of
Tax Stamp: \$
Recording Fee: \$
L-Chip Surcharge: \$
Return to
Drummond Woodsum & MacMahor
Attn: Richard A. Shinay, Esq.
84 Marginal Way, Suite 600

Portland, Maine 04101-2480

## ACKNOWLEDGEMENT OF RIGHTS AND EASEMENTS

Reference is made to that certain Easement Agreement to Confirm and Supplement, dated as of September 27, 2006 (the "Agreement"), between GREAT LAKES HYDRO AMERICA, LLC, a Delaware limited liability company having an address of 972 Main Street, Berlin, New Hampshire 03570, and FRASER N.H. LLC, a Delaware limited liability company having an address of 181 Bay Street, Suite 200, Toronto, Ontario, M5J 2T3, Canada, and recorded in the Coos County Registry of Deeds in Book 1190, Page 23, and that certain Deed Without Covenants, dated December 16, 2010, from FRASER N.H. LLC to FP ACQUISITIONS, LLC, a Delaware limited liability company having an address of 267 Central Avenue, White Plains, New York 10606, recorded in said Registry of Deeds in Book 1317, Page 889. Subject to all of the terms and conditions of the Agreement, GREAT LAKES HYDRO AMERICA, LLC hereby acknowledges and agrees that the rights and easements granted to FRASER N.H. LLC under the Agreement and related to utilities include the right and easement for the owner of substantially all of the Fraser Property (as defined in the Agreement) to construct, install, maintain, repair, improve and remove gas pipes, gas mains, laterals, manholes and services, and any and all equipment, fixtures and appurtenances relating thereto (collectively, the "Gas Equipment"), over, under and through the land of GREAT LAKES HYDRO AMERICA, LLC described in the Agreement, the exact location of the Gas Equipment to be determined by mutual agreement of GREAT LAKES HYDRO AMERICA, LLC and the successor to FRASER PAPER N.H. LLC in its capacity as the owner of the Fraser Property and the counterparty to the Agreement, as necessary for the transportation and transmission of landfill gas, natural gas, artificial gas or other gas to serve the paper mill located on the Fraser Property, which rights and easements will be exercised in accordance with, and subject to, the terms and conditions of the Agreement. At the request of GREAT LAKES HYDRO, LLC, upon the mutual agreement of the location of the Gas Equipment on the GLHA Property (as defined in the Agreement), the parties to the Agreement (whether an original party or a successor or assignee) will execute an amendment to the Agreement detailing the location of the easements for the Gas Equipment.

2339727 2

[End of Document. Signature Page Follows.]

2339727.2

Dated as of the <u>/awday</u> of May, 2011.

Lesley A. Russell	GREAT LAKES HYDRO AMERICA, LLC  By:
Witness	Met Agaitti Assistant Secretary and Director
	Its: Legal Services, U.S. Operations
	Duly Authorized
State of <u>Massachus Errs</u> County of <u>17); dd le sex</u>	
The foregoing instrument was acknowledg  Me / Jicarti (name)  LAKES HYDRO AMERICA LLC a D	ged before me this $\frac{/27h}{\text{day}}$ of May, 2011, by (title) of <b>GREAT</b> elaware limited liability company.
LAKES II I DRO AMERICA, LLC, a D	A clawate minited habitity company.
	Pamela a Consoutto
	Justice of the Peace / Notary Public
	My commission expires:
	Seal or Stamp:
,	PAMELA J. CONSOLETTI  NOTARY PUBLIC  COMMONWEALTH OF MASSACHUSETTS  MY COMMISSION EXPIRES DECEMBER 27, 2018

made or brought by any person, any loss, expense, judgment, liability or asserted liability (including strict liability except to the extent caused or contributed to by the negligence or willfull misconduct of the GLHA Indemnified Parties) and including, without limitation, (i) costs and expenses of abatement and remediation of any Release of Hazardous Substances, (ii) liabilities of the GLHA Indemnified Parties to any person (including any Governmental Authority) in respect of bodily injuries, property damage, damage to or impairment of the environment or any other injury or damage, (iii) liabilities of the GLHA Indemnified Parties to any person (including any Governmental Authority) for its foreseeable and unforeseeable consequential damages; and (iv) the liability of any GLHA Indemnified Parties for court costs, expenses of alternative dispute resolution proceedings and fees and disbursements of expert consultants and legal counsel on a solicitor and client basis.

