KERWOOD WIND, INC.  

RECITALS:

1. The Grantor is the registered and beneficial owner of the Licensed Lands.

2. The Grantee wishes to conduct a wind resources assessment study to assess whether the Licensed Lands are suitable for wind energy conversion and the transmission of electric power and related activities.

3. The Grantor has agreed to grant a license to the Grantee in respect of the Licensed Lands and an option to lease the Licensed Lands, subject to terms and conditions in this Agreement.

NOW THEREFORE in consideration of the Basic Rent paid by the Grantee to the Grantor, the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties hereto covenant and agree as follows:

Definitions

In this Agreement, the terms defined in this Section 1 shall have the following meanings, unless the context otherwise requires:

“Agreement” means this License and Option Agreement;
“Basic Rent” has the meaning ascribed to it in Section 3.1 hereof;
“Claims” has the meaning ascribed to it in Section 6.9 hereof;
“Confidential Information” has the meaning ascribed to it in Section 5.3 hereof;
“Contaminants” has the meaning ascribed to it in Section 11.1 hereof;
“Data” has the meaning ascribed to it in Section 5.1 hereof;
“Encumbrance” has the meaning ascribed to it in Section 7.1 hereof;
"Encumbrance" has the meaning ascribed to it in Section 7.1 hereof;
"Equipment" has the meaning ascribed to it in Section 1.1 hereof;
"Exercise Date" has the same meaning ascribed to it in Section 4.1(b) hereof;
"Exercise Notice" has the meaning ascribed to it in Section 4.1(b) hereof;
"Lease" means a lease in substantially the same form and having substantially the same terms and conditions as are contained in Schedule "B" attached hereto, pursuant to which a portion of the License Lands is leased by the Grantor to the Grantee;
"Lease Execution Date" has the meaning ascribed thereto in Section 4.2 hereof;
"Licensed Lands" means the lands described in Schedule "A" annexed hereto;
"Option" has the meaning ascribed thereto in Section 4.1(a);
"Person" includes an individual, corporation, partnership, or other entity, whether incorporated or not;
"Site" has the meaning ascribed to it in Section 4.1(b) hereof;
"Term" has the meaning ascribed to it in Section 2.1 hereof;
"Wind Turbine" means a wind turbine electrical generating facility;
"Wind Power Facilities" means wind power facilities, including Wind Turbines, for the purposes of the conversion of wind power and the production, collection, storage, transmission and sale of electric power.

I. GRANT OF LICENSE

1.1 License

The Grantor hereby grants to the Grantee (including its contractors, workmen, servants, employees, authorized agents and all other Persons authorized by the Grantee), an irrevocable and exclusive license (the "License") to enter upon and use the Licensed Lands during the Term for the purposes of: (i) assessing whether the Licensed Lands are suitable for wind energy conversion and the production, storage and transmission of electric power and related activities; (ii) undertaking studies and tests relating to the production of wind power on the Licensed Lands, including to conduct a wind resources assessment; (iii) conducting wildlife and environmental impact studies as well as archeological surveys; (iv) constructing, erecting, operating, repairing, maintaining and replacing scientific equipment for the purposes in (i) and (ii) above, including meteorological towers together with such wires, cables, conduits and other ancillary structures and such wind and atmospheric monitoring devices as may be deemed appropriate by the Grantee (the "Equipment"); (v) undertaking studies and tests relating to the soil, including technical and geotechnical work; (vi) access and egress to and from the Licensed Lands; and (vii) selecting the portions of the Licensed Lands to be subject to Leases.

1.2 Access to Licensed Lands

The License granted pursuant to Section 1.1 includes the right in favour of the Grantee and all Persons authorized by it to: (i) enter upon the Licensed Lands at all reasonable times with vehicles, machinery and equipment for the purpose of installing, constructing, erecting, operating, maintaining, repairing and replacing the Equipment, and for all other purposes permitted under this Agreement and (ii) use in common with the Grantor all roads located on the Licensed Lands. The Grantor will co-operate with the Grantee and agrees to make the Licensed Lands accessible for all purposes permitted under this Agreement.
2. TERM

2.1 Term of Agreement

Subject to the renewal specified herein, the Option is granted solely for the benefit of the Grantee for a period of four years (the "Term") commencing on the Effective Date and terminating on the 4th anniversary at 6:00 o'clock PM.

The said exclusive Option shall be automatically renewed upon the same conditions for an additional period of two years. Such automatic extension shall be based on the Grantee being able, if requested by the Grantor within three months of any such automatic extension, to demonstrate reasonable efforts to develop 'Wind Power Facilities' in the vicinity of the Licensed Lands (for the avoidance of doubt the investment of more than $100,000 in developing a Wind Power Facility in the vicinity of the Licensed Lands, demonstrated by provision of properly rendered third party invoices, shall constitute reasonable endeavors). Such automatic extension shall not take place if the Grantee sends the Grantor a notice indicating that the Option will expire on the initial expiry date.

3. RENT

3.1 Annual Basic Rent

In consideration of the License granted, the Grantee shall pay the Grantor One Thousand Five Hundred (CAD $1,500.00) Canadian Dollars for the first year of this option plus any provincial sales tax and goods and services tax payable thereon and Five Hundred (CAD $500.00) Canadian Dollars on the anniversary date thereof until the end of term of this option (the "Basic Rent"). The Basic Rent shall be paid by cheque. The first payment is due and payable within forty-five (45) days following execution of this Agreement and thereafter the Basic Rent shall be paid on the anniversary date of this Agreement in each subsequent year this Agreement remains in effect with respect to the Licensed Lands as the constituted.

4. OPTION

4.1 Option to Lease and Exercise of Option

(a) In consideration of the payment of the Basic Rent referred to above, the Grantor grants to the Grantee a continuing, exclusive and irrevocable option (the "Option") to lease all or part of the Licensed Lands, or such portions of the Licensed Lands as determined by the Grantee from time to time.

(b) The Option may be exercised by the Grantee at any time and from time to time during the Term, by delivering to the Grantor a written notice substantially in the form annexed hereto as Schedule "C" (an "Exercise Notice") advising that the Grantee exercises the Option and identifying those parts or portions of the Licensed Lands to be leased by the Grantee pursuant to a Lease. The Exercise Notice shall include a copy of a plan or sketch that outlines the approximate location, configuration and area of the portion of the Licensed Lands (the "Site") to be granted pursuant to a Lease and the approximate location of the Wind Turbines, roads, transmission lines or other facilities that are proposed to be
constructed on the Site and access road to the Site. The date upon which the Exercise Notice is delivered, or deemed delivered to the Grantor shall be the effective date of the exercise of the option provided herein with respect to such Site (the “Exercise Date”). Subject to Section 4.3, the Grantee shall have the exclusive right to select and determine the location, configuration and area of each Site and the Wind Turbines, transmission lines, roads and other facilities to be situate thereon and access roads to the Site. The Exercise Date shall be the effective date of the Lease for such Site.

(c) If, at the time Grantee exercises the Option, the Grantor of the Property is not the Grantor as first named above, then such Grantor agrees that it shall duly execute and deliver to Grantee on such date as is specified by Grantee to Grantor, the Lease substantially in the form attached hereto as Schedule B upon the terms and conditions provided therein. In the event such Grantor fails to execute and deliver to Grantee the Lease by the date specified by Grantee to Grantor, then such Grantor hereby irrevocably constitutes and appoints Grantee the true and lawful attorney of such Grantor to execute the Lease and all other instruments, approvals and documents as provided for in the Lease. For greater clarity, Grantor acknowledges that the Option is a continuing right which may be exercised by Grantee on more than one occasion, resulting in Grantee obtaining more than one Lease in respect of the Property.

(d) For greater certainty the Grantor acknowledges that the Option is a continuing right, which may exercised by the Grantee on more than one occasion resulting in the Grantee leasing more than one Site and entering into more than one Lease.

(e) Upon the expiration of the Term or the earlier termination of this Agreement, the Option shall terminate with respect to any then remaining Licensed Lands for which the Grantee has not delivered an Exercise Notice.

4.2 Lease

Upon the Grantee exercising the Option in the manner provided for in Section 4.1 for a Site, the Grantee shall prepare and deliver to the Grantor a Lease leasing the Site to the Grantee. The Grantee shall deliver triplicate copies of the Lease to the Grantor, who shall promptly execute all copies and return two fully executed copies to the Grantee.

Both parties agree to complete, execute and deliver the Lease for a Site within 30 days of the Grantor’s receipt of same (the “Lease Execution Date”).

The Grantor acknowledges that it has reviewed the form of lease attached hereto as Schedule “B” and has carefully reviewed and understands all of the legal and financial implications thereof and has had the full opportunity to obtain its own legal advice and explanations required in order to understand same.
4.3 Consultation of Wind Turbine Location

Prior to the selection of any Sites, the Grantee shall consult with the Grantor regarding the Grantee’s proposed location of any Site and the Wind Turbines, or roads the Grantee proposed to construct on the Site and access roads to the Site. In determining the location of a Site and any Wind Turbines situate thereon and access roads thereto, the primary considerations shall be: (i) maximization of utilization of wind resources; (ii) construction costs; and (iii) compliance with legal and safety requirements regarding setbacks and other matters pertaining to the location of Wind Turbines. The Grantee shall strive to minimize any adverse effects on the Grantor’s agricultural or forestry operations at the Licensed Lands resulting from the location of access roads and transmission lines.

5. OWNERSHIP OF DATA/EQUIPMENT/CONFIDENTIALITY

5.1 Ownership of Data

The Grantee shall own all information, and data and all reports prepared in connection therewith (the “Data”) from tests, studies and assessments conducted at the Licensed Lands pursuant to this Agreement, including those conducted on or by the Equipment.

5.2 Ownership of Equipment

It is expressly agreed between the parties hereto that all Equipment installed or placed, in, on, over, upon or under the Licensed Lands during the Term remains the sole property of the Grantee and the Grantor shall not have any interest therein.

5.3 Confidentiality

The Grantor covenants and agrees that: (i) the terms and conditions of this Agreement and any information which it has access to or which comes into its possession relating to the Grantee’s activities, including any Data (the “Confidential Information”) shall be held in the strictest confidence by the Grantor, and that the Grantor shall not disclose any Confidential Information to any third party except as may be required by law, or on the same confidential basis as provided herein and then only to the legal and financial advisors of the Grantor who have a bona fide and actual need to know same; (ii) it will not use any such Confidential Information, other than as may be required or permitted to perform any of its obligations under this Agreement, and (iii) it will not exploit (whether for commercial or other purposes) or otherwise use any such Confidential Information. The Grantor acknowledges that a breach of any of the provisions contained herein would cause the Grantee to suffer loss which could not be adequately compensated for by damages and that the Grantee may, in addition to any other remedy or relief, enforce the performance of the provisions of this Section 5.3 by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage.

Upon the expiration or earlier termination of this Agreement, all Confidential Information will continue to be kept confidential by the Grantor.
5.4 Publicity Clause
The Grantee shall not use the Grantee's name or that of the Grantee's affiliates or the names of the Grantee's employees in any announcements, advertising, promotional material or in any publication without the prior written consent of the Grantee, except as provided in this Agreement. For clarity, either party may republish or otherwise publicly refer to any information contained in any press release issued jointly by the parties.

6. GRANTEE'S COVENANTS

6.1 Equipment
The Grantee covenants that the Equipment shall be constructed, installed and operated in accordance with all municipal, provincial and federal laws and regulations.

6.2 Approval
The Grantee covenants to obtain all necessary permits, authorizations, approvals and consents (including without limitation, any zoning consents) as may be necessary to allow for the installation, construction and operation of the Equipment.

6.3 Location of Towers
The location of any meteorological tower shall be selected and determined by the Grantee acting reasonably.

6.4 Entering Licensed Lands
The Grantee will conduct all operations on the Licensed Lands in a diligent, careful and workmanlike manner. Gates will be left in the condition they were found (closed or opened).

6.5 Insurance
The Grantee, prior to commencing any construction on the Licensed Lands, shall obtain and maintain comprehensive general liability insurance in an amount of not less than Three Million ($3,000,000.00) Dollars with a licensed insurance company authorized to carry on business in Ontario.

6.6 Fencing
During the Term, the Grantee shall replace all fences on the Licensed Lands which the Grantee may have removed for its purposes and repair all fences which it may have damaged. The Grantee may, with the consent of the Grantor, acting reasonably construct fences to prevent any hazards to the Equipment or trespass to the Licensed Lands.

