



END USER LICENSE AND DATA HOSTING AGREEMENT

WHEREAS MHI sells Software as a service, which integrates certain Equipment and Hosting Services, and the Client is purchasing Equipment and Hosting Services, and licensing Software from MHI. This Agreement sets out the terms and conditions of the Client's use of Software, Equipment, and Hosting Services, and the legal relationship between the parties.

NOW THEREFORE, in consideration of the mutual obligations contained in this Agreement, the receipt and sufficiency of which, is hereby acknowledged, and MHI and the Client agree as follows:

1. Definitions. In this Agreement, the following terms shall have the following meanings:

"Agreement" means this End User License and Data Hosting Agreement and the Proposal signed by MHI, or MHI's Representative and the Client;

"Client" means the person or entity that signs the Proposal for the Equipment, Software and Hosting Services and its Personnel authorized to use the Equipment, Software, and Hosting Services;

"Client's Data" means all text, pictures, sound, graphics, video, links and other data of the Client, provided or transferred to MHI by Client in relation to the Hosting Services;

"Hosting Services" means the provision by MHI of a dedicated virtual machine and internet address to the Client for storage and access to Client's Data on the terms and conditions set out in this Agreement;

"Equipment" means Equipment specified in the Proposal, required to use the Software.

"MHI" means Manitoba Hydro International Ltd.;

"MHI's Representatives" means the directors, officers, employees and subcontractors of MHI and MHI's authorized agents, resellers and distributors of the Software;

"Personnel" means the directors, officers, employees and subcontractors of Client and the Client's agents, advisors, and consultants it authorizes to use any of the Equipment, Software and Hosting Services.

"**Proposal**" means the document signed by MHI, or MHI's Representative and Client confirming their agreement to the terms of this Agreement and setting out the details of the provision of Software and Hosting Services to Client including license type, term, fees, payment terms, provision of associated Equipment and any related terms, conditions or assumptions;

"Results" means any results, findings or other outputs produced or generated from use of the Software;

"Software" means MHI's VisualSpection augmented reality technology software in executable format;

"Supplier" means the Supplier who manufactures the Equipment specified in the Proposal;

"Term" means the length of term for this Agreement, and any renewal thereof set out in the Proposal; and

"Third-Party Software" means any software not owned by MHI, incorporated into the Software or Hosting Services.

- 2. Agreement. The terms and conditions of this Agreement apply to Client's use of the Equipment, Software, and Hosting Services. This Agreement also applies to any updates, supplements or add-on components for the Software and Hosting Services that MHI may subsequently provide to Client, unless other terms accompany those items. In that case, to the extent they conflict or are inconsistent with this Agreement, those other terms will apply.
- **3. Term**. This Agreement commences on the date Client signs the Proposal and shall continue for the Term unless terminated earlier in accordance with this Agreement.
- 4. Payment. Client agrees to pay the fees for the Equipment, Software, and Hosting Services as set forth in the Proposal. All fees for the Equipment, Software, and Hosting Services shall be paid in the currency specified in the Proposal, and in accordance with the payment terms set out in the Proposal, plus applicable taxes required by law. If Client fails to pay any fees within 30 days of the due date set out in the Proposal, a notice of default may be issued to Client. MHI may discontinue Client's use of the Software, Hosting Services or terminate Agreement in the event Client has not fully paid all outstanding fees within 10 days of the default notice. Client shall make payment for renewal or extension of the Term, prior to expiration of the current Term. Client shall be notified in writing of any change in the fees for the Software or Hosting Services a minimum of 90 days prior to expiration of the current Agreement. Client may withdraw its intent to renew Agreement without penalty, if fees increase for either the Software or Hosting Services after the Client has notified MHI or MHI Representative of its intention to renew.

Software

- **5. Ownership**. The Software is licensed to Client, not sold. MHI retains all title, rights, proprietary interests in, and ownership of, the Software.
- **6. Grant of License**. Subject to (a) any License conditions, if any set out in the Proposal, (b) Section 29 Agreement Termination, and (c) payment of fees for the Software and Hosting Services by Client in full, MHI, as licensor, grants Client a non-exclusive, non-assignable, non-transferable, non-sub licensable, limited right to use the Software and Hosting Services for Client's internal and commercial purposes for the Term.