## 6.6 GLHA Indemnity:

- A. GLHA General Indemnity: GLHA agrees that it shall protect, indemnify and hold harmless Fraser and its respective directors, officers, partners, members, employees, trustees, agents, successors and assigns (collectively, the "Fraser Indemnified Parties") from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) in respect of claims by third parties arising out of the breach of its obligations under this Agreement, negligence, willful misconduct, or failure to act according to Prudent Industry Practice on the part of the GLHA or any of its officials, agents or employees, contractors or subcontractors of any tier in connection with its work pursuant to this Agreement; provided, however, that GLHA shall not be required to reimburse or indemnify any Fraser Indemnified Party for any loss or claim to the extent such a loss or claim is due to the negligence or willful misconduct of that Indemnified Party.
- GLHA Environmental Indemnity: Without in any way limiting the generality of B. the above Section, GLHA shall indemnify the Fraser Indemnified Parties against and hold them harmless from any claims, actions, orders, remediation orders. abatement orders, prevention orders and suits, administrative or other proceedings made or brought by any person, any loss, expense, judgment, liability or asserted liability (including strict liability except to the extent caused or contributed to by the negligence or willfull misconduct of the Fraser Indemnified Parties) and including, without limitation, (i) costs and expenses of abatement and remediation of any Release of Hazardous Substances. (ii) liabilities of the Fraser Indemnified Parties to any person (including any Governmental Authority) in respect of bodily injuries, property damage, damage to or impairment of the environment or any other injury or damage. (iii) liabilities of the Fraser Indemnified Parties to any person (including any Governmental Authority) for its foreseeable and unforeseeable consequential damages; and (iv) the liability of any Fraser Indemnified Parties for court costs, expenses of alternative dispute resolution proceedings and fees and disbursements of expert consultants and legal counsel on a solicitor and client basis.

## 6.7 Co-operation Regarding Claims:

- A. If Fraser shall receive notice or have knowledge of any claim, demand, action, suit or proceeding that Fraser may have reason to believe may result in a claim for indemnification pursuant to Section 6.6, Fraser shall be entitled to obtain and file the appropriate pleading, notice or response, and as promptly as possible, shall give GLHA notice thereof. Such notice shall include, to the extent known to Fraser: (i) a reasonably detailed description of the facts and circumstances relating to such claim, demand, action, suit or proceeding, (ii) a complete copy of all related notices, pleadings and other papers and (iii) a description in reasonable detail of the basis for the potential claim for indemnification; provided, however, that failure promptly to give notice or to provide such information and documents shall not relieve GLHA of any obligation of indemnification it may have under Section 6.6.
- B. Fraser shall consult with GLHA regarding, and co-operate in respect of the response to, and the defense of, any claim, demand, action, suit or proceeding. Fraser shall be entitled to assume the defense or to represent the interest of GLHA in respect of such claim, demand, action, suit or proceeding which shall include, without limitation, the right to select legal counsel and other consultants satisfactory to GLHA, appear in proceedings on behalf of GLHA and to propose, accept or reject offers of settlement, all at Fraser's sole cost; provided, however, that if the defendants in any such action include both Fraser and GLHA, GLHA shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which raise a conflict of interest which is not waived, GLHA shall have the right to select separate counsel to defend such action on behalf of GLHA or indemnified parties at the expense of GLHA.
- C. If GLHA shall receive notice or have knowledge of any claim, demand, action, suit or proceeding that GLHA may have reason to believe may result in a claim for indemnification pursuant to Section 6.5, GLHA shall be entitled to obtain and file the appropriate pleading, notice or response, and as promptly as possible, shall give Fraser notice thereof. Such notice shall include, to the extent known to GLHA: (i) a reasonably detailed description of the facts and circumstances relating to such claim, demand, action, suit or proceeding, (ii) a complete copy of all related notices, pleadings and other papers and (iii) a description in reasonable detail of the basis for the potential claim for indemnification; provided, however, that failure promptly to give notice or to provide such information and documents shall not relieve Fraser of any obligation of indemnification it may have under Section 6.5.
- D. GLHA shall consult with Fraser regarding, and co-operate in respect of the response to, and the defense of, any claim, demand, action, suit or proceeding. GLHA shall be entitled to assume the defense or to represent the interest of Fraser in respect of such claim, demand, action, suit or proceeding which shall include, without limitation, the right to select legal counsel and other consultants

satisfactory to Fraser, appear in proceedings on behalf of Fraser and to propose, accept or reject offers of settlement, all at GLHA's sole cost; provided, however, that if the defendants in any such action include both Fraser and GLHA, Fraser shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which raise a conflict of interest which is not waived, Fraser shall have the right to select separate counsel to defend such action on behalf of Fraser or indemnified parties at the expense of Fraser.