6.7 Repairs and Compensation for Damages
The Grantee shall compensate the Grantor for any physical damage done to any crops, structures, roads, timber, livestock, or other improvements of the Grantor upon the Licensed Lands belonging to the Grantor, resulting from the exercise of the rights herein granted to the Grantee.
The amount paid for any such damage shall be ascertained by an independent consultant appointed and paid for by the Grantee.

6.8 Taxes Payable by Grantee

The Grantee covenants to pay all taxes, rates and assessments that may be assessed or levied in respect of any and all Equipment, structures and works placed by the Grantee in, on, over or under the Licensed Lands. In the event that there is a separate assessment as regards such works, the same shall be paid by the Grantee on or before the due date and the Grantee shall provide the Grantor with proof of payment forthwith. In the event that the property of the Grantee situated on the Licensed Lands has not been separately assessed, then the Grantor shall notify the Grantee in writing forthwith and the parties, acting reasonably, and equitably shall apportion the total taxes between the Grantee’s works on the Licensed Lands and the Grantor’s interest in the Licensed Lands, and the Grantee shall pay the Grantor its proportion of such taxes within Thirty (30) days from the date in which the Grantor and Grantee determine the apportionment of such taxes.

6.9 Indemnification

The Grantee shall indemnify and save harmless the Grantor from and against all actions, suits, claims, liabilities and damages (hereinafter collectively referred to as the “Claims”) caused or resulting from the acts, omissions, willful acts, default or negligence of the Grantee, its employees, agents, contractors, invitees or licenses on the Licensed Lands on the exercise of the rights granted herein other than to the extent such Claims result from the acts, omissions, willful acts, default, or negligence of the Grantor, its employees, agents, contractors, invitees or licenses (other than the Grantee).

6.10 Damage to Equipment

Except to the extent caused by or resulting from the negligence, default or willful acts of the Grantor, its employees, agents, contractors, invitees or licenses (other than the Grantee), the Grantee acknowledges and agrees that the Grantor shall not be responsible, either directly or indirectly, for any damage occurring to the Equipment during its installation, maintenance, operation or removal by the Grantee, nor shall the Grantor be liable to the Grantee for any Claims whatsoever suffered by the Grantee in connection with the Equipment, including claims for loss of revenue or loss of profit, on account of the actions or omissions of the Grantor, its employees, agents, contractors, invitees or licenses.

7. COVENANTS OF GRANTOR

7.1 Quiet Enjoyment/Title

The Grantor covenants that: (i) it has good and remarkable title to the Licensed Lands; (ii) it has good, right and full power to grant the licenses, leases, options, rights and privileges herein provided in the manner aforesaid; (iii) it has not granted any lease, license, option or other right in or to the Licensed Lands that would be incompatible with the licenses, options and rights granted pursuant to this Agreement; (iv) it is not aware of any charge, mortgage, agreement, covenant, restriction or other encumbrance (collectively “Encumbrances”) affecting the Licensed Lands that would prohibit or materially impair the Grantee’s proposed uses of the Licensed Lands; (v) all Encumbrances affecting the Licensed Lands have been fully complied with and
satisfied in all materials respects to the Effective Date; and (vi) it shall not further mortgage, charge or otherwise encumber (an “Encumbrance”) the Licensed Lands unless the holder of such Encumbrance (the “Encumbrancer”) acknowledges in writing to the Grantee the priority of the Grantee’s rights, licenses and options in the Licensed Lands established by this Agreement; and (vii) the Grantee upon observing and performing the covenants and conditions on the Grantee’s part herein contained, shall and may peaceably possess and enjoy the Licensed Lands to the extent provided herein and the rights and privileges hereby granted during the Term without any interruption or disturbance from or by the Grantor or any other person whomsoever.

7.2 Restrictive Covenants

(a) The Grantor covenants and agrees that it will not, and will not suffer or permit any Person to, without the express written consent of the Grantee, not to be unreasonably withheld, place, construct or erect during the Term any above ground structure on the Licensed Lands. Notwithstanding the foregoing: (i) the Grantor shall be entitled to replace buildings or structures situate on the License Lands as of the Effective Date provided the replacements are in the same location and are of no greater height than the structures they replace. Without limiting the generality of the foregoing, the Grantor will not place or cause or suffer or allow to be placed any structure or other thing upon the Licensed Lands, which would interfere with or influence the Grantee’s testing of wind conditions over the Licensed Lands.

(b) The Grantor covenants and agrees that the Grantor will not, during the Term, place, construct or erect, or allow any other Person (other than the Grantee) to place, construct or erect any structures or equipment on the Licensed Lands for the purposes of wind energy conversion. The Grantor covenants and agrees that the licenses, options and rights herein granted are exclusive to the Grantee and that during the Term no other Person will be permitted to use or occupy the Licensed Lands, or any part thereof, for the purposes of wind energy conversion and transmission of electric power and related activities or for any other purpose for which they are licensed under this Agreement.

(c) The Grantor acknowledges and agrees that the duration and area within which the restrictions set forth in subsections 7.2(a) and (b) shall apply have been considered by the Grantor and the restraints and restrictions of and on the future activities of the Grantor are reasonable in the circumstances. All defenses to the strict enforcement thereof by the Grantee are hereby waived by the Grantor. The Grantor acknowledges that a breach of any of the provisions contained herein would cause the Grantee to suffer loss which could not be adequately compensated for by damages and that the Grantee may, in addition to any other remedy or relief, enforce the performance of the provisions of this Section 7.2 by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage.

7.3 Interest in Licensed Lands

In the event the Grantor is not the absolute owner of the Licensed Lands, this Agreement shall nevertheless bind the Grantor to the full extent of his interest therein, and shall also extend to any after acquired interest, but all monies payable hereunder shall be paid to the Grantor only in the proportion that his interest in the Licensed Lands bears to the entire interest therein.
7.4 Taxes Paid by the Grantor

The Grantor shall promptly pay and satisfy all taxes, rates and assessments that may be assessed or levied against the Licensed Lands during the continuance of this Agreement, save where such are to be paid by the Grantee. In the event of non-payment of the taxes, rates and assessments by the Grantor, the Grantee shall have the right to pay same and recover the payment from any of the payments made pursuant to this Agreement.

7.5 Notice of Assessment

The Grantor shall promptly provide to the Grantee copies of all tax assessments, re-assessments and all other notices or correspondence received by the Grantor in respect of any taxes, rates or assessments that are payable by the Grantee pursuant to the terms of this Agreement.

7.6 Co-operation

If requested by the Grantee, and at the cost of the Grantee, the Grantor shall cooperate with and provide such support and assistance to the Grantee, as the Grantee reasonably requires, in respect of any regulatory or legal proceedings, including those pertaining to zoning matters, relating to the purposes for which the Licensed Lands are licensed and optioned to the Grantee.

7.7 Harmonized Sales Tax (“HST”)

If the Grantor is registered for HST purposes and produces verification of such registration, then, subject to any relieving provision in the applicable legislation, the Basic Rent shall be increased by an amount equal to the HST percentage rate multiplied by such Basic Rent and the Grantor shall remit such taxes to the proper governmental authorities as and when required. For purposes of this paragraph, HST means the Goods and Services Tax or any similar tax imposed by the governments of Canada and/or the Province of Ontario.

7.8 Non-Residence

Should the Grantor be a non-resident of Canada, the Grantor acknowledges and agrees that the Grantee may deduct income, withholding or other taxes from any payment to the Grantor in compliance or intended compliance with the provisions of the Income Tax Act, tax agreements or treaties or other statutes of Canada or its Provinces as are from time to time enacted and amended, whereupon the timely remittance by the Grantee of the balance of the payment to the Grantor shall be deemed to constitute full performance by the Grantee in respect of such payment.

8 DEFAULT

8.1 Default and Remedies

(a) If the Grantee is in default of any of its covenants, conditions or obligations contained in this Agreement, the Grantor shall deliver to the Grantee a written notice setting out the nature of the default with reasonable detail and providing the Grantee with thirty (30) days to remedy or cure such default. In the event the Grantee fails to remedy or cure such default within the said thirty (30) day period (or such longer period of time as is reasonable in the circumstances to cure such
defaul, provided that the Grantee has commenced to cure such default within the aforesaid thirty (30) day period and proceeds diligently thereafter to effect such cure), then at the option of the Grantor this Agreement may be terminated.

(b) If the Grantee fails to pay when the same is due and payable any amount required to be paid under this Agreement, such amount shall bear interest from the due date thereof calculated monthly to the date of payment at a rate per annum of two percent (2%) in excess of the prime interest rate for Canadian Dollar demand loans announced from time to time by the Bank of Nova Scotia.

(c) Notwithstanding any termination of the Agreement by the Grantor pursuant to this Section 8.1, any obligations of the Grantee then outstanding shall not merge but in fact survive the termination date and continue to bind the Grantee. The Grantor shall be entitled to all of its reasonable costs, including its reasonable legal costs relating to any default on the part of the Grantee, and the exercise of its rights and remedies as provided for in this Section 8.1.

(d) Notwithstanding any other provision of this Agreement, the Grantor shall make full recourse against any account or fund made available by the Grantee to the Grantor prior to exercising any other remedies hereunder or at law.

8.2 Discharge of Taxes and Encumbrances

In the event that any power of sale or foreclosure proceedings have been commenced against the Grantor that in any way affect the Licensed Lands, or a court order has been issued for a sale that in any way affects the Licensed Lands, then the Grantee may, after giving not less than ten (10) days written notice thereof to the Grantor, at the Grantee’s option pay or discharge the whole or any portion of any Encumbrance or lien payable, incurred or created by the Grantor which in any way affect the Licensed Lands. In the event the Grantee exercises its option to pay or discharge as aforesaid, then the Grantee shall be subrogated to the rights of the holder or holders thereof and, at the Grantee’s option, may reimburse itself by applying the amount so paid by the Grantee against the Basic Rent payable hereunder, or other sums accrued or accruing to the Grantor under the terms of this Agreement, and any sums so applied shall, for all purposes of this Agreement, be deemed to have been paid to and received by the Grantor in payment of the consideration payable hereunder, or other sums accrued or accruing to the Grantor under the terms of this Agreement, as the case may be. Notwithstanding the foregoing, the Grantee may at the Grantee’s option pay or discharge the whole or any portion of any withholding or other tax payable, incurred or created by the Grantor which in any way affects the Licensed Lands, and which remains in default for a period of thirty (30) days after written notice thereof to the Grantor, and the provisions of this Section 8.2 shall apply mutatis mutandis.

9 TERMINATION AND EQUIPMENT REMOVAL

9.1 Termination

The Grantee shall have the right at any time upon written notice to the Grantor, to terminate this Agreement as to the whole or any part of the Licensed Lands, and in the event of the Grantee so
doing this Agreement shall be terminated as to the whole or any part thereof so terminated and the Basic Rent shall no longer be payable with respect to such portion of the Licensed Lands, but there shall be no refund to the Grantee of any portion of the Basic Rent that may have been paid in advance.

9.2 Restoration Upon Termination

Upon the termination of the whole or any part of this Agreement, or upon the expiry or earlier termination of the Term, as the case may be, the Grantee shall, within the period of six (6) months after the date of termination or expiry, cause all excavations made by the Grantee or on its behalf on the Licensed Lands to be filled in, all in compliance with regulations of the government of the Province of Ontario in that regard, and shall restore the surface thereof to the same condition, so far as practicable, as existed before the entry thereon and the use thereof by the Grantee, including the removal of all structures, fixtures, material and Equipment of whatsoever nature or kind placed or constructed thereon by or on behalf of the Grantee, save and expect for any foundation or concrete base located at a depth of one (1) metre or more below the surface of the Licensed Lands.

9.3 Conditions

If one or more of the conditions specified in this Agreement are not met by the Grantor before the Lease Execution Date, or if one or more of the Grantor's representations and warranties set forth in this Agreement are not satisfactory to the Grantee, acting reasonably, or if any such representation or warranty is, or has by the Lease Execution Date become, untrue or inaccurate, then the Grantee may terminate this Agreement and cancel this Agreement or the exercise of an option, by ordinary notice in writing sent to the Grantor by registered mail, without any further formality being required, and neither party shall have any remedy against the other and in such event Basic Rent shall be apportioned between the parties to the date of termination.

9.4 Removal of Equipment

Provided that the Grantee is not in material default hereunder, the Grantee shall have the right at all times during the continuance of this Agreement and within the period of six (6) months after the date of the termination or expiry of this Agreement, to remove or cause to be removed from the Licensed Lands all structures, fixtures, material and Equipment of whatsoever nature or kind, which it may have placed or constructed on or in the Licensed Lands.