Equipment

7. Purchased Equipment. The Proposal may provide that either MHI, MHI's Representative, or the Client procure Equipment in relation to the Software or Hosting Services. The Proposal will set out the Supplier, cost, specifications, shipping details, and responsibility and schedule for procuring the Equipment. If MHI, or MHI's Representative, procures the Equipment from the Supplier on the Client's behalf, title to such hardware or equipment shall pass to Client on the date Client makes full payment for same to MHI or MHI Representative. MHI provides no warranty and shall have no responsibility for the installation, maintenance, repair, defects or failures of the Equipment other than MHI shall assign to Client any Supplier warranty for the Equipment capable of being assigned. MHI warrants that any Equipment conveyed to the Client under this Agreement, shall (i) be with free and clear title; and (ii) suitable for the use intended, based on the information provided by Client to prepare the Proposal.

Hosting Services

- 8. Availability. MHI will provide Client with Hosting Services for Client's Data. MHI warrants that the use of the Hosting Services will not interfere with its Software, and MHI shall use commercially reasonable efforts to make the Hosting Services available 24 hours a day, 7 days a week. Exceptions to availability include: (a) planned downtime (of which Client will be notified a minimum of 24 hours in advance), (b) any unavailability caused by an emergency or event of force majeure, or (c) third party service provider failures, or delays.
- **9. Technical Support**. Support in relation to the Hosting Services will be available to Client and its authorized users via telephone and email during the hours of 8:00 a.m. to 4:00 p.m. Central Time, Monday through Friday, excluding Canadian statutory holidays for the Term of this Agreement.
- 10. Data Protection. MHI shall maintain appropriate administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Client's Data. MHI shall not (a) modify Client's Data, (b) comingle Client's Data with the data or information of any third party or of MHI, (c) disclose, sell share or provide Client's Data to any third party except as compelled by law or as expressly permitted in writing by Client, or (d) access or use Client's Data except to provide the Hosting Services or to prevent or address service or technical problems related thereto, or at Client's request in connection with customer support matters. MHI shall not sell, share, or provide, Client's Data to subcontractors without Client's written approval.
- 11. Data Ownership. All Client Data created or transmitted by Client and stored on MHI's servers as part of the Hosting Services shall at all times be owned by Client. Upon termination or expiry of this Agreement for any reason, MHI shall return all Client Data to Client in the file format used by the Software. Following termination, as the Hosting services will no longer be available and the Software will be inaccessible to Client, which is not outfitted for self-hosting, MHI will provide Client's Data to Client in an Excel spreadsheet in addition to the Software's format. As a convenience for Client, MHI shall perform a regular backup of all Client Data, but MHI shall in no event be liable to Client or any third party for loss, destruction or corruption of Client Data.
- 12. Client Responsibilities. Client shall (a) be responsible for its authorized users' compliance with this Agreement, (b) be solely responsible for the accuracy, quality, integrity and legality of Client Data and the means by which Client acquired said data, (c) use commercially reasonable efforts to prevent unauthorized access to or use of the Software or Hosting Services, and notify MHI promptly of any such unauthorized access or use, and (d) use the Hosting Services only in accordance with MHI's written instructions and applicable laws and regulations.
- 13. Client Restrictions. Client shall not (a) make the Hosting Services available to anyone other than its authorized users, (b) sell, resell, rent or lease the Hosting Services, (c) use the Hosting Services to store or transmit infringing, libellous, or otherwise unlawful material, or to store or transmit material in violation of third-party privacy rights, (d) use the Hosting Services to store or transmit malware or other malicious code, (e) interfere with or disrupt the integrity or performance of the Hosting Services or third-party data contained therein, or (f) attempt to gain unauthorized access to the Hosting Services or their related systems or networks.

Intellectual Property

- **14. Protection**. The Software is protected by intellectual property laws and other statutory provisions, common law principles and treaties worldwide, and contains trade secrets of MHI. MHI reserves all rights not expressly granted. Client shall in no event, directly or indirectly, infringe upon, harm, contest or oppose the validity of any rights of MHI in relation to the Software, or any third party rights in relation to the Equipment and Hosting Services.
- **15. No Export**. The Software shall not be shipped, transferred or exported by Client or anyone operating under Client's direction or control into any country, or used in any manner prohibited by the laws of Canada or United States of America.
- 16. No Modifications. Client shall not modify, adapt or translate the Software or Hosting Services, nor create derivative or compilation works using or based upon the Software or Hosting Services. Client shall not reverse engineer, decompile, disassemble or otherwise attempt to discover the source code of the Software or Hosting Services or any part thereof. Client shall not circumvent any technological measures that (a) monitor or control installation or reproduction of the

- Software or Hosting Services or access to the Software or Hosting Services, (b) limit the number of simultaneous instances of the Software, or (c) limit features of the Software or Hosting Services.
- 17. Restrictions. In accordance with the Grant of License, Client shall not copy, reproduce, disclose, sell, license, sublicense, assign, lease, loan or otherwise transfer or convey the Software, Hosting Services or any right in the Software or Hosting Services to any person or third party, including Client's affiliates, without the prior written consent of MHI. The Client may; however make copies of the Software strictly for internal backup purposes on condition that such copies contain the same proprietary notices as, and are not altered in any manner from, the original format of the Software.