E. Waiver of Subrogation: Fraser and GLHA hereby waive any and every claim for recovery from the other for any and all loss or damage to each other resulting from the performance of this Agreement, to the extent such loss or damage is recovered under insurance policies described herein.

## 6.8 Disputes:

- A. Discussions among Senior Officers
  - i. Fraser and GLHA shall each provide the other with written notice of its senior authorized officer who, in its name, shall have the right to settle disputes, complaints, and controversies related to the effectiveness, interpretation, performance, infringement or matters otherwise arising out of or related to this Agreement ("Dispute"). If a Dispute cannot be settled on an amicable basis by the Parties through informal discussions, before resorting to the procedure set forth in this Section 6.8 A both Parties must direct the Dispute to the persons appointed in conformity with this Section for further considerations and attempt at resolution within fifteen (15) days (or such greater period of time as has been agreed upon by the Parties) after the Dispute has been addressed to said persons (or such greater period of time as agreed upon by the Parties).
  - ii. If the Dispute cannot be settled within fifteen (15) days after it has been referred to the two designated senior officers appointed for such purposes pursuant to Section 7.8 B either Party may give the other written notice declaring the informal dispute resolution process at an end, in which event the Dispute shall be resolved by arbitration as hereinafter provided.
  - iii. All conferences and discussions which occur in connection with the informal dispute mechanism set forth in this Section 6.8 A shall be deemed settlement discussions, and nothing said or disclosed, nor any document produced which is not otherwise independently discoverable, shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration or litigation.

#### B. Arbitration

- Except as otherwise expressly provided herein, any Dispute not settled in accordance with the procedures set forth in Section 6.8 A shall, at the request of any Party, be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect (the "Rules"), except as the Rules may be modified in this Section 6.8 B.
- ii. The arbitration shall be held in New Hampshire or at such other location as agreed to by the parties. There shall be three arbitrators, of whom each Party shall select one. The Party-appointed arbitrators shall select the third arbitrator.
- iii. The arbitrators shall decide the matters in dispute in accordance with the laws of New Hampshire, without reference to the conflict of laws rules thereof. The arbitration shall be governed by New Hampshire Civil Procedure.
- iv. The hearing shall be commenced within 90 days and the award shall be rendered no later than 120 days following the appointment of the last of the three arbitrators, unless the Parties agree otherwise or the arbitrators order otherwise. All discovery shall be completed no later than 20 days prior to the commencement of the hearing.
- v. Consistent with the expedited nature of arbitration, each Party will, upon the written request of the other Party, provide the other with copies of documents in its possession, custody or control relevant to the issues raised by any claim or counterclaim. Other discovery may be agreed by the parties or ordered by the arbitrators to the extent the arbitrators deem additional discovery relevant and appropriate, and any dispute regarding discovery, including disputes as to the need therefor or the relevance or scope thereof, shall be determined by the arbitrators, which determination shall be conclusive.
- vi. The Parties and the arbitrators shall treat the proceedings, any related discovery and the decisions of the arbitral tribunal as confidential, except in connection with a judicial challenge to, or enforcement of, an award, and unless otherwise required by law.
- vii. Any claim by either Party shall be time barred unless the asserting Party makes a demand for arbitration with respect to such claim within the applicable statute of limitations except to the extent otherwise provided in this Agreement. Any dispute as to the timeliness of such demand or other statute of limitations issues shall be decided by the arbitrators.

- viii. The award of the arbitrators shall be final and binding and shall be the sole and exclusive remedy between the Parties regarding any claim, counterclaims, issues, or accounting presented to the tribunal. The arbitrators' award shall state the reasons on which the award is based. Any monetary award shall include interest from the date of any breach of or other violation of this Agreement to the date on which the award is paid, at a rate to be determined by the arbitrators. Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. Each of the Parties hereby consents to service of process by registered mail, by receipted Federal Express or other courier delivery, or by personal delivery at its address set forth above and agrees that this submission to jurisdiction and its consent to service of process by mail is made for the express benefit of the other Party.
- ix. This agreement to arbitrate shall be binding upon the successors and assigns and any trustee, receiver, or executor of each Party, provided that nothing contained in this Section 7.8 B shall limit the right of either Party, or any of their respective affiliates, successors, or assigns, at its election, to seek equitable remedies in a court of equity or law in the event of a breach or threatened breach hereof, without first proceeding under this Section 7.8 B.