10. NOTICES

10.1 Demand, Notice or Communication

Any demand, notice or communication to be provided hereunder shall be in writing and may be given by personal delivery, by prepaid first class mail or by fax transmission, addressed to the respective parties as follows:
To the Grantee: Kerwood Wind, Inc.
ATTN: Ben Greenhouse, Project Director, Development
5500 North Service Road, Suite 205
Burlington, Ontario L7L 6W6
Phone: (905) 335-4904, x13

Copy to: Kerwood Wind, Inc.
ATTN: General Counsel
700 Universe Blvd.
Juno Beach, Florida 33408
Phone: (561) 691-7575

or to such other address or fax number as any party may from time to time notify the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been received by the party to which it is addressed on the day of actual delivery thereof. If given by fax transmission, on the same day as the date of faxing provided that a fax transmission report is generated and retained. In the case of a demand, notice or communication addressed to more than one party, on the day upon which actual delivery thereof has been completed to all such parties. Any notice sent by prepaid first class mail as aforesaid shall be deemed to have been delivered on the fifth (5th) business day (excluding Saturdays, Sundays and statutory holidays) following the date of mailing thereof provided that postal services have not been interrupted, in which case notice shall only be given by personal delivery or fax transmission as aforesaid.

11. MISCELLANEOUS MATTERS

11.1 Pre-Existing Contaminants

To the best of the Grantor’s knowledge and belief, the Licensed Lands do not contain any pollutant, contaminant, hazardous materials, dangerous or toxic substances (hereinafter collectively referred to as “Contaminants”). The Grantee shall promptly notify the Grantor of the discovery of Contaminants during any excavation or assessment work done by the Grantee on the Licensed Lands. Unless the Contaminants are sourced from the Grantee’s structures, fixtures, materials or Equipment or the exercise of any of the Grantee’s rights hereunder, the Grantee shall not be liable for and the Grantor hereby releases, discharges and indemnifies the Grantee from and against any Claims or costs that may arise as a consequence of the discovery of any Contaminants in, on, or under the Licensed Lands during the Grantee’s exercise of any of its rights under this Agreement.

11.2 Registration of Notice of Rights

This Agreement shall not be registered in the Land Registry Office for the area in which the Licensed Lands are situated, although a notice of this Agreement and the licenses, options, and other rights and privileges herein granted may be registered as aforesaid against the Licensed Lands. The Grantee shall withdraw or discharge any such registered notice within a reasonable time after termination of this Agreement. In addition, if required by the Grantee, the terms of the restrictive covenants provided in Section 7.2 shall be restated in a separate document and, that document may be registered against the Licensed Lands, provided that the Grantee shall
withdraw or discharge such registration within a reasonable period of time after the termination of this Agreement. The Grantor shall execute such documents, and take such other actions, at the cost of the Grantee, as reasonably required by the Grantee to permit the registration of the document restating the restrictive covenants.

11.3 Restrictive Covenants Run With Lands

The parties acknowledge and agree that it is their intention that the restrictive covenants provided in Section 7.2 run with and bind the Licensed Lands in favour of any Site, and any other lands leased, licensed or owned by the Grantee and are binding on all heirs, executors, administrators, successors and assigns of the Grantor, provided that such covenant shall expire upon termination of the rights of the Grantee in the Licensed Lands.

11.4 Environmental Impact Studies and Public Consultations

During the term of this Agreement, Grantee may conduct, at its sole expense, such environmental impact studies and public consultations to obtain required approvals and permits for a wind at the Licensed Lands, such as under the Ontario Environmental Assessment Act and the Canadian Environmental Assessment Act and any government grants or subsidies, such as the ecoEnergy Renewable Power Programme, as it deems necessary or desirable.

11.5 Support

The Grantor will support the Grantee’s proposed Wind Power Facilities for the Licensed Lands in any public consultation and communication processes relating to this Agreement.

11.6 Time to be of the Essence

Time shall be deemed to be of the essence with respect to all time limits mentioned in this Agreement.

11.7 Severability

If any provision of this Agreement or the application thereof to any circumstances shall be held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall valid and enforceable to the fullest extent permitted by law.

11.8 No Agency, Partnership or Joint Venture

Nothing contained in this Agreement shall be deemed or constructed by the parties as creating a relationship of principal and agent or of partnership or joint venture between the parties.

11.9 Governing Laws

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.
11.10 Assignment of Agreement

The Grantee shall have the absolute and unfettered right at any time from time to time to delegate, assign, transfer, charge or convey to other Persons, all or any of the powers, rights and interests obtained by or conferred upon the Grantee hereunder, including the Option and shall not be found to give notice thereof to any party or obtain any consent thereto and may enter into all agreements, contracts, and writings and do all necessary acts and things to give effect to the provisions of this Section.

11.11 Modification/Amendment of Agreement

This Agreement, including any schedules attached hereto, shall constitute the entire agreement between the parties. This Agreement shall not be modified or amended except by written agreement executed and dated by both parties.

11.12 Planning Act

This Agreement is entered into on the express condition that it is subject to compliance with the severance control provisions of the Planning Act (Ontario), as amended, from time to time; provided that pending any such compliance, the aggregate of the Initial Term together with all Renewal Terms shall be deemed to be for a total period of one (1) day less than the maximum term permitted by law without such compliance. If compliance with the provisions of the Planning Act should be required, in the sole discretion of the Grantee, then the Grantor hereby appoints the Grantee or its authorized agents or servants to execute such consents or authorizations as may be necessary for the Grantee to obtain any required consents from the local Land Division Committee or Committee of Adjustment and agrees to cooperate in any such applications for consent.

11.13 Family Law Act - Grantor represents and warrants that, as of the Effective Date, Grantor is:

(a) at least eighteen (18) years of age and either not a spouse within the meaning of the Family Law Act, R.S.O. 1990, c.F.3, as amended; or

(b) at least eighteen (18) years of age and if a spouse within the meaning of the Family Law Act, R.S.O. 1990, c.F.3, as amended, then this Agreement has been executed by both spouses together comprising Lessor or consented to in writing by Grantor's spouse as is evidenced by the signature of the spouse on the Consent as attached hereto as Schedule “E”; or

(c) if a corporation, then no building(s) located on the Property has been ordinarily occupied by any officer, director or shareholder of the corporation or by any of their spouses as a family residence or matrimonial home within the meaning of the Family Law Act, R.S.O. 1990, c.F.3, as amended; or

(d) We............................................. and .......................................................... being spouses within the meaning of Section 1 (1) of the Family Law Act, R.S.O. 1990, c.F.3., together with any amendments thereto, do hereby consent to the transaction evidenced by this
instrument and the registration of a notice of this Agreement on the title to the Licensed Lands hereinbefore described.

11.14 Further Assurances
The Grantor and the Grantee hereby agree that they will each do and perform all such acts and things and execute all such deeds, documents and writings and give all such assurances as may be necessary to give effect to this Agreement.

11.15 Successors
All rights and liabilities herein granted to or imposed on the respective parties hereto extend to and bind the heirs, executors, successors and assigns of the Grantor and the successors and assigns of the Grantee, as the case may be.

In the event of the sale by the Grantor of the Licensed Lands or any part thereof or any interest therein, the Grantor shall have the purchaser, transferee or assignee, as the case may be, enter into an agreement pursuant to which such purchaser, transferee or assignee, as the case may be, acknowledges and agrees with the Grantee to observe and be bound by the terms of this Agreement.

11.16 Obligations as Covenants
Each obligation or agreement of the Grantor or of the Grantee contained in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

11.17 Currency
Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.

11.18 Headings for Convenience Only
The division of this Agreement into articles and sections is for convenience only and shall not affect the interpretation or construction of this Agreement.

[Remainder of page intentionally left blank, signature page follows]
KERWOOD WIND INC.

KRAI ALS;

1. The Lessor is the registered and beneficial owner of the Lands.

2. The Lessor has agreed to grant a lease to the Lessee in respect of the Leased Lands, subject to the terms and conditions in this Lease.

NOW THEREFORE in consideration of the Rent paid by the Lessee to the Lessor, the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties hereto covenant and agree as follows:

Definitions

In this Lease, the terms defined in this Section 1 shall have the following meanings, unless the context otherwise requires:

- "Claims" has the meaning ascribed to it in Section 5.11 hereof;
- "Collective Payment" has the meaning ascribed to it in Section 3.1(b) hereof;
- "Confidential Information" has the meaning ascribed to it in Section 4.3 hereof;
- "Contaminants" has the meaning ascribed to it in Section 11.1 hereof;
- "CPI" means the Consumer Price Index for “All-items”, for the Province of Ontario as published by the Statistics Canada (or by a successor or governmental agency, including a provincial agency), or if such index is no longer published, an index published in substitution therefore as designated by the Lessee. If the base year for the index (or substituted or replacement index) is changed, the Lessee will make the necessary conversion;
- "Data" has the meaning ascribed to it in Section 4.1 hereof;
- "Effective Date" has the meaning ascribed to it at the beginning of this Lease;
- "Encumbrance" has the meaning ascribed to it in Section 6.2 hereof;
- "Extension Term" has the meaning ascribed to it in Section 2.1 hereof:
“Force Majeure” means any cause beyond either party’s reasonable control and, without limitation, includes and act of God, strike, lockout, labour or other industrial disturbance; act of any public enemy or terrorist, war, blockade, riot, lightning, fire, storm, flood, explosion, unusually severe weather conditions, government restraints, including road bans and any other cause whether of the kind herein enumerated or otherwise not reasonably within the control of the party, but shall not include lack of finances; provided that the settlement of strikes, lockouts, labour or other industrial disturbances shall be settled in the sole discretion of the Lessee; has the meaning ascribed to it in Section 1.1 hereof;

“Generation Date” has the meaning as defined in clause 3.1(h)

“Initial Plan” has the meaning ascribed to it in Section 5.3 hereof;

“Initial Term” has the meaning ascribed to it in Section 1.1 hereof;

“Lands” means the lands described in Schedule “A” annexed hereto;

“Lease” means this Lease;

“Leased Lands” means that portion of the lands described in Schedule “A-1” annexed hereto;

“Lessor Default” has the meaning ascribed to it in Section 8.1 (e) hereof;

“Operational Date” means the date that the Wind Power Facilities at the Project are commercially operational and delivering energy, as determined by the Lessee;

“Person” includes an individual, corporation, partnership, or other entity, whether incorporated or not;

“Power Supply Agreement” means an agreement between the Lessee and a utility or other Person for the sale by the Lessee to such utility or other Person of electricity from the Project;

“Project” means the proposed Wind Power Facilities, including Wind Turbines, for the purposes of the conversion of wind power and the production, collection, storage and transmission and sale of electric power and any related activities on the Project Lands;

“Project Lands” means the land, including the Leased Lands as shown outlined in heavy black on the sketch annexed hereto as Schedule “B”, as same may be reduced or increased at the discretion of the Lessee from time to time;

“Project Lease” means a lease entered into by the Lessee, as lessee of a portion of the Projects Lands in connection with the Project;

“Term” means the Initial Term together with all Extension Terms, as provided for in Section 2.1;

“Rent” means the annual payment from the Lessee to the Lessor as determined in accordance with clause 3;

“Termination Notice” has the meaning ascribed to it in Section 9.1 hereof;

“Wind Power Facilities” has the meaning ascribed to it in Section 1.1 hereof; and

“Wind Turbine” means a wind turbine electrical generating facility.
1. GRANT OF LEASE

1.1 Lease

THE LESSOR, for the purposes and at the rental hereinafter set forth, does hereby lease unto the Lessee and the Lessee leases from the Lessor the Leased Lands to be held by the Lessee as tenant for the term of twenty-one (21) years less one (1) day from the Effective Date (the "Initial Term") or as the term may be extended as provided in this Lease for the purpose of wind energy conversion, the production, collection, storage and transmission of electric power (whether generated on or off the Leased Lands) and related activities including, without limitation:

(a) determining the feasibility of wind energy conversion and other power generation on the Leased Lands, including studies and tests of wind speed, wind direction and other meteorological data, and extracting soil samples;

(b) surveying, laying, constructing, erecting, inspecting, repairing, altering, maintaining, operating, using, relocating and replacing one or more Wind Turbines, overhead and underground electrical transmission, instrument services, utility and communication towers, lines, wires, cables and conduits, electric transformers, energy storage facilities, telecommunications equipment and facilities, power generation equipment and facilities to be operated in conjunction with Wind Turbine installations, electrical substations, converter stations and switching facilities, roads, meteorological towers and wind measurement equipment, control buildings, maintenance yards, and related facilities, structures, equipment and works including foundations, poles, stays, traverse supports and anchors (collectively referred to as the "Wind Power Facilities") in, on, under, above, along and across the Leased Lands; and:

(c) undertaking any other activities, whether accomplished by the Lessee or a Person authorized by the Lessee, that the Lessee reasonably determines are necessary, useful or appropriate to accomplish any of the foregoing.

