

ASSIGNMENT OF PERMITS

THIS Agreement is made as of October 30, 2015

BETWEEN:

EPCOR WHITE ROCK WATER INC. (INC.NO. BC0756389), a company validly subsisting under the laws of British Columbia and having its head office at 2000 – 10423 101 St. NW, Edmonton, AB T5H 0E8

(the "**Vendor**")

AND:

CITY OF WHITE ROCK, a municipal corporation validly subsisting under the laws of British Columbia with its municipal hall at 15322 Buena Vista Ave., White Rock, BC V4B 1Y6

(the "**Purchaser**")

WHEREAS:

- A. The Purchaser and the Vendor are parties to an Asset Purchase Agreement made as of August 28th, 2015 (the "**Purchase Agreement**") whereby the Vendor has agreed to sell and the Purchaser has agreed to buy certain assets of the Vendor;
- B. Pursuant to the Purchase Agreement, the Vendor has agreed to assign to the Purchaser, and the Purchaser has agreed to acquire by assignment from the Vendor, the right, title, and interest of the Vendor in the following permits:
 - (a) Waterworks Construction Permit No. 600528 issued by Fraser Health Authority, dated May 6, 2014.
 - (b) Waterworks Construction Permit No. 600530 issued by Fraser Health Authority, dated May 6, 2014.

(collectively the "Permits")

NOW THEREFORE this Agreement witnesses that in consideration of the premises and the mutual covenants and agreements contained herein, the parties agree as follows:

Assignment of Rights

1. The Vendor absolutely assigns, transfers, and sets over unto the Purchaser all of its right, title, and interest in and to the Permits.

Indemnification by Vendor

2. The Vendor will indemnify and save harmless the Purchaser from all actions, suits, costs, losses, damages, and expenses arising out of any non-observance or breach by the Vendor, before and including the date of this Agreement, of any of the Vendor's obligations under the Permits.

Purchaser's Covenants

3. The Purchaser covenants with the Vendor that:
 - (a) the Purchaser will from the date of this Agreement be responsible for the performance of the Vendor's obligations under the Permits; and
 - (b) the Purchaser will indemnify and save harmless the Vendor from any and all actions, suits, costs, losses, damages, and expenses arising after the date of this Agreement by reason of the failure of the Purchaser to observe and perform the Vendor's obligations under the Permits.

General Provisions

4. The Vendor will at all times hereafter, at the request of and at the cost of the Purchaser, execute such further assurances with respect to this Assignment as the Purchaser may reasonably require.
5. This Assignment will enure to the benefit of and be binding upon the parties, their respective heirs, executors, administrators, successors, and assigns.
6. This Agreement is intended to give effect to, and not to enlarge or diminish, the rights and obligations created by the Purchase Agreement. In the event of any conflict between this Agreement and the Purchase Agreement, the Purchase Agreement shall prevail.


Counterparts

7. This Agreement may be executed in any number of counterparts (including counterparts by facsimile), each of which will be deemed to be an original and all of which, taken together, will be deemed to constitute one and the same instrument. Delivery by facsimile or by electronic transmission of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile or by electronic transmission shall also deliver an originally executed counterpart of this Agreement, but the failure to deliver an originally executed copy does not affect the validity, enforceability or binding effect of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the day and year first above written.

EPCOR WHITE ROCK WATER INC.

Per:



Authorized signatory
Print name: John Elford
Position: Senior Vice President

CITY OF WHITE ROCK

Per:

Mayor

Corporate Officer