## 6.9 Notices:

A. All notices, demands, requests, reports, approvals, or other communications which may be or are required to be given, served, or sent pursuant to this Agreement shall be to the address and persons listed below:

If to Great Lakes Hydro America, LLC:

Great Lakes Hydro America, LLC 972 Main Street Berlin, New Hampshire, 03570

and copy to
Great Lakes Hydro America, LLC
1024 Central Street
Millinocket, Maine 04462

and copy to:
Facsimile No.: (207) 723-3948
Attention: President

## If to Fraser N.H. LLC:

Fraser N.H. LLC 650 Main Street Berlin, New Hampshire, 03570

> Fraser Paper, Inc. 2273 Congress Street Portland, ME 04102

- B. Notices shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service or facsimile. Notice by facsimile or hand delivery shall be effective at the close of business on the day actually received, if received during business hours on a business day, and otherwise shall be effective at the close of business on the next business day. Notice by overnight United States mail or courier shall be effective on the next business day after it was sent. A Party may change its addresses by providing notice of same in accordance herewith.
- 6.10 <u>Definitions</u>: As used in this instrument the following terms shall have the following meanings unless the context dictates otherwise:
  - A. "River" shall mean the Androscoggin River, and its tributaries.
  - B. "FERC" shall mean Federal Energy Regulatory Commission.
  - C. "Sawmill Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River owned and operated by GLHA and being currently permitted under FERC License # 2422, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repaired, modified, and/or replaced. Said Sawmill Dam was formerly sometimes known as the D. C. Station.
  - D. "Sawmill Plan" is entitled "ALTA / ACSM Land Title Surveyor, Minor Subdivision of Great Lakes Hydro America, LLC & Fraser NH LLC, Sawmill Dam Parcel, Berlin, New Hampshire, Tax Map 128, Parcels 49.02 and 54" by York Land Services, LLC dated July 18, 2005, and recorded as Plan # 2687.
  - E. "Riverside Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River, owned and operated by GLHA and is currently permitted under the FERC License # 2423, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repaired, modified and/or replaced.
  - F. "Riverside Plan" is a plan entitled "ALTA/ACSM Land Title Survey and Minor Subdivision of Great Lakes Hydro America, LLC & Fraser NH LLC, Riverside

- Dam Parcel, Berlin, New Hampshire, Tax Map 128, Parcels 49.02 & 54" by York Land Services, LLC, dated July 18, 2005 and recorded as Plan 2688.
- G. "Cross Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River owned and operated by GLHA and is currently permitted under FERC License # 2326, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repair, modified and/or replaced.
- H. "Cross Plan" is entitled "ALTA/ACSM Land Title Survey and Minor Subdivision of Great Lakes Hydro America, LLC, Cross Power Dam Parcels, Tax Map 116, Parcels 14 & 24, and Tax Map 118, Parcel 212, Berlin, New Hampshire" by York Land Services, LLC dated July 15, 2005 and recorded as Plan # 2686.
- I. "Cascade Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River, owned and operated by GLHA and is currently permitted under FERC License #2327, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repaired, modified and/or replaced.
- J. "Cascade Plan" is entitled "ALTA/ACSM Land Title Survey and Minor Lot Line Adjustment and Consolidation Plan, of Great Lakes Hydro America, LLC & Fraser NH LLC, Cascade Dam Parcel, Tax Map U-16, Parcels 2A & 4, Gorham, New Hampshire " by York Land Services, LLC dated May 25, 2006 and recorded as Plan # 2698.
- K. "Gorham Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River, owned and operated by GLHA and is currently permitted under FERC License # 2311, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repaired, modified and/or replaced.
- L. "Gorham Plan" is a certain survey entitled "ALTA/ACSM Land Title Survey and Minor Lot Line Adjustment and Consolidation of Fraser NH LLC and Great Lakes Hydro America, LLC, Tax Map U-11, Parcel 8 and Tax Map U-9, Parcel 13, Gorham, New Hampshire" by York Land Services, LLC dated May 25, 2006 and recorded as Plan # 2699.
- M. "Shelburne Station" is a certain hydroelectric facility, and the land of GLHA adjacent to said facility, located on the River, owned and operated by GLHA and is currently permitted under FERC License #2300, as said facility has been and is presently used and improved, and as said facility may be further improved, maintained, repaired, modified and/or replaced.
- N. "Shelburne Plan" is a certain survey entitled "ALTA/ACSM Land Title Survey for Great Lakes Hydro America, LLC, Tax Map 7, Parcels 8B, 9, 10A and 10C,