The Lessee, in its use of the Leased Lands shall be entitled to: (i) construct, use, repair, service, inspect and maintain one or more drainage ditches, trenches and culverts; (ii) cut, trim, remove and destroy in any way and at any time any trees, bushes, branches, shrubs and roots located thereon and to remove from the Leased Lands any objects, construction or structure situated on the Leased Lands; and (iii) prohibit any person from erecting any construction or structure on, above, under, along or across the Leased Lands or to alter the present elevation of the Leased Lands.

Notwithstanding the foregoing provisions of this Section 1.1, once the Lessee has completed the construction of the Wind Power Facilities on the Leased Lands, the Lessee may choose to amend the description of the Leased Lands from what is identified on Schedule "A-1" to reflect the as-built location of the Wind Power Facilities. For greater certainty, the Lessee shall have the right, at any time during the Term, and in its sole discretion, to amend the description of the Leased Lands by providing to the Lessor a reference plan (the "Reference Plan") which identifies the amended description of the Leased Lands that is being demised and leased to the Lessee. If the Lessee elects to prepare a Reference Plan identifying the amended description of the Leased Lands, the Lessor hereby irrevocably authorizes and directs the Lessee to deposit such plan on
title to the Lands. Upon the delivery by the Lessee to the Lessor of the Reference Plan, the description of the Leased Lands, as set out in Schedule “A-1”, shall automatically be replaced by the amended description of the Leased Lands as set out in the Reference Plan without the requirement of any further action on behalf of either the Lessor or the Lessee, provided that the Lessor agrees that it shall, at the request of the Lessee, execute a Lease amending agreement which sets out the amended description of the Leased Lands in accordance with the Reference Plan.

2. EXTENSION

2.1 Extension of Lease Term

The Lessor hereby grants to Lessee the right to extend the Term of this Lease for two (2) further and consecutive periods of ten (10) years. Each extension shall take effect automatically and without further notice unless Lessee gives notice to the Lessor at least ninety (90) days prior to the end of the Term or any extensions thereof, that it shall not exercise such right of extension. During each five year period during the Term and any extensions thereof the rent shall be adjusted by an increase of Two Percent (2%) over the immediately preceding Rent. Each extension term will be subject to the same terms and conditions as apply during the Term. Notwithstanding the foregoing, this Lease is entered into upon the express condition that it is to be effective only if the provisions of the Planning Act (Ontario) and any amendments, if applicable, are complied with. If any renewals or extension of the Term should require an approval pursuant to said Act then the within clause shall not be considered in breach or in contravention of the Act but rather conditional upon appropriate permission being granted pursuant to the Act at the expense of Lessee. In the event that any required consent or approval from the authorities administering the Planning Act is not obtained, the term of this Lease, including renewals and extension, shall be limited to Twenty One (21) Years less a day.

3. RENT

3.1 Rent

Rent has been divided into two payment types as seen below:

1] A Project Area Payment (PAP) - Half a percentile (0.5%) of the gross wind farm income will be divided between all of the landowners who originally signed an option agreement with the Lessee. This payment will be divided and landowners will receive a pro rata share based upon the size of their land holding (in acres) within the project area. This payment will be awarded regardless of the location of any wind turbines upon lands.

2] Turbine Payments – Landowners will also receive payment for hosting wind turbines upon their land. The details of such payments are outlined below:

The Lessee shall pay to the Lessor during the Term and any extensions thereof the following rental:

a) Beginning with the signature of the Option and ending on the Commencement Date (as defined below), Lessee shall pay to the Lessor annual rent of Five Hundred (CAD $500,00)
Schedule "B"

Dollars payable once annually within sixty (60) days of the Commencement Date and any anniversary thereof. This will be paid to all landowners included in the project area.

The following payments will be made only to landowners who will have a wind turbine located on their lands:

b) Upon the lease being exercised (Commencement Date) the Lessee shall pay the Lessor Two Thousand Dollars (CAD $2,000) annually within 60 days of the Commencement Date and any anniversary thereof until construction begins (Construction Date).

c) From the beginning of the Construction Date and up until the Generation Date (as defined below) the Lessee shall pay the Lessor an annual amount of Four Thousand Dollars (CAD $4,000) per Megawatt (MW) of installed capacity located on their lands.

d) With the installation of turbine(s) on the Leased Area and the production and delivery of electricity to a third party power purchaser (the "Generation Date") the Lessee shall pay to the Lessor rent in the amount of the greater of either:

i) from and after the Generation Date, for each wind turbine that is installed by the Lessee on the Leased Lands, with respect to each year during the Term that such Wind Turbine remains on the Lands, an annual amount equal to Four Thousand Canadian Dollars (CAD $4,000.00) per megawatt of nameplate generating capacity of such Wind Turbine.

ii) from and after the Generation Date, two percent (2%) increasing to three percent (3%) on the tenth anniversary of the Generation Date of the annual gross revenue [Percentage Share], as determined by the Lessee, that the Lessee obtains from the electricity generated by all wind turbines installed by the Lessee on the Leased Lands, with respect to each year during the Term that such wind turbines remains on the Lands and sold pursuant to a Power Supply Agreement during the relevant year.

Rent, and any other amount payable by Lessee to the Lessor under the terms of this Lease, shall be payable quarterly in advance, the first payment being made within thirty [30] calendar days of the Effective Date, all subsequent payments thereafter shall be made on the quarterly anniversary of the Effective Date and any applicable provincial sales tax and goods and services tax.

60 Days of the first annual anniversary of the Generation Date, and every annual anniversary thereafter within the Term of this Agreement, the Lessee shall advice the Lessor of the actual Rent amount calculated in accordance with clause 3.1(d)ii providing reasonable justification thereof. The Lessor shall then pay any additional amounts due within thirty calendar days. Should the actual percentage of revenue calculated in accordance with clause 3.1(b)ii be less than the amount calculated in accordance with clause 3.1(d)ii then no additional payment will be owed by the Lessee to the Lessor.
On each succeeding annual anniversary of the Generation Date, Rent due in accordance with clause 3.1(dh) shall be increased by an amount equal to two percent (2%) per annum during the Term of this Agreement.

3.2 Rent for Use of Temporary Work Areas:

Prior to construction, replacement or repair of any Wind Power Facilities on the Leased Lands, the Lessee shall pay to the Lessor a one-time lump sum payment equal to Five Hundred Dollars ($500.00) per acre of any Lands situated outside the Leased Lands and used temporarily during the construction of the Wind Farm Facilities for the purpose of storing material or carrying out work related to the construction of the Wind Farm Facilities.

3.3 Rent for Collection Line Only

In the event Lessee does not install any Wind Turbines or other Wind Power Facilities on the Leased Lands, but installs collection line(s) only on the Leased Lands, Lessee shall pay Lessor an annual payment of Three Dollars ($3.00) per metre of collection line within the Leased Lands. Commencing on the first anniversary of the Generation Date and on each anniversary thereafter during the Term, the annual payment due pursuant to this paragraph shall increase by two percent (2%) per year. The final metre determination shall be determined by a survey to be completed after the entire collection line has been built and approved by the required governmental regulatory agencies. Payment will be mailed to Lessor within sixty (60) days of the Generation Date and on each anniversary date thereafter.

3.4 Rent for Roadway Only

In the event Lessee does not install any Wind Turbines or other Wind Power Facilities on Leased Lands, but installs roadway improvements only, then Lessee shall pay to Lessor an annual payment of One Thousand Dollars ($1,000.00) per acre for the area of the roadway. Commencing on the first anniversary of the Generation Date and on each anniversary thereafter during the Term, the annual payment due pursuant to this paragraph shall increase by two percent (2%) per year. The first annual payment will be mailed to Lessor within sixty (60) days of the Generation Date and on each anniversary date thereafter.

3.5 Permanent Crop Damage

If any Wind Power Facilities constructed or installed on the Leased Lands causes permanent physical damage to any crops or timber located outside of the Leased Lands, the Lessee shall compensate the Lessor for such permanent damage, with respect to the period from and after the date such permanent physical damage first commenced until such time as the permanent physical damage ends, at the rate of Six Hundred Dollars ($600.00) per acre of the lands permanently damaged per annum payable annually in advance on or before the commencement date of each successive lease year during the Term. The amount payable under this Section 3.5 shall be increased at the end of the fifth (5th) lease year and at the end of each succeeding period of five (5) lease years thereafter by an amount equal to an increase of Two Percent (2%).
3.6 Adjustment of Rent

If the period of time from the date an item of rent or other amount payable under Sections 3.1 through 3.5 commences to be payable in a lease year to the end of such lease during the Term is less than twelve (12) calendar months or if the period of time from the last lease year during the Term to the end of the Term is less than twelve (12) calendar months, then items of rent and other amounts under Sections 3.1 through 3.5 for such periods shall be pro-rated on a per diem basis, based on a period of three hundred and sixty-five (365) days. Payments under Section 3.1(a) shall be credited to payments owing by the Lessee to the Lessor under Section 3.1(b).

3.7 Payment of Rent

(a) All payments to the Lessor provided for in this Lease shall, at the Lessee's option, be paid or tendered either to the Lessor or to the depository named in this clause, and all such payments or tenders may be made by cheque or draft of the Lessee either mailed or delivered to the Lessor or to said depository, or paid by electronic deposit to the depository which payment shall be made in Canadian funds. If payment is made by the Lessee to the depository, the Lessor does hereby appoint PAY DIRECT to:

the sole depository for the receipt of all monies payable under this Lease, and the Lessor agrees that said depository and its successors shall be and continue as its agent for the receipt of any and all sums payable hereunder, regardless of changes of ownership (whether by assignment, succession or otherwise and whether in whole or in part) of the demised premises or of the rentals or royalties to accrue hereunder. In the event the Lessor elects to be paid by electronic deposit than the Lessor shall provide a voided cheque and written direction to the Lessee instructing it to make payments to the depository, such written direction to include the depository's name, address, account number, and be in a form acceptable to the Lessee acting reasonably. Any payment mailed to the Lessor or to the depository shall be deemed to have been paid four (4) days (excluding Saturdays, Sundays and statutory holidays) after deposit in any mailbox or post office.

(b) The Lessor may not cancel the appointment of a depository without designating a successor but may at any time designate a new depository by providing a written direction to the Lessee instructing it to make payments to the new depository. Subject to the Lessee's approval, in the event the Lessor elects to be paid by electronic deposit than the Lessor shall provide to the Lessee in addition to the written direction, a voided cheque. In all such cases, the direction shall include the depository's name, address and account number, in a form acceptable to the Lessee acting reasonably; provided that:

(i) only a bank, trust company, credit union, or treasury branch in Canada may be designated as a depository,

(ii) only one depository shall be designated at any one time, regardless of whether or not any monies payable hereunder are, or become, payable to more than one person, and
(iii) the Lessee shall not be required to recognize any new depository until the expiration of forty-five (45) days from the receipt by it of the notice in writing, but this shall not prohibit the Lessee from making payment to the new depository prior to the expiration of the forty-five (45) days period. All payments or tenders made to such new depository shall be deemed to have been made in accordance with the terms of this Lease.

(c) If any depository shall at any time resign, or fail or refuse to act as the depository hereunder and a new depository is not designated by the Lessor pursuant to the terms of this clause within ten (10) days from such resignation, failure or refusal to act then the Lessee at its option may designate a depository for and on behalf of the Lessor, which depository shall be entitled to charge its usual fees and collect same from the Lessor, and said depository shall be the depository to all intents and purposes as if originally appointed by the Lessor.

(d) Should the Lessor be a non-resident of Canada, the Lessor acknowledges and agrees that the Lessee may deduct income, withholding or other taxes from any payment to the Lessor in compliance or intended compliance with the provisions of the Income Tax Act, tax agreements or treaties or other statutes of Canada or its Provinces as are from time to time enacted and amended, whereupon the timely remittance by the Lessee of the balance of the payment to the Lessor shall be deemed to constitute full performance by the Lessee in respect of such payment.

4. OWNERSHIP OF DATA/EQUIPMENT/CONFIDENTIALITY

4.1 Ownership of Data

The Lessee shall own all information and data and all reports prepared in connection therewith (the “Data”) from tests, studies and assessments conducted at the Leased Lands pursuant to this Lease, including those conducted on or by the Wind Power Facilities.