Client Use

- 18. Access. Access to the Software and Hosting Services shall be granted to Client upon payment in full of the associated fees for the Term, and any Equipment set out in the Proposal. Client shall be provided user authentication and access measures, to access the Software and Hosting Services on MHI's designated website via the internet. Client shall be solely responsible for securing its own access to and use of the internet, and acknowledges that certain locally active security settings and hardware/software (i.e. anti-spam, anti-virus, pop-up blocker, and other similar software) may interfere with or prevent access to and/or use of the Software, and Hosting Services, and that MHI has no control over and therefore no liable for any of the foregoing.
- 19. Client Responsible for Use. Client shall be solely responsible for the risks associated with use of the Software and Hosting Services or any use or reliance on any Results, and for any, and all claims or liabilities that might arise as a result therefrom. Client is responsible for the supervision, management and control of the use of the Software, Hosting Services and the Results, including, but not limited to, selection of the Software and Hosting Services to achieve Client's intended purposes; determining the appropriate uses of the Software, Hosting Services, all Results, and accuracy thereof.
- 20. Limitations of Software. The Software is a tool that is intended to be used only by professionals trained in its usage and application. It is not to be a substitute for professional judgment or independent testing. The Software is not intended for use in activities in which the use of the Software or any Results could lead to death, personal injury, or physical or environmental damage. In the event Client's use of the Software or any Results does so lead to death, personal injury, or physical or environmental damage, Client shall be solely responsible therefor and shall indemnify and hold harmless MHI and MHI Representatives from and against any and all losses, costs, damages and expenses suffered or incurred by MHI or any MHI Representatives resulting therefrom.
- 21. Disclaimer of Warranties. During the setup of Hosting Services, MHI will work with Client on a commercially reasonable basis to address Client security concerns in accordance with industry standards. However, access to the Software and Hosting Services is provided over the internet or other networks over which MHI, and MHI's Representative, has no control, and substantial risks with respect to such access exist, including, without limitation, data security, hacking, loss, corruption of data, delays, non-deliveries or misdirected deliveries of data, loss of confidentiality or integrity of data, and service interruptions exist. MHI, and MHI's Representative, do not represent or warrant that Client's access and use of Software or Hosting Services will be uninterrupted or error-free, but in the event of any scheduled or unscheduled downtime, MHI shall use reasonable efforts to notify Client.
- **22. Assumption of Risks by Client**. Client shall be solely responsible for any and all such risks set out in the preceding Section Disclaimer of Warranties, and agrees to ascertain, implement, and take all appropriate or necessary precautions to protect itself from losses and damages associated with such risks.
- 23. "As Is" Condition. Subject to Sections 7 Purchased Equipment and 9 Technical Support, the Software, Hosting Services, Third Party Software, and any Equipment procured by MHI for Client are provided "as is" and neither MHI nor any MHI Representatives make any warranty as to their integrity, use or performance and do not make any warranties, undertakings, representations, or terms, express or implied, written or oral, arising by statute, common law, custom usage or otherwise in relation to the Software, Hosting Services, or Equipment, and expressly disclaim same as to any matter including without limitation merchantability, fitness for any particular purpose, non-infringement of any third party intellectual property rights, satisfactory quality, safety, security, reliability, currentness, timeliness or requirements of or compatibility with Client's hardware or software. No other oral or written information or advice given by MHI or any MHI Representative shall create any warranty with respect to the Software, Hosting Services or Equipment procured, and Client may not rely upon such information or advice except at its sole risk and expense.

Third Parties / Indemnities & Liability

- **24. Third Party Software**. Third party software that may be provided with or incorporated into the Software or Hosting Services is made available to Client on the following terms and conditions:
 - A. Third party software is made available as a convenience. MHI is the provider and not the licensor of the third party software. acceptance AND USE OF THIRD PARTY SOFTWARE IS AT CLIENT'S OWN RISK.
 - B. Third party software is provided "As Is" and governed exclusively by the applicable license agreement included with such software by the third party to which Client will be deemed to have agreed upon installation of the Software.

Client shall contact the vendor or manufacturer of third party software directly for any matter respecting the third party software, including, without limitation, its license agreement and any technical support and maintenance.