- North Road, Shelburne, New Hampshire" prepared by York Land Services, LLC dated June 6, 2006, and recorded as Plan #2773.
- O. "GLHA Plans" are the Sawmill Plan, the Riverside Plan, the Cross Plan, the Cascade Plan, the Gorham Plan and the Shelburne Plan.
- P. "Recorded" shall mean "recorded or of record in the Coos County Registry of Deeds".
- "Prudent Industry Practice" shall mean (a) with respect to Fraser (1) any of the Q. practices, methods and acts engaged in or approved by a significant portion of the pulp and paper industry or such other industry to the extent activities other than the production of pulp and paper are occurring now or in the future on the Burden Parcels applicable to Fraser or with respect to any matter to which (a)(1) does not apply, any of the practices, methods and acts which in the exercise of reasonable judgment at the time the decision was made could have been expected to accomplish the desired result at a reasonable cost consistent with good business practice, reliability, safety and expedition; (b) with respect to GLHA (i) any of the practices, methods and acts engaged in or approved by a significant portion of the hydro-electric generation industry applicable to GLHA at such time or with respect to any matter to which (b)(1) does not apply, any of the practices, methods and acts which in the exercise of reasonable judgment at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition; and (c) in each case with due regard for, among other things, warranties of manufacturers and the requirements of any governmental authorities having jurisdiction over the matters at issue.
- 6.11 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Hampshire, including all matters of construction, validity and performance, without regard to conflicts of law principles.
- 6.12 Further Assurances. Fraser and GLHA further covenant to cooperate with one another in all reasonable respects necessary to consummate the transactions contemplated by this Agreement, and each will take all reasonable actions within its authority to secure regulatory approvals and cooperation of any necessary third parties.
- 6.13 Relationship of the Parties. GLHA and Fraser shall at all times be deemed independent contractors. GLHA and Fraser shall each be solely responsible for all matters relating to its subordinates, employees, agents, subcontractors and consultants. Neither party shall have authority to make any statements, representations or commitments of any kind or take any action that shall be binding on the other party.
- 6.14 Counterparts: This instrument may be executed in any number of, and by different parties hereto on, separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement.

- 6.15 No Disturbance: In addition to the terms as to the construction of this instrument set forth in paragraph 7.1 above, this instrument shall not disturb the rights, easements and agreements made in the following instruments, and both the Fraser Property and the GLHA Property shall remain subject to, and benefitted by, as the case may be:
  - A. Covenant Not to Sue in Re: Acquisition of Berlin/Gorham Mills; The Mt. Carberry Landfill; and Certain Hydroelectric Assets recorded at Book 996, Page 331.
  - B. Bill of Sale and Assignment (Internal Electric Delivery Assets Pulp and Paper Mills) of Pulp & Paper of America, LLC, et al, to Fraser, dated as of May 13, 2002, recorded at Book 996, Page 447;
  - C. Bill of Sale and Assignment (Internal Electric Delivery Assets Hydro) of Pulp & Paper of America LLC et al to GNE, LLC executed on May 29, 2002, and recorded at Book 996, Page 457;
  - D. Bill of Sale and Assignment (Joint Electric Delivery Assets) of Pulp & Paper of America LLC, et al, to GNE, LLC, et al, executed on May 29, 2002, recorded at Book 996, Page 467;
  - E. Bill of Sale and Assignment (Hydro Assets Other Than Internal Electric Delivery Assets) of Pulp & Paper of America LLC to GNE, LLC dated as of May 31, 2002, recorded at Book 996, Page 478;
  - F. Bill of Sale and Assignment (Joint Electric Delivery Assets) of Pulp & Paper of America LLC, et al, to Fraser, et al, executed on May 29, 2002, recorded at Book 996, Page 467;
  - G. Bill of Sale and Assignment (Assets Other than Hydro, Landfill and Electric Delivery Assets) of Pulp & Paper of America LLC, et al, to Fraser dated as of May 31, 2002, recorded at Book 996, Page 492;
  - H. Undivided Ownership, Operation and Maintenance Agreement by and between Fraser and GNE, LLC recorded May 31, 2002 at Book 996, Page 512;
  - I. Easement and Cooperation Agreement (as to Cascade Project) by and between Fraser and GLHA dated and recorded of even or near even date herewith; and
  - J. Deed of Fraser to GLHA dated and recorded of even or near even date herewith.