4.2 Ownership of Wind Power Facilities

It is expressly agreed between the parties hereto that all Wind Power Facilities installed or placed upon the Leased Lands during the Term remains the sole property of the Lessee and the Lessor shall not have any interest therein. The Lessor hereby waives any statutory or common-law right of distrain in connection with the Wind Power Facilities.

4.3 Confidentiality

The Lessor covenants and agrees that: (i) any information which it has access to or which comes into its possession relating to the Lessee’s activities, including any Data (the “Confidential Information”) shall be held in the strictest confidence by the Lessor, and that the Lessor shall not disclose any Confidential Information to any third party except as may be required by law, or on the same confidential basis as provided herein and then only to the legal and financial advisors of the Lessor who have a bona fide and actual need to know same; (ii) it will not use any such Confidential Information, other than as may be required or permitted to perform any of its obligations under this Lease; and (iii) it will not exploit (whether for commercial or other purposes) or otherwise use any such Confidential Information. The Lessor acknowledges that a breach of any of the provisions contained herein would cause the Lessee to suffer loss which could not be adequately compensated for by damages and that the Lessee may, in addition to any
other remedy or relief, enforce the performance of the provisions this Section 4.3 by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage.

Upon the expiration or earlier termination of this Lease, all Confidential Information will continue to be kept confidential by the Lessor.

4.4 Publicity Clause

The Lessor shall not use the Lessee’s name nor that of its affiliates or the names of the Lessee’s employees in any announcements, advertising, promotional material or in any publication without the prior written consent of the Lessee except as provided in this Lease. For clarity, either party may republish or otherwise publicly refer to any information contained in any press release issued jointly by the parties.

5. LESSEE’S COVENANTS

5.1 Wind Power Facilities

The Lessee covenants that the Wind Power Facilities on the Leased Lands shall be constructed, installed and operated in accordance with all municipal, provincial and federal laws and regulations.

5.2 Approval

The Lessee covenants to obtain all necessary permits, authorizations, approvals and consents (including without limitation, any zoning consents) as may be necessary to allow for the installation, construction and operation of the Wind Power Facilities on the Leased Lands.

5.3 Location of Wind Power Facilities

The location or relocation of any meteorological towers, Wind Turbines or other Wind Power Facilities on the Leased Lands shall be selected and determined by the Lessee acting reasonably. The Lessor acknowledges that the Lessee has consulted the Lessor regarding the initial plan for the development of the Leased Lands (the “Initial Plan”) prior to execution of this Lease and has advised the Lessor of the initial locations chosen for the Wind Power Facilities to be located on the Leased Lands and the Lessor declares that he is satisfied therewith.

In relocating any Wind Power Facilities and in determining the location of any additional Wind Power Facilities not shown on the Initial Plan, the primary consideration for the Lessee shall be: (i) maximization of utilization of wind resources, (ii) construction costs; and (iii) compliance with legal and safety requirements regarding setbacks and other matters pertaining to the location of Wind Power Facilities. In relocating any Wind Power Facilities and in determining the location of any additional Wind Power Facilities not shown on the Initial Plan the Lessee shall strive to minimize any material adverse effects on the Lessor’s agricultural and forestry operations resulting from the location of access roads and transmission lines.
5.4 Entering Leased Lands
The Lessee will conduct all operations on the Leased Lands in a diligent and careful manner. Gates on the Leased Lands will be left in the condition they were found (closed or opened).

5.5 Insurance
The Lessee, prior to commencing any construction on the Leased Lands, shall obtain and maintain comprehensive general liability insurance in an amount of not less than One Million Five Hundred Thousand ($1,500,000.00) Dollars with a licensed insurance company authorized to carry on business in Ontario.

5.6 Weeds
The Lessee shall remove weeds from those portions of the Leased Lands that are enclosed by fencing constructed by the Lessee, which removal is the sole responsibility of the Lessee.

5.7 Shallow Ditches
Roadways constructed by the Lessee shall have shallow ditches where required, or if necessary, an adequate number of approaches so that the Lessor can cross the roadway with farm machinery in moving from one field in the Lands to another field which lies across the said roadway.

5.8 Fencing of Site – Roadway and Excavations
The Lessee shall erect and put upon the boundaries between any Wind Turbine and a roadway, a fence if so required by the Lessor, and the Lessee will, if required by the Lessor for the safety of livestock, enclose and keep enclosed all openings or excavations made by the Lessee in connection with or for the purposes of carrying on its operations with fences sufficient to prevent livestock falling thereinto.

The Lessee may, with the consent of the Lessor, acting reasonably construct fences to prevent any hazards to the Wind Power Facilities or trespass to the Leased Lands.

5.9 Repairs and Compensation for Damages
The Lessee shall reasonably compensate the Lessor for any physical damage caused by the Lessee to any machinery, structures, roads, or other improvements (equal to the replacement cost thereof), of the Lessor upon the Leased Lands, resulting from the exercise of the rights herein granted to the Lessee. The compensation shall be determined by an independent accredited evaluator with expertise in evaluating damage of the kind in question and who is retained and paid by the Lessee and acceptable to the Lessor acting reasonably.

5.10 Taxes Payable by Lessee
The Lessee covenants to pay all taxes, rates and assessments that may be assessed or levied in respect of any and all Wind Power Facilities placed by the Lessee in, on, over and under the Leased Lands. In the event that there is a separate assessment as regards such Wind Power Facilities, the same shall be paid by the Lessee on or before the due date and the Lessee shall provide the Lessor with proof of payment forthwith. In the event that the Wind Power Facilities
of the Lessee situate on the Leased Lands has not been separately assessed, then the Lessor shall notify the Lessee in writing forthwith and the parties, acting reasonably, and equitably shall apportion the total taxes between the Lessee's Wind Power Facilities on the Leased Lands and the Lessor's interest in the Leased Lands, and the Lessee shall pay the Lessor its proportion of such taxes within thirty (30) days from the date in which the Lessor and Lessee determine the apportionment of such taxes.

5.11 Indemnification
The Lessee shall indemnify and save harmless the Lessor from and against all actions, suits, claims, liabilities and damages (hereinafter collectively referred to as the "Claims") caused by or resulting from the acts, omissions, willful acts, default or negligence of the Lessee, its employees, agents, contractors, invitees, or licensees on the Leased Lands or the exercise by the Lessee of the rights granted herein other than to the extent such Claims result from the acts, omissions, willful acts, default, or negligence of the Lessor, its employees, agents, contractors, invitees or licensees (other than the Lessee). Notwithstanding the foregoing, the Lessee shall not be responsible for any consequential or indirect losses or damages.

5.12 Damage to Wind Power Facilities
- Except to the extent caused by or resulting from the negligence, default or willful acts of the Lessor, its employees, agents, contractors, invitees or licensees (other than the Lessee), the Lessee acknowledges and agrees that the Lessor shall not be responsible for any damage occurring to the Wind Power Facilities during its installation, maintenance, operation or removal by the Lessee, nor shall the Lessor be liable to the Lessee for any Claims whatsoever suffered by the Lessee in connection with the Wind Power Facilities unless resulting from the negligence, default or willful acts of the Lessor, its employees, agents, contractors, invitees or licensees.

5.13 Records of Production
Within sixty (60) days after the anniversary date of each Operational Date during the Term, the Lessee shall provide to the Lessor a statement as to the gross revenues obtained from electricity generated by the Wind Turbines located within the Project and sold pursuant to a Power Supply Agreement during the prior year and the calculation of the Collective Payment payable to the Lessor pursuant to Section 3.1(b). The Lessee shall make available to the Lessor, prior thirty (30) days' prior written notice during normal business hours, at the Lessee's address hereinafter mentioned, the Lessee's records relative to gross revenue obtained from electricity generated by the Wind Turbines located within the Project and sold pursuant to a Power Supply Agreement for the previous year. All such information shall remain confidential in accordance with Section 4.3 of this Lease.

The Lessor acknowledges that it shall not be entitled to any rent with respect to any of the energy produced from the Project that may be required and used with respect to the operations at the Project or unavoidably lost. The Lessor also acknowledges that government credits, such as the ecoEnergy Renewable Power Programme, and revenue from the sale of emission credits, from the sale of electricity generated by the Wind Power Facilities at the Project remain the property of the Lessee and the Lessor is not entitled to any share thereof.
6. **COVENANTS OF LESSOR**

6.1 Quiet Enjoyment

The Lessor covenants that the Lessee upon observing and performing in all material respects the covenants and conditions on the Lessee’s part herein contained, shall and may peaceably possess and enjoy the Leased Lands to the extent provided herein and the rights and privileges hereby granted during the Term without any interruption or disturbance from or by the Lessor or any other Person whatsoever.

6.2 Title

The Lessor covenants that: (i) it has good and marketable title to the Leased Lands; (ii) it has good, right and full power to grant and demise the Leased Premises and the rights and privileges herein provided in the manner aforesaid; (iii) it has not granted any lease, license, option or other right in or to the Leased Lands that would be incompatible with the grant and demise of the Leased Premises and the rights and privileges herein granted; and (iv) it is not aware of any charge, mortgage, agreement, covenant, restriction or other encumbrance (individually an “Encumbrance”) affecting the Leased Lands that would prohibit or materially impair the Lessee’s proposed uses of the Leased Lands; (v) all Encumbrances affecting the Leased Lands have been fully complied with and satisfied in all material respects to the Effective Date; and (vi) it shall not further mortgage, charge or otherwise encumber the Leased Lands unless the holder of such encumbrance (the “Encumbrancer”) acknowledges in writing to the Lessee the priority of the Lessee’s rights and privileges in the Leased Lands established by this Lease and agrees that for so long as the Encumbrancer shall be in ownership, possession or control of the Lessor’s interest in the Leased Lands (whether directly or by way of an agent or a receiver or receiver and manager), the Encumbrancer shall, from and after the date of its ownership, possession or control, perform and observe all of the covenants and obligations of the Lessor under this Lease.

6.3 Restrictive Covenants

(a) The Lessor shall not and will not suffer or permit any person to disturb or interfere with: (i) the construction, installation, maintenance, repair, inspection, use or operation of the Wind Power Facilities, whether located on the Leased Lands or elsewhere; (ii) access over the Lands to the Wind Power Facilities; (iii) any development activities; or (iv) the undertaking of any other activities permitted hereunder. Further, the Lessor agrees that it shall not undertake any action including, without limitation, hunting, blasting, excavation or construction, that may have the effect of constituting a danger to the Wind Power Facilities or increasing the Lessee’s maintenance, repair or operation costs with respect to the Wind Power Facilities. Without limiting the generality of the foregoing, the Lessor shall not interfere with the wind speed or wind direction over the Lands or the Leased Lands, whether by placing Wind Turbines, planting trees or constructing buildings or other structures, or by engaging in any other activity on the Lands or elsewhere that might cause a decrease in the output or efficiency of the Wind Power Facilities. The Lessor expressly reserves the right to use any portion of the Leased Lands, other than those portions of the Leased Lands over which Wind Power Facilities are located, constructed or installed from time to time as designated by the Lessee, for agricultural, residential and other purposes that do not and will not interfere with the Lessee’s operations.
hereunder or enjoyment of the rights hereby granted to the Lessee. In the event that any of the Lessor’s activities negatively impacts on the construction, installation, maintenance, repair, inspection, use or operation of the Wind Power Facilities, the Lessor agrees to cease and desist such activities immediately upon notice from the Lessee. For greater certainty, the Lessor covenants and agrees that, it will not, and will not suffer or permit any Person to, place, construct and erect on the Lands any above ground structure during the Term, without the express written consent of Lessee.

Notwithstanding the foregoing the Lessor shall be entitled to replace buildings or structures situated on the Lands as of the Effective Date provided the replacements are in the same location and are of no greater height than the structures they replace. The Lessor will not place or cause or suffer or allow to be placed any structure or other thing upon the Lands which would interfere with or influence the Lessee’s testing of wind conditions over the Lands.

(b) The Lessor covenants and agrees that the Lessor will not, during the Term, place, construct or erect, or allow any other Person (other than the Lessee) to place, construct or erect any structures or equipment on the Lands for the purposes of wind energy conversion. The Lessee shall have the exclusive right to collect, convert and transmit all the wind resources on the Lands, and the Lessor agrees that it will not interfere with the Lessee’s operations hereunder or the enjoyment of the rights hereby granted. The Lessor covenants and agrees that the licenses, options and rights herein granted are exclusive to the Lessee and that during the Term no other Person will be permitted to use or occupy the Lands, or any part thereof, for the purposes of wind energy conversion or the transmission of electric power and related activities or for any other purpose for which the Leased Lands are demised under this Lease.