- 25. Client's Remedies for Infringement. If the Software code is held to constitute an infringement of any third party intellectual property right in Canada or the United States by a court of competent jurisdiction and its use is restricted, the Client's sole and exclusive remedies are that MHI shall, at its option and at its own expense (a) modify, with the Client's reasonable assistance, the infringing Software code without impairing in any respect the functionality or performance of the Software, so that it is non-infringing, (b) procure for Client the right to continue to use the infringing Software code, (c) replace the Software code with any equally suitable, non-infringing replacement, which Software code the Client shall have the right to require reasonable acceptance testing, or (d) require Client to discontinue use of the infringing Software code and refund Client all Client fees paid to MHI for the Software for the Term, as applicable, corresponding to the date of determination by a court of an infringement.
- 26. Indemnity against Infringement. Client shall not use the Software or any Results in any manner or for any purpose that violates or infringes any intellectual property right of MHI or any third party. Client shall be solely responsible and shall indemnify and hold harmless MHI and MHI Representatives from and against any, and all losses, costs, damages and expenses suffered or incurred by MHI or any MHI Representatives resulting therefrom.
- **27. Limitation of MHI's Liability**. EXCEPT AS OTHERWISE PROVIDED HEREIN WITH REPSECT TO INDEMNFICATION FOR THIRD PARTY CLAIMS:
 - A. WHERE CLIENT HAS PURCHASED A LICENSE, THE AGGREGATE LIABILITY OF MHI AND MHI REPRESENTATIVES TO CLIENT AND ANY THIRD PARTY CLAIMING THROUGH CLIENT, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY, STATUTORY OR STRICT LIABILITY, EQUITY OR OTHERWISE, ARISING OUT OF OR IN CONNECTION WITH THE EQUIPMENT, SOFTWARE, HOSTING SERVICES, THIRD PARTY SOFTWARE, RESULTS OR THIS AGREEMENT, SHALL NOT EXCEED THE FEES PAID BY CLIENT TO MHI OR MHI'S REPRESENTATIVE FOR THE SOFTWARE, EQUIPMENT AND HOSTING SERIVES FOR THE TERM AS APPLICABLE; AND,
 - B. IN NO EVENT SHALL EITHER PARTY OR ITS RESPRESENTATIVES BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL losses OR DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUES OR PROFITS, LOSS OF BUSINESS, LOSS OF GOODWILL, LOSS OF OR DAMAGE TO DATA, LOSS OF PRODUCTION, OR ANY OTHER COMMERCIAL OR ECONOMIC LOSS) THAT EITHER PARTY MAY SUFFER OR INCUR IN CONNECTION WITH THE EQUIPMENT, SOFTWARE, HOSTING SERVICES, THIRD PARTY SOFTWARE, RESULTS OR THIS AGREEMENT WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED IN CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE), BREACH OF WARRANTY, STATUTORY OR STRICT LIABILITY, EQUITY OR OTHERWISE.

Delays, Interruptions, Termination and Dispute Resolution

- 28. Force Majeure. In the event that either Party is prevented, delayed or interrupted in performing its obligations under this Agreement due to any occurrence beyond its control, such as, but not limited to, national strikes, national walkouts, wars, acts of government or government agencies or other authorities having jurisdiction, or failure or delay of third party internet or other service providers, then such prevention, delay or interruption shall not be construed to be a default under this Agreement. The impacted Party shall give notice to the other Party of such events as soon as reasonably possible and both parties shall use their commercially reasonable efforts to comply with the terms of this Agreement notwithstanding such prevention, delay or interruption.
- 29. Agreement Termination. Each Party shall have the right to terminate this Agreement:
 - A. immediately, without notice to the other Party in the event of (a) Party's fraud or wilful misconduct, (b) Party's attempt to assign or otherwise transfer any of a Party's rights or obligations under this Agreement without the prior written authorization of the other Party or (c) if a Party becomes bankrupt or insolvent or otherwise ceases to carry on business; or,
 - B. upon written notice to the other Party, if a Party fails to comply with any term or condition of this Agreement or in the event of any negligent act or omission of a Party in relation to this Agreement or the Software or Hosting Services that is not rectified within 10 days of written notice of such default or failure.
- **30. Process upon Termination**. Upon termination of this Agreement, for any reason, Client shall promptly cease all use of the Software, Hosting Services, and permanently erase and destroy all physical and electronic copies of the Software.
- 31. Dispute Resolution.
 - A. The parties and MHI's Representative as applicable shall initially try to resolve amicably any dispute relating to this Agreement, followed by negotiations between executives with authority to settle the dispute. If the parties are still unable to resolve such dispute within 30 days after the date the dispute arose, either party or MHI's Representative if they are a party to the dispute, may refer the dispute to binding arbitration. Any dispute, controversy or claim arising out of or relating to this Agreement including any question regarding its existence, interpretation, validity, breach, termination or the business relationship created by it shall be finally resolved by arbitration under the International Chamber of Commerce, Rules of Arbitration by a single arbitrator.