# 6.16 Authority of Fraser and GLHA to Mortgage Respective Rights:

A. The rights and easements granted by GLHA to Fraser under this Agreement shall benefit the Fraser Property and run with the Fraser Property, subject to the terms of this Agreement, including the specification of which portion of the Fraser Property is benefited by a particular easement. In connection with Fraser granting a mortgage and/or security interest in the Fraser Property, Fraser may mortgage and/or grant a security interest in the easement and

rights of Fraser under this Agreement, without the consent of GLHA, all subject to the terms of this Agreement. In the event a mortgage holder or purchaser at foreclosure or other proceeding under a mortgage and/or security agreement succeeds to Fraser's interest in the Fraser Property by foreclosure or otherwise, GLHA agrees to recognize such successor to Fraser under this Agreement, subject to the terms of this Agreement. GLHA may require such entity to execute and deliver to GLHA a written assumption agreement in form and substance satisfactory to the GLHA.

B. The rights and easements granted by Fraser to GLHA under this Agreement shall benefit the GLHA Property and run with the GLHA Property, subject to the terms of this Agreement, including the specification of which portion of the GLHA Property is benefited by a particular easement. In connection with GLHA granting a mortgage and/or security interest in the GLHA Property, GLHA may mortgage and/or grant a security interest in the easement and rights of GLHA under this Agreement, without the consent of Fraser all subject to the terms of this Agreement. In the event a mortgage holder or purchaser at foreclosure or other proceeding under a mortgage and/or security agreement succeeds to GLHA's interest in the GLHA Property by foreclosure or otherwise, Fraser agrees to recognize such successor to GLHA under this Agreement, subject to the terms of this Agreement. Fraser may require such entity to execute and deliver to Fraser a written assumption agreement in form and substance satisfactory to Fraser.

Executed as of the day and first above written.

Fraser N.H. LLC

y: William Manzer, President

Duly Authorized

Donald J. Levesque, Asst. Treasurer

**Duly Authorized** 

Great Lakes Hydro America, LLC

Michael Cutter, General Manager, Brookfield Power New England South

**Duly Authorized** 

State of New Hampshire County of Merrimack

The foregoing instrument was acknowledged before me this 27th day of September, 2006, by William Manzer, President of Fraser N.H. LLC, a Delaware limited liability company, on behalf of said company.

My commission expires:

Seal or Stamp:

State of New Hampshire County of Merrimack

The foregoing instrument was acknowledged before me this 27th day of September, 2006, by Donald J. Levesque, Asst. Treasurer, of Fraser N.H. LLC, a Delaware limited liability company, on behalf of said company.

Notary Public

My commission expires:

Seal or Stamp: Sent

State of New Hampshire County of Merrimack

The foregoing instrument was acknowledged before me this 27th day of September, 2006, by Michael Cutter, General Manager, Brookfield Power New England South, of Great Lakes Hydro America, LLC, a Delaware limited liability company on behalf of said company.

My commission expires:

Seal or Stamp:

J:\WDOX\DOCS\CLIENTS\14392\70563\M0918950.DOC

## Schedule A Fraser Insurance Requirements

<u>Coverage</u>: Fraser shall carry or cause to be carried and shall maintain or cause to be maintained at all times during the term of this Agreement the following insurance coverage:

- (a) Property and Boiler and Machinery: All risk property and boiler and machinery insurance, covering physical loss or damage to the GLHA Property including the coverage described below:
  - (i) commercial property insurance which at a minimum covers the perils insured under the ISO form commonly referred to as "all-risk" including fire and extended coverage and collapse;
  - (ii) comprehensive boiler and machinery coverage including electrical malfunction, mechanical breakdown and boiler explosion;
  - (iii) extra and expediting expenses coverage;
  - (iv) flood