(c) The Lessor acknowledges and agrees that the duration and area within which the restrictions set forth in subsections 6.3(a) and (b) shall apply have been considered by the Lessor and the restraints and restrictions of and on the future activities of the Lessor are reasonable in the circumstances. All defences to the strict enforcement thereof by the Lessee are hereby waived by the Lessor. The Lessor acknowledges that a breach of any of the provisions contained herein would cause the Lessee to suffer loss which could not be adequately compensated for by damages and that the Lessee may, in addition to any other remedy or relief, enforce the performance of the provisions of this Section 6.3 by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage.

6.4 Taxes Paid by the Lessor

The Lessor shall promptly pay and satisfy all taxes, rates and assessments that may be assessed or levied against the Lands during the continuance of this Lease, save where such are expressly herein stated to be paid by the Lessee. The Lessor shall provide to the Lessee annually evidence that the Lessor has paid all such taxes, rates and assessments. In the event of non-payment of the taxes, rates and assessments by the Lessor, the Lessee shall have the right to pay same, including interest and penalties, if any, to the applicable taxing authority and recover the payment from any of the payments made pursuant to this Lease.
6.5 Notice of Assessment
The Lessor shall promptly provide to the Lessee copies of all tax assessments, re-assessments and all other notices or correspondence received by the Lessor in respect of any taxes, rates or assessments that are payable by the Lessee pursuant to the terms of this Lease.

6.6 Co-operation
If requested by the Lessee, and at the cost of the Lessee, the Lessor shall fully cooperate with and provide such support and assistance to the Lessee, as the Lessee reasonably requires, in respect of any regulatory or legal proceedings, including complying with or obtaining any land use permits and approvals, site plan approvals, building permits, environmental impact reviews or any other approvals required for the financing, construction, installation, maintenance, operation, use or removal of the Wind Power Facilities, including the execution of applications for such approvals and execution of site plans if required by any municipality.

6.7 Rights in Connection with Transmission Lines
If requested by the Lessee, and at the cost of the Lessee, the Lessor, acting reasonably and in consultation with the Lessor, shall have the right for itself or may grant any public or private utility the right to install, construct, use, operate, maintain, repair, and replace electrical transmissions interconnections and/or switching facilities, including, wiring, cabling and conduits on the Leased Lands pursuant to any standard form of easement, leasehold, or any other agreement used for or proposed by the utility. The Lessor agrees to sign any documents required for this purpose.

6.8 Requirements of Financing Institutions
If requested by the Lessee, and at the cost of the Lessee, the Lessor shall assist and fully cooperate with the Lessee in amending the terms of this Lease to satisfy the reasonable requirements of any Person providing financing for the construction, installation or ownership of the Wind Power Facilities.

6.9 Harmonized Sales Tax ("HST")
If the Lessor is registered for HST purposes and produces verification of such registration, then, subject to any relieving provision in the applicable legislation, the rent shall be increased by an amount equal to the HST percentage rate multiplied by such rent and the Lessor shall remit such taxes to the proper governmental authorities as and when required. For purposes of this paragraph, HST means the Goods and Services Tax or any similar tax imposed by the governments of Canada and/or the Province of Ontario.

6.10 Non-Residence
Should the Lessor be a non-resident of Canada, the Lessor acknowledges and agrees that the Lessee may deduct income, withholding or other taxes from any payment to the Lessor in compliance or intended compliance with the provisions of the Income Tax Act, tax agreements or treaties or other statutes of Canada or its Provinces as are from time to time enacted and
amended, whereupon the timely remittance by the Lessee of the balance of the payment to the Lessor shall be deemed to constitute full performance by the Lessee in respect of such payment.

6.11 No Requirement to Build or Operate Wind Turbines

Notwithstanding anything in this Lease to the contrary, the Lessor acknowledges that the Lessee shall be under no obligation to construct, install, use and/or operate any Wind Turbines or other Wind Power Facilities at the Leased Lands or the Project Lands nor to proceed with the Project. If construction of the Wind Power Facilities at the Project has not commenced within three (3) years from the Effective Date, the Lessor shall be entitled to terminate this Lease on ninety (90) days' prior written notice to the Lessee. If the Lessee within such ninety (90) days notice period: (i) commences construction of the Wind Power Facilities at the Project or (ii) advises the Lessor by written notice that the Wind Power Facilities at the Project shall be commissioned within twenty-four (24) months of the end of such ninety (90) day notice period this Lease shall not be terminated. In the event of termination as aforesaid, all payments under this Lease shall be adjusted between the parties to the date of termination and the parties shall have no further obligations under this Lease.

6.12 Family Law Act - Lessor represents and warrants that, as of the Effective Date, Lessor is:

(a) at least eighteen (18) years of age and either not a spouse within the meaning of the Family Law Act, R.S.O. 1990, c.F.3, as amended; or

(b) at least eighteen (18) years of age and if a spouse within the meaning of the Family Law Act, R.S.O. 1990, c.F.3, as amended, then this Agreement has been executed by both spouses together comprising Lessor or consented to in writing by Lessor's spouse as is evidenced by the signature of the spouse on the Consent as attached hereto as Schedule “C”; or

(c) if a corporation, then no building(s) located on the Property has been ordinarily occupied by any officer, director or shareholder of the corporation or by any of their spouses as a family residence or matrimonial home within the meaning of the Family Law Act, R.S.O. 1990, c.F-3, as amended.

7. FINANCING AND ASSIGNMENT

7.1 Right to Mortgage and Assign.

(a) LESSEE may, upon notice to Lessor, but without Lessor's consent or approval, mortgage, charge, pledge, collaterally assign, or otherwise encumber and grant security interests in all or any part of its interest in this agreement, the Easements, the Easement Properties, or the Wind Farm Improvements (collectively, its “Wind Farm Assets”). These various security interests in all or a part of the Wind Farm Assets are collectively referred to as “Mortgages” and the holders of the Mortgages, their designees and assigns are referred to as “Mortgagees.” LESSEE shall also have the right without Lessor's consent to sell, convey, lease, or assign all or any portion of its Wind Farm Assets on either an exclusive or a non-exclusive basis, or to grant sub-easements, co-easements, separate easements, leases, licenses or similar rights, however
denominated (collectively, "Assignments"), to one or more persons or entities (collectively, "Assignees"). Assignees and Mortgagees shall use the Wind Farm Assets only for the uses permitted under this agreement. Assignees and Mortgagees shall have all rights and remedies allowed them under then existing laws except as limited by their individual agreements with LESSEE, provided that under no circumstances shall any Mortgagee or Assignee have any greater rights of ownership or use of Lessor's Property than the rights granted to LESSEE in this agreement. Whenever LESSEE has mortgaged, charged, pledged or assigned an interest under this Section, or has conveyed a sublease or other interest, it will give notice of the mortgage, assignment or conveyance (including the address of the Mortgagee or Assignee for notice purposes) to Lessor, provided that failure to give this notice shall not constitute a default under this agreement but rather shall have the effect of not binding Lessor with respect to such mortgage, charge, pledge, assignment or conveyance until notice is given.

(b) Lessor shall have the right to assign any payments LESSEE is required to make upon written notice to LESSEE no later than sixty (60) days before any payment is due. The notice shall include the name and address of where any such payment shall be made. In the event of such assignment, no pro-ratio of payments shall be permitted and the parties agree that any assignment must be by agreement of Lessor and this right is not subject to attachment or election by any third party or court action. Unless the assignment provides otherwise, Lessor may terminate this right of assignability by written notice verified by all Lessors at any time.

7.2 Lessor Obligations. Lessor agrees to consent in writing to financing documents (including, without limitation, lender acknowledgements) as may reasonably be required by Mortgagees. As a precondition to exercising any rights or remedies related to any alleged default by LESSEE under this agreement, Lessor shall give written notice of the default to each Mortgagee and Assignee at the same time it delivers notice of default to LESSEE, specifying in detail the alleged event of default and the required remedy. Each Mortgagee and Assignee shall have the same amount of time to cure the default as to LESSEE's entire interest or its partial interest in the Wind Farm Assets as is given to LESSEE and the same right to cure any default as LESSEE or to remove any property of LESSEE, Mortgagees or Assignees located on the Easement Properties. The cure period for each Mortgagee and Assignee shall begin to run at the end of the cure period given to LESSEE in this agreement, but in no case shall the cure period for any Mortgagee or Assignee be less than thirty (30) days after receipt of the default notice. Failure by Lessor to give a Mortgagee or Assignee notice of default shall not diminish Lessor's rights against LESSEE, but shall preserve all rights of the Mortgagee or Assignee to cure any default and to remove any property of LESSEE, the Mortgagee or Assignee located on the Easement Properties.

7.3 Mortgagee/Assignee Obligations. Any Mortgagee or Assignee that does not directly hold an interest in the Wind Farm Assets, or whose interest is held solely for security purposes, shall have no obligation or liability under this agreement prior to the time the Mortgagee or Assignee directly holds an interest in this agreement, or succeeds to absolute title to LESSEE's interest. A Mortgagee or Assignee shall be liable to perform obligations (except the Removal Obligations contained in Section 11) under this Agreement only for and during the period it directly holds such interest or absolute title. Any Assignment permitted under this Lease shall release LESSEE or other assignor from obligations accruing after the date that liability is
assumed by the Assignee provided that Assignee demonstrates to Lessor that it is financially capable of satisfying any obligations of this Lease.

7.4 Right to Cure Defaults/Notice of Defaults/Right to New Easement.

7.4(a) To prevent termination of this Lease, the Easements, or any partial interest in this Lease and the Easements, LESSEE, any Mortgagee or Assignee shall have the right, but not the obligation, at any time to perform any act necessary to cure any default, including paying all past due amounts, and to prevent the termination of this Lease or any interest in the Wind Farm Assets.

7.4(b) In the event of an uncured default by the holder of LESSEE’s entire interest in this Lease, or in the event of a termination of this Lease by agreement, by operation of law or otherwise, each Mortgagee or Assignee of a partial interest in the Wind Farm Assets that is not in default of its obligations, shall have the right to have Lessor either recognize the Mortgagee’s or Assignee’s interest or grant new easements substantially identical to the Easements. Under the new easements, the Mortgagee or Assignee shall be entitled to, and Lessor shall not disturb, Mortgagee’s or Assignee’s continued use and enjoyment for the remainder of the Term, or such shorter term as an Assignee may otherwise be entitled pursuant to its Assignment.

7.5 Extended Cure Period. If any default by LESSEE under this Lease cannot be cured without obtaining possession of all or part of the Wind Farm Assets, then any such default shall be deemed remedied if a Mortgagee or Assignee: (a) within sixty (60) days after receiving notice from Lessor as set forth in Section 8.2, acquires possession of all or part of the Wind Farm Assets, or begins appropriate judicial or nonjudicial proceedings to obtain the same; (b) diligently prosecutes any such proceedings to completion; and (c) after gaining possession of all or part of the Wind Farm Assets performs all other obligations as and when the same are due in accordance with the terms of this Lease. If a Mortgagee or Assignee is prohibited by any court or by operation of any bankruptcy or insolvency laws from commencing or prosecuting the proceedings described above, the sixty (60) day period specified above for commencing proceedings shall be extended for the period of such prohibition.

7.6 Certificates, etc. Lessor shall execute estoppel certificates (certifying as to truthful matters, including without limitation that no default then exists under this Lease, if such be the case), consents to assignment and non disturbance agreements as LESSEE or any Mortgagee or Assignee may reasonably request from time to time.

8. MORTGAGEE PROTECTION

Any Mortgagee, upon delivery to Lessor of notice of its name and address, for so long as its Mortgage is in existence shall be entitled to the following protections which shall be in addition to those granted elsewhere in this Lease:

8.1 Mortgagee’s Right to Possession, Right to Acquire and Right to Assign. A Mortgagee shall have the absolute right: (a) to assign its Mortgage; (b) to enforce its lien and acquire or transfer title to all or any portion of the Wind Farm Assets by any lawful means, including by
way of private or statutory power of sale proceedings; (c) to take possession of and operate all or any portion of the Wind Farm Assets and to perform all obligations to be performed by LESSEE under this Lease, or to cause a receiver, receiver-manager or a trustee to be appointed to do so; and (d) to acquire all or any portion of the Wind Farm Assets by foreclosure or by an assignment in lieu of foreclosure and thereafter without Lessor’s consent to assign or transfer all or any portion of the Wind Farm Assets to a third party.