- B. The location of the arbitration proceeding will be at a location mutually agreed to by the parties. If the parties cannot agree on the location, then the Arbitration location will be Winnipeg, Manitoba, Canada.
- C. The arbitrator must be qualified by education, training and experience to pass judgment upon the particular matter to be decided. The arbitrator must have no relationship, direct or indirect, with either party. The language of any arbitration shall be English. The parties will share equally in the fees and expenses of the arbitrator and the cost of the arbitration facilities, but will otherwise bear their respective costs incurred in connection with the arbitration. The parties agree to use their best efforts to ensure that the arbitrator is selected promptly, and that the arbitration hearing is conducted no later than 3 months after the arbitrator is selected.
- D. The parties intend to resolve all disputes by way of binding arbitration, in accordance with this Dispute Resolution Section. For the avoidance of doubt, it is agreed that nothing in this Dispute Resolution Section shall prevent a party from seeking equitable relief before an appropriate court, with respect to breach of the Confidentiality and Intellectual Property obligations set out in this Agreement. The commencement of any dispute resolution proceedings shall in no way affect the continual performance of the parties' respective obligations under this Agreement.

General

- **32. Notices.** Any notices or other communications required or permitted under this Agreement shall be in writing and shall be delivered personally, by registered mail, or by email to the address for each party set out in the Proposal. Notices sent by personal delivery, or email shall be deemed received upon successful delivery or transmission. Notices sent by registered mail shall be deemed received 7 days after date of posting. Either party may revise its address for notice by providing written notification to the other party by one of the methods set out in this Section.
- **33. Further Actions**. The parties undertake to act in good faith with respect to each other's rights under this Agreement and to adopt reasonable measures to ensure the realization of the objectives of this Agreement. Each party shall, from time to time, take such actions and execute such documents as may be necessary to give effect to this Agreement.
- **34. Severability**. If any provision of this Agreement is for any reason found to be unenforceable at law, it shall be deemed severed from this Agreement and the remaining provisions of this Agreement shall remain in force and continue to be binding upon the parties as though the unenforceable provision had never been included in this Agreement.
- **35. Waiver**. No waiver of any provision of this Agreement, or a breach hereof, shall be effective unless it is in writing and signed by the waiving party. A waiver of any right under this Agreement on the part of either party shall not be deemed to be a waiver of any other right, and a waiver of any right in any one instance shall not be deemed to be a waiver of that right in any other instance.
- **36.** Amendments. No amendment of this Agreement shall be valid unless it is in writing, signed by both parties.
- **37. Assignment**. Neither party may assign this Agreement or any of its rights hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- **38. Survival**. The expiry or termination of this Agreement shall not affect or prejudice any rights or obligations that have accrued or arisen under this Agreement prior to expiry or termination and those rights and obligations shall survive such expiry or termination. Any provision contained within this Agreement, which by its very nature is intended or reasonably intended to survive expiry or termination of this Agreement, and all other provisions necessary to give effect thereto, including but not limited to provisions with respect to liability, indemnity, "as is" condition, confidentiality, intellectual property, and dispute resolution shall survive such expiry or termination.
- **39. Binding Effect**. This Agreement shall be binding upon and enure to the benefit of the successors and permitted assigns of the parties.
- **40. Applicable Law**. The International Chamber of Commerce, Rules of Arbitration will govern the process of Arbitration, even if they conflict with the Applicable Law. The laws of the Province of Manitoba and the laws of Canada applicable therein, govern this Agreement, and the rights and obligations of the parties hereunder. The laws governing conflicts of law in Canada and Manitoba, as applicable, do not apply, even if one or more of the parties to this Agreement may be resident of or domiciled in any other jurisdiction or country. The UN convention on the International Sale of Goods does not apply to this Agreement.
- **41. Headings**. The division of this Agreement into Articles, Sections, Schedules, or other subdivisions, and the insertion of the headings, are for convenience of reference only, and do not affect the interpretation of this Agreement.
- **42. Entire Agreement.** This End User License and Data Hosting Agreement, and the Proposal together form the entire Agreement between the parties and there are no other undertakings, representations, warranties or promises between the parties, express of implied with respect to the subject matter of this Agreement. All other terms, expressed or implied by statute or otherwise, are excluded to the fullest extent permitted by law.
- **43. Counterparts.** The Proposal or any amendment to this Agreement may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which when read together shall be deemed to constitute one, and the

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