

STORAGE CONTRACT ASSIGNMENT AGREEMENT

This Assignment Agreement made as of the [] of [Month, year],
BY AND BETWEEN:

[SHIPPER #1], a company [] under the laws
of the [Province, State, Country] of [],
(hereinafter referred to as “**Assignor**”)

PARTY OF THE FIRST PART

- and -

[SHIPPER #2], a company [] under the laws
of the [Province, State, Country] of [],
(hereinafter referred to as “**Assignee**”)

PARTY OF THE SECOND PART

- and -

UNION GAS LIMITED, a company incorporated under the
laws of the Province of Ontario,
(hereinafter referred to as “**Union**”)

PARTY OF THE THIRD PART

WHEREAS, Union and Assignor are parties to a storage contract which provides for storage services at [Point], made as of [Month day, year], and as amended to date, Contract No. [] (the “**Storage Contract**”);

AND WHEREAS, Assignee has requested Assignor to temporarily assign all of Assignor's service entitlement under the Storage Contract to Assignee, and Assignor has agreed to do so subject to the terms and conditions of this Assignment Agreement (the “**Assignment**”);

AND WHEREAS, Union has agreed to consent to the assignment to Assignee subject to the terms and conditions of this Assignment.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the parties hereto mutually covenant, agree, and declare as follows:

1. Unless otherwise defined in this Assignment, all capitalized terms used herein shall have the meanings given to them in the Storage Contract.

2. Subject to the terms and conditions of this Assignment, Assignor assigns to Assignee, and Assignee accepts from Assignor, all of Assignor's entitlement to Storage Services under the Storage Contract, together with the corresponding rights and obligations of Assignor under the Storage Contract (the “Assigned Interest”).

The quantity of gas in Assignee’s Storage Account (as defined below) under this Assignment shall not exceed the Maximum Storage Balance. Assignee shall ensure that the Storage Account under this Assignment shall be reduced to zero (0) on or before [Month day, year]. Should Assignee fail to comply with this requirement, any balance remaining shall be removed immediately under this Assignment and transferred to Assignee’s Storage Account under Contract HUB [] and shall be subject to the associated charges required to complete the transfer. As used in this Assignment, the term “Storage Account” means the gas balance held by Union for Assignee and shall equal the quantity of gas received by Union for Assignee’s account minus the quantity of gas delivered to Assignee by Union.

3. Assignee agrees to pay Union a monthly demand charge of \$ [currency] for the Assigned Interest and any escalation of the monthly demand charge in accordance with Schedule 2 of the Storage Contract. (Assignor will remain obligated to Union for the balance of the demand charge payable under the Storage Contract.) Assignee agrees to also pay Union all other charges set out in Schedule 2 of the Storage Contract as they pertain to usage of the Assigned Interest.

4. During the operative term of this Assignment, Assignee hereby covenants and agrees to perform the covenants, conditions and agreements on the part of Assignor contained in the Storage Contract in respect of the Assigned Interest and agrees to pay, be liable for, perform, observe, discharge and fully satisfy, when due, all liabilities and obligations of Assignee arising from or under or relating to the Assigned Interest.

5. Subject to the terms and conditions of this Assignment, this Assignment shall be effective from 1000 hours in the Eastern Time Zone on [Month day, year] and shall continue in full force and effect until 1000 hours in the Eastern Time Zone on [Month day, year], provided that the operative term of this Assignment shall not extend beyond the operative term of the Storage Contract.

6. In the event that Assignee fails to comply with paragraph 4 hereof, Assignor shall have the right to terminate this Assignment by following the default and termination procedure set forth in Section XII of the General Terms & Conditions contained in Union’s Market Price Service Schedule (MPSS), as amended from time to time, as if Assignor were Union, Assignee were Shipper, and this Assignment was the Storage Contract for this purpose.

7. Union consents to this Assignment and will accept nominations for service in respect of the Assigned Interest from Assignee and send invoices for such service to Assignee to its mailing and delivery addresses and its designated representative(s) as set out in paragraph 8 of this Assignment.

8. Assignee declares that all notices, nominations, requests, invoices, and other written communications may be given by Assignor or Union to Assignee as follows:

- (i) Mailing address: [SHIPPER #2]
[Address]

[Address]

[Address]

(ii) Nominations: Attention: [Name]
Telephone: - - -
Facsimile: - - -

(iii) Secondary Contact: Attention: [Name]
Telephone: - - -
Facsimile: - - -

or to such other persons or addresses of Assignee that Assignee may designate to Assignor and Union in writing.

9. Notwithstanding anything else set forth in this Assignment, Assignor acknowledges and agrees that it is and will remain obligated to Union to perform and observe all of the covenants and obligations of Assignor that are contained in the Storage Contract and expressly acknowledges and agrees that it is not released, in whole or part, from such covenants and obligations.

10. Assignee acknowledges that Assignor is and will remain obligated to Union to perform and observe the covenants and obligations that are contained in the Storage Contract. Consequently, Assignee shall indemnify Assignor for and hold Assignor harmless from all charges that Union may be entitled to collect from Assignor under the Storage Contract in regard to the Assigned Interest in the event that Assignee fails to comply with paragraph 4 of this Assignment.

11. Notwithstanding anything to the contrary herein set forth or implied, Assignor reserves and retains for itself exclusively the option or right to renew or otherwise extend the operative term of the Storage Contract.

12. This Assignment and the rights and obligations of the parties hereunder are subject to all valid and applicable present and future laws, rules, regulations, and orders of any governmental or regulatory authority having jurisdiction or control over all or any of the parties hereto, or over the Storage Contract, or the assignment of the Assigned Interest hereunder.

13. Assignee acknowledges that it has been made aware of the relevant terms and conditions in the Storage Contract.

14. This Assignment shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

15. Notwithstanding anything contained in the Storage Contract, the Assignee shall not assign its rights and obligations under this Assignment in whole or in part and any purported assignment shall be void.

16. This Assignment shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

17. No amendment or modification of this Assignment shall be binding unless in writing and signed by all parties hereto.

18. No waiver on the part of any party to exercise any right or remedy hereunder shall operate as a waiver thereof, unless it is waived in accordance with the provisions hereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by a party of any breach or any of the provisions of this Assignment by the other party shall take effect or be binding upon the waiving party unless in writing and signed by such party. Unless otherwise provided therein, such waiver shall not limit or affect the rights of the party with respect to any other breach.

19. This Assignment may be executed in any number of counterparts, each of which be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

20. During the term of this Assignment, Assignor shall use its reasonable efforts to ensure that the Storage Contract will remain valid.

IN WITNESS WHEREOF the parties hereto have duly executed and delivered this Assignment as of the day, month, and year first above written.

[SHIPPER #1]
(ASSIGNOR)

[SHIPPER #2]
(ASSIGNEE)

By: _____

By: _____

Title: _____

Title: _____

Authorized Signatory

Authorized Signatory

UNION GAS LIMITED

By: _____

Title: _____

Authorized Signatory

SAMPLE