8.2 Opportunity to Cure.

8.2(a) During any period of possession of the Easement Properties by a Mortgagee (or a receiver, receiver-manager or a trustee requested by a Mortgagee) and/or while any foreclosure proceedings instituted by a Mortgagee are pending, the Mortgagee shall pay or cause to be paid the fees and all other monetary charges payable by LESSEE under this Lease which have accrued and are unpaid at the commencement of the period and those which accrue thereafter during the period. Following acquisition of all or a portion of the Wind Farm Assets by the Mortgagee as a result of either foreclosure or acceptance of an assignment in lieu of foreclosure, or by a purchaser at a foreclosure under a private or statutory power of sale, this Lease shall continue in full force and effect and the Mortgagee or party acquiring title to the Easements shall, as promptly as reasonably possible, commence the cure of all defaults under this Lease and thereafter diligently process such cure to completion.

8.2(b) Any Mortgagee or other party who acquires LESSEE’s interest in the Wind Farm Assets pursuant to foreclosure or, assignment in lieu of foreclosure or under a private or statutory power of sale shall not be liable to perform the obligations imposed on LESSEE by this Lease incurred or accruing after the party no longer has ownership or possession of the Wind Farm Assets.

8.2(c) Neither the bankruptcy nor the insolvency of LESSEE shall be grounds for terminating this Lease as long as all Annual Installment Payments and all other monetary charges payable by LESSEE under this Lease are paid by the Mortgagee in accordance with the terms of this Lease.

8.3 New Easement.

8.3(a) If this Lease terminates because of LESSEE’s default, if the Easements are foreclosed, or if this Lease is rejected, resiliated, disclaimed or disaffirmed pursuant to bankruptcy law or other law affecting creditor’s rights by LESSEE and, within ninety (90) days after such event, LESSEE or any Mortgagee or Assignee shall have arranged to the reasonable satisfaction of Lessor for the payment of all fees or other charges due and payable by LESSEE as of the date of such event, then Lessor shall execute and deliver to LESSEE or such Mortgagee or Assignee to or a designee of one of these parties, as the case may be, new easements to the Easement Properties which (i) shall be for a term equal to the remainder of the Term before giving effect to such rejection, resiliation, disclaimer or termination; (ii) shall contain the same covenants, agreements, terms, provisions and limitations as this Lease (except for any requirements that have been fulfilled by LESSEE or any Mortgagee or Assignee prior to rejection, resiliation, disclaimer or termination of this Lease); and, (iii) shall include that portion of the Wind Farm
Assets in which LESSEE or such other Mortgagee or Assignee had an interest on the date of rejection, resiliation, disclaimer or termination.

8.3(b) After the termination, rejection, resiliation, disclaimer or disaffirmation of this Lease and during the period thereafter during which any Mortgagee shall be entitled to enter into new easements for the Easement Properties, Lessor will not terminate the rights of any Assignee unless in default under its Assignment.

8.3(c) If more than one Mortgagee makes a written request for new easements pursuant to this provision, the new easements shall be delivered to the Mortgagee requesting such new easements after the Mortgagee provides Lessor with evidence that its Mortgage is prior in lien.

8.3(d) The provisions of this Section 14 shall survive the termination, rejection, resiliation, disclaimer or disaffirmation of this Lease and shall continue in full force and effect thereafter to the same extent as if this Section 14 were a separate and independent contract made by Lessor, LESSEE and each Mortgagee, and, from the effective date of such termination, rejection, resiliation, disclaimer or disaffirmation of this Lease to the date of execution and delivery of such new easements, such Mortgagee may use and enjoy the Easement Properties without hindrance by Lessor or any person claiming by, through or under Lessor; provided that all of the conditions for the new easements as set forth above are complied with including the payment of all past due amounts due to Lessor.

8.4 Mortgagee's Consent to Amendment, Termination or Surrender. Notwithstanding any provision of this Lease to the contrary, the parties agree that so long as there exists an unpaid Mortgagee, this Lease shall not be modified or amended, and Lessor shall not accept a surrender, cancellation or release of all or any part of the Wind Farm Assets from LESSEE without the prior written consent of the Mortgagee. This provision is for the express benefit of and shall be enforceable by each Mortgagee as if it were a party named in this Lease.

8.5 No Merger. There shall be no merger of this Lease or of the Easements with the fee simple estate in the Easement Properties by reason of the fact that this Lease or any interest in the Easements may be held, directly or indirectly, by or for the account of any person or persons who shall own any interest in the fee simple estate. No merger shall occur unless and until all persons at the time having an interest in the fee simple estate in the Easement Properties and all persons (including each Mortgagee) having an interest in this Lease or in the estate of Lessor and LESSEE shall sign and record register a written instrument effecting such merger.

8.6 Liens. On the commencement of the Term, the Easement Properties shall be free and clear of all monetary and financial liens other than those expressly approved by LESSEE, which approval shall not be unreasonably withheld. Thereafter, any assignment of this Lease, mortgage, charge, debenture, deed of trust or other monetary or financial lien placed on the Easement Properties by Lessor, or permitted by Lessor to be placed or to remain on the Easement Properties, shall be subject to this Lease, to any Assignment or Mortgage then in existence on the Wind Farm Assets as permitted by this Lease, to LESSEE's right to encumber the Wind Farm Assets, and to any and all documents executed or to be executed by Lessor in connection with LESSEE's development of all or any part of the Easement Properties. Lessor
agrees to cause any monetary or financial liens placed on the Easement Properties by Lessor in the future to incorporate the conditions of this Section 9.6.

7. MUTUAL COVENANTS

9.1 Access and Transmission

The Lessor hereby grants to the Lessee the right of ingress to and egress from the Wind Power Facilities whether located on the Leased Lands or the Lands by means of roads and lanes thereon if existing or such route or routes as the Lessee may construct on the Lands from time to time. For greater certainty, in the event that no road exists to the Wind Power Facilities as of the date of this Lease, the parties agree that the Lessee shall have the right to construct a road to the Wind Power Facilities. The Lessee agrees to construct a road in the least obtrusive manner possible and in consultation with the Lessor. The Lessee agrees to be responsible for all costs associated with construction of a road pursuant to this Subsection. The parties agree that the Lessor is not obligated to maintain the existing roads on the Lands in any condition other than as required for the Lessor’s own activities. The Lessee agrees that any damage caused to any road on the Lands belonging to the Lessor by the Lessee, its contractors, servants, agents and workmen shall be the responsibility of the Lessee. The Lessee shall also have the right to use as a temporary work space a portion or portions of the Lands for the purpose of storing material or carrying out work related to the construction, operation, maintenance, repair, replacement or dismantlement of any Wind Power Facilities at the Leased Lands. The Lessee shall carry out any such construction work as quickly as commercially reasonable and shall restore the work space to the extent possible, (other than reforestation) within a reasonable time from the completion of the work.

If, upon the expiration or earlier termination of this Lease, the Lessee wishes to preserve access to the Wind Power Facilities on other property or to maintain facilities for the transmission of energy or communications, the Lessor agrees to grant such rights to the Lessee at the fair market value of the fair market rental (reasonably determined by the Lessor) of the relevant portion of the Leased Lands for that use. The said amount shall be payable within thirty (30) days following the date as of which the parties agree on the fair market value or fair rental value (or as of which the appraiser determines such value) (and in the case of the fair rental value, annually thereafter for so long as the access over the Leased Lands to the Wind Power Facilities on another property or the facilities for transmission of energy or communications is required by the Lessee). If, despite their good faith reasonable efforts, the parties cannot agree upon a fair market value or rental, it shall be determined by an impartial appraiser experienced in real estate transactions chosen by mutual agreement of the parties, who is a member of a national appraisal organization and whose decision shall be final and binding on the parties hereto. If the parties are unable to agree upon an appraiser, then upon application by either party a judge of competent jurisdiction for the district in which the Lands are located shall choose an appraiser who meets the aforementioned criteria.

9.2 Non-Disturbance

If the Lands are subject to a financial Encumbrance granted by the Lessor as of the Effective Date, the Lessor agrees to co-operate with and provide support to the Lessee’s efforts to obtain a non-disturbance agreement from the holder of such Encumbrance in favour of the Lessee.
93 Waste
For the purpose of preparing the Leased Lands for the installation and construction of the Wind Power Facilities and for the purpose of maintaining, repairing and replacing the same, the Lessee shall have the rights to:
(a) permit waste upon the Leased Lands to the extent necessary;
(b) excavate, construct and erect the Wind Power Facilities and excavate, erect, alter, maintain, repair, rebuild, redecorate and demolish any temporary structure of any kind necessitated by the operations of the Lessee on the Leased Lands; and
(c) delete, demolish and renovate the Wind Power Facilities and improvements constructed on the Leased Lands.

10. DEFAULT
10.1 Default and Remedies
(a) If the Lessee is in default of any of its covenants, conditions or obligations contained in this Lease, the Lessor shall deliver to the Lessee a written notice setting out the nature of such default with reasonable detail and providing the Lessee with thirty (30) days to remedy or cure such default. In the event the Lessee fails to remedy or cure such default within the said thirty (30) day period (or such longer period of time as is reasonable in the circumstances to cure such default, provided that the Lessee has commenced to cure such default within the aforesaid thirty (30) day period and proceeds diligently thereafter to effect such cure), then at the option of the Lessor this Lease may be determined, provided that this Lease shall not terminate nor be subject to forfeiture or cancellation if there is located on the Project Lands any Wind Power Facilities, and in that event the Lessor's remedy for any default hereunder shall be for damages only.

(b) If the Lessee fails to pay when the same is due and payable any amount required to be paid under this Lease, such amount shall bear interest from the due date thereof calculated monthly to the date of payment at a rate per annum of two percent (2%) in excess of the prime interest rate for Canadian Dollar demand loans announced from time to time by the Bank of Nova Scotia.

(c) Notwithstanding any termination of the Lease by the Lessor pursuant to this Section 8.1, any obligations of the Lessee then outstanding shall not merge but in fact survive the termination date and continue to bind the Lessee. The Lessor shall be entitled to all of its reasonable costs, including its reasonable legal costs relating to any default on the part of the Lessee, and the exercise of its rights and remedies as provided for in this Section 8.1.

(d) Notwithstanding any other provision of this Lease, the Lessor shall make full recourse against any account or fund made available by the Lessee to the Lessor prior to exercising any other remedies hereunder or at law.

(e) If the Lessor fails to observe or perform any of its covenants, obligations, warranties, representations or undertakings contained in this Lease, and the non-observance or non-performance continues for thirty (30) days after the Lessee gives the Lessor written notice thereof, the Lessor shall be in default (the "Lessor Default") under this Lease. In the event of a Lessor Default, the Lessee may perform or satisfy the obligation, covenant, undertaking,
warranty or representation on behalf of and at the expense of the Lessor, and the Lessor will reimburse the Lessee for all costs incurred by the Lessee in curing the Lessor Default, within thirty (30) days of receipt of any request for payment. If the Lessor fails to reimburse the Lessee within such time period, the Lessee may deduct such sums from rent or any other amounts payable to the Lessor under this Lease until the Lessee has been fully reimbursed. In the event of a Lessor Default the Lessee may, to the extent necessary to rectify such Lessor Default, enter upon the Lands without same being deemed an act of trespass.

10.2 Discharge of Taxes and Encumbrances

In the event that any power of sale or foreclosure proceedings have been commenced against the Lessor that in any way affect the Leased Lands, or a court order has been issued for a sale that in any way affects the Leased Lands, then the Lessee may, after giving not less than ten (10) days written notice thereof to the Lessor, at the Lessee's option pay or discharge the whole or any portion of any Encumbrance or lien payable, incurred or created by the Lessor which in any way affect the Leased Lands. In the event the Lessee exercises its option to pay or discharge as aforesaid, then the Lessee shall be subrogated to the rights of the holder or holders thereof and, at the Lessee's option, may reimburse itself by applying the amount so paid by the Lessee against the rent payable hereunder, or other sums accrued or accruing to the Lessor under the terms of this Lease, and any sums so applied shall, for all purposes of this Lease, be deemed to have been paid to and received by the Lessor in payment of the consideration payable hereunder, or other sums accrued or accruing to the Lessor under the terms of this Lease, as the case may be. Notwithstanding the foregoing, the Lessee may at the Lessee's option pay or discharge the whole or any portion of any withholding or other tax payable, incurred or created by the Lessor which in any way affects the Leased Lands, and which remains in default for a period of thirty (30) days after written notice thereof to the Lessor, and the provisions of this Section 8.2 shall apply mutatis mutandis.

10.3 Force Majeure

Neither party shall be considered in default in the performance of its obligations under this Lease to the extent that the performance of such obligations or any of them is delayed by Force Majeure and the time for fulfillment of such obligations shall be extended during the period in which Force Majeure operates to delay the fulfillment of such obligations: provided that any event of Force Majeure shall not relieve any party from any obligation to make any monetary payments required under this Lease.

11. EQUIPMENT REMOVAL

11.1 Right of Termination by Lessee

The Lessor agrees that the Lessee shall have the right, at any time, upon not less than three (3) months' notice (the "Termination Notice") to that effect to the Lessor, to terminate this Lease upon the occurrence of any of the following:

(a) the Lessee is unable for any reason whatsoever to obtain any permits, licenses or approvals as may be necessary for the construction, installation, use, operation, maintenance or repair of the Project, any portion thereof or of the Wind Power Facilities or otherwise to permit
the Lessee to occupy the Project Lands or any portion thereof, including the Leased Lands and conduct its activities thereon, as required by applicable laws;

(b) the Lessee, in its sole and absolute discretion, deems the Wind Power Facilities on the Project, or any portion thereof, including the Leased Premises to be economically unfeasible; or

(c) the construction, installation, use, operation, maintenance or repair of the Project or any portion thereof, including the Wind Power Facilities, is prevented or significantly impeded for any reason whatsoever, including but not limited to, legal or regulatory requirements;

(d) the Lessee does not conclude an agreement for the sale of electrical energy from the Project to a utility or other purchaser or purchasers on terms satisfactory to the Lessee in its sole and absolute discretion; or

(e) the Lessee wishes to terminate the Lease for any other reason, in its sole discretion;

and in such event, this Lease shall terminate on the date set out for termination in the Termination Notice and all payments under this Lease shall be adjusted between the parties to the date set out for termination. Provided there is no continuing Lessor Default, either on the date of delivery of the Termination Notice or on the date set out for termination, the obligation of the Lessee to pay to the Lessor the Collective Payment pursuant to and in accordance with Section 3.1(b) herein shall survive any such termination and shall be payable by the Lessee until such time as the Lessee abandons the project (as evidenced by written notice to the Lessor from the Lessee of such abandonment).

11.2 Restoration Upon Termination/Surrender

Upon the surrender of the whole or any part of this Lease, or upon the expiry or earlier termination of the Term, as the case may be, the Lessee shall cause all excavations made by the Lessee or on its behalf on the Leased Lands to be filled in, all in compliance with regulations of the government of the Province of Ontario in that regard, and shall restore the surface thereof to the same condition, so far as practicable (other than re-forestation), as existed before the entry thereon and the use thereof by the Lessee, including the removal of all Wind Power Facilities and all other structures, fixtures and material of whatsoever nature or kind placed or constructed thereon by or on behalf of the Lessee, save and except for any foundation, concrete base or underground cables or wires located at a depth of one (1) metre or more below the surface of the Leased Lands.

11.3 Removal of Wind Power Facilities

Provided that the Lessee is not in material default hereunder, the Lessee shall have the right at any time during the continuance of this Lease and within a period of six (6) months after the surrender, termination or expiry of this Lease, to remove or cause to be removed from the Leased Lands, all or any part of the Wind Power Facilities and all structures, fixtures and material of whatsoever nature or kind, which it may have placed on, above or in the Leased Lands, including any Wind Turbines and in the event any Wind Turbine or other Wind Power Facilities are
removed from the Leased Lands all payments under this Lease shall be adjusted accordingly to reflect such removal.

12. NOTICES

12.1 Demand, Notice or Communication

Any demand, notice or communication to be provided hereunder shall be in writing and may be given by personal delivery, by prepaid first class mail or by fax transmission, addressed to the respective parties as follows:

Kerwood Wind, Inc.
ATTN: General Counsel
700 Universe Blvd.
Juno Beach, Florida 33408
Phone: (561) 691-7575

or to such address or fax number as any party may from time to time notify the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been received by the party to which it is addressed on the day of actual delivery thereof. If given by fax transmission, on the same day as the date of faxing provided that a fax transmission report is generated and retained. In the case of a demand, notice or communication addressed to more than one party, on the day upon which actual delivery thereof has been completed to all such parties. Any notice sent by prepaid first class mail as aforesaid shall be deemed to have been delivered on the fifth (5th) business day (excluding Saturdays, Sundays and statutory holidays) following the date of mailing thereof provided that postal services have not been interrupted, in which case notice shall only be given by personal delivery or fax transmission as aforesaid.

13. MISCELLANEOUS

13.1 Pre-Existing Contaminants

To the best of the Lessor's knowledge and belief, the Leased Lands do not contain any pollutant, contaminant, hazardous materials, dangerous or toxic substances (hereinafter collectively referred to as "Contaminants"). The Lessor shall not contravene any law, order, regulation or by-law in regard to the creation, manufacture, production, use, storage, discharge, disposal.
transportation or presence of any Contaminants. The Lessee shall promptly notify the Lessor of the discovery of Contaminants during any excavation or assessment work done by the Lessee on the Leased Lands. Unless the Contaminants are sourced from the Lessee’s structures, fixtures, materials or Wind Power Facilities or the exercise of any of the Lessee’s rights hereunder, the Lessee shall not be liable for and the Lessor hereby releases, discharges and indemnifies the Lessee from and against any Claims or costs that may arise as a consequence of the discovery of any Contaminants in, on, or under the Leased Lands during the Lessee’s exercise of any of its rights under this Lease.

13.2 Registration of Notice of Rights
This Lease shall not be registered in the Land Registry Office for the area in which the Leased Lands are situated, although a notice of this Lease and the rights and privileges herein granted may be registered as aforesaid. The Lessee shall withdraw or discharge any such registered notice within a reasonable time after termination of this Lease. In addition, the terms of the restrictive covenants provided in Section 6.3 shall be restated in a separate document and, that document may be registered against both the Leased Lands and the Lands, provided that the Lessee shall withdraw or discharge such registration within a reasonable time after termination of this Lease. The Lessor shall execute such documents, and take such other actions, at the cost of the Lessee, as reasonably required by the Lessee to permit the registration of the document restating the restrictive covenants.

13.3 Restrictive Covenants Run with Said Leased Lands
The parties acknowledge and agree that it is their intention that the restrictive covenants provided in Section 6.3 run with the Lands in favour of the Leased Lands and any other lands leased, owned or licensed by the Lessee, and are binding on all heirs, executors, administrators, successors and assignees of the Lessor, provided that such covenant shall expire upon termination of the rights of the Lessee in the Leased Lands.

13.4 Environment Impact Studies and Public Consultations
During the term of this Lease, Lessee may conduct, at its sole expense, such environmental impact studies and public consultations to obtain required approvals and permits for a wind farm at the Leased Lands, such as under the Ontario Environmental Assessment Act and the Canadian Environmental Assessment Act and any government grants or subsidies, such as the ecoEnergy Renewable Power Programme, as it deems necessary or desirable. Such environmental observations and studies may be required to be undertaken during construction and after the Generation Date for the duration of the Term.

13.5 Support
The Lessor will support the Lessee’s Project and the proposed Wind Power Facilities for the Project and the Leased Lands in any public consultation and communication processes relating to this Lease.
13.6 Time to be of the Essence
Time shall be deemed to be of the essence with respect to all time limits mentioned in this Lease.

13.7 Severability
If any provision of this Lease or the application thereof to any circumstances shall be held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Lease or the application thereof to other circumstances shall not be affected thereby and shall remain valid and enforceable to the fullest extent permitted by law.

13.8 No Agency, Partnership or Joint Venture
Nothing contained in this Lease shall be deemed or constructed by the parties as creating a relationship of principal and agent or of partnership or joint venture between the parties.

13.9 Governing Laws
This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

13.10 Assignment of Lease
The Lessee and any assignee of the Lessee shall have the right, without the need for the Lessor's consent, to do any of the following, conditionally or unconditionally, with respect to the Leased Lands: (i) finance the Wind Power Facilities; (ii) grant co-leases, subleases, easements, licenses or similar rights within the scope of the Lease to one or more assignees; (iii) sell, convey, lease, assign, mortgage, encumber or transfer to one or more assignees the Lease, or any or all right or interest in the Lease, or any or all right or interest of the Lessee in the Leased Lands, or in any or all of the Wind Power Facilities that the Lessee or any other Person may now or hereafter install on the Leased Lands.

13.11 Modification/Amendment of Lease
This Lease, including any schedules attached hereto, shall constitute the entire agreement between the parties. This Lease shall not be modified or amended except by written agreement executed and dated by both parties.

13.12 Planning Act
This Lease is entered into on the express condition that it is subject to compliance with the severance control provisions of the Planning Act (Ontario), as amended, from time to time; provided that pending any such compliance, the aggregate of the Initial Term together with all Extension Terms shall be deemed to be for a total period of one (1) day less than the maximum lease term permitted by law without such compliance. If compliance with the provisions of the Planning Act should be required, in the sole discretion of the Lessee, then the Lessor hereby appoints the Lessee or its authorized agents or servants to execute such consents or authorizations as may be necessary for the Lessee to obtain any required consents from the local
Land Division Committee or Committee of Adjustment and agrees to cooperate in any such applications for consent.

13.13 Independent Legal Representation
The Lessor acknowledges that the Lessor has had the full opportunity to obtain independent legal representation or advice in connection with this Lease.

13.14 Family Law Act
We, ...................................................... and ...................................................... being spouses within the meaning of Section 1 (1) of the Family Law Act, R.S.O. 1990, c.F.3.; together with any amendments thereto, do hereby consent to the transaction evidenced by this instrument and the registration of a notice of this Lease and the restrictive covenants on the title to the Leased Lands and Lands, respectively, hereinbefore described.

13.15 Further Assurances
The Lessor and the Lessee hereby agree that they will each do and perform all such acts and things and execute all such deeds, documents and writings and give all such assurances as may be necessary to give effect to this Lease.

13.16 Successors
All rights and liabilities herein granted to or imposed on the respective parties hereto extend to and bind the heirs, executors, successors and assigns of the Lessor and the successors and assigns of the Lessee, as the case may be.

In the event of the sale by the Lessor of the Lands or any part thereof or any interest therein, the Lessor shall have the purchaser, transferee or assignee, as the case may be, enter into an agreement pursuant to which such purchaser, transferee or assignee, as the case may be, acknowledges and agrees with the Lessee to observe and be bound by the terms of this Lease.

13.17 Currency
Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.

13.18 Headings for Convenience Only
The division of this Lease into articles and sections is for convenience only and shall not affect the interpretation or construction of this Lease.

13.19 Relationship of Parties
The relationship of the parties is that of independent contractors and nothing contained in this Lease shall be construed to constitute the parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking, nor is either party authorized to
make any commitment or representation, express or implied, on the other's behalf unless authorized in writing.

13.20 Best Offer

Should the Grantee increase the method of calculation of any compensation under the present Lease to any other owner for the same Wind Power Facilities, the parties agree to amend this Lease and to retroactively apply the same increased compensation calculation from the date increased compensation was offered to other owner(s).

13.21 Grant of Effects License

Lessor grants and transfers to Lessee a non-exclusive License for audio, visual, view, light, flicker, noise, shadow, vibration, air turbulence, wake, electromagnetic, electrical and radio frequency interference, and any other effects attributable to the Wind Power Facilities or activity located on the Leased Lands or on adjacent properties ("Effects License"). The burden of the Effects License shall run with and bind the Lands and every part thereof and benefit the Lessee’s interest in the Leased Lands and such other lands that the Lessee may have a real property interest in from time to time and which form part of the Project. If requested by the Lessee, the Lessor shall execute and deliver to the Lessee such separate and registerable transfer of easements which reproduce the terms of the Effects License.

13.22 Setback Waiver.

To the extent that (a) Lessor now or in the future owns or leases any land adjacent to the Leased Lands; or (b) Lessee leases or holds an easement/license or a lease over land adjacent to Leased Lands and has installed or constructed or desires to install or construct any Power Facilities on said land at and or near the common boundary between the Leased Lands and said land, Lessor hereby waives any and all setbacks and setback requirements, whether imposed by law or by any person or entity, including, without limitation, any setback requirements described in the zoning by-laws of the County and/or Province or in any governmental entitlement or permit herefore or hereafter issued to Lessee. If so requested by Lessee, Lessor shall promptly, without demanding additional consideration therefore, execute, and if appropriate cause to be acknowledged, any setback waiver, setback elimination or other document or instrument required by any governmental authority or that Lessee deems necessary or convenient to the obtaining of any entitlement or permit.