agent, lessor and lessee, a partnership or a joint venture between the parties, nor shall any other action or provision contained herein be deemed to create any relationship between the parties other than an arm's length business transaction. Trojan is an independent contractor.
- d. Trojan shall defend, indemnify and hold harmless the City and its members of council, officers, employees and agents from and against claims, loss, liability, suits and damages for personal injury or damage to

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property (the "Loss"), including fees caused in whole or in part by the negligent acts, errors or omissions (hereinafter "Wrongful Act") of Trojan or anyone for whose acts it is responsible at law.

- e In the event that both Trojan and the City have each committed a Wrongful Act which contributes to the aforementioned Loss, then each party shall be responsible for the Loss in the same proportion as that party's contribution to the Loss.
 - f In the event of legal action brought by either party against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the unsuccessful party shall pay the prevailing party such reasonable amount for fees, costs and expenses, including attorney's fees, as may be set by the court – or the actual costs incurred by the prevailing party if the dispute does not reach final judgment.
4. This Agreement shall be for a term of ten (10) years, unless it is terminated sooner by the parties in accordance with the terms of this Agreement, commencing upon execution of this Agreement. .
 5. Upon expiry or other termination of this Agreement Trojan will no longer be required to pay for hydro or any other charges at W-Facility, upon Trojan's vacating the W-Facility and paying to the City any amounts previously invoiced but unpaid in relation to hydro, Trojan shall owe no further obligations to the City hereunder with respect to the W-Facility.
 6. This agreement shall be binding upon the parties, their successors and assigns. This is the entire agreement.
 7. This agreement is governed by and will be construed in accordance with the laws of the Province of Ontario, Canada and each party hereby attorns to the non-exclusive jurisdiction of the courts of Ontario with respect to any claims or disputes arising under, out of or in connection with this agreement or the subject matter hereof.

IN WITNESS OF WHICH the parties have executed this agreement the day and year first above written. We have authority to bind the parties here to.

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The Corporation of the City of
London
Name:

Signature:

Date:

Trojan Technologies
Name:

Signature:

Date:

SCHEDULE A



Figure 1. Municipal Address 3225 Dingman DR, London, ON

Roll number 080004015600000

CON 4 E PT LOT 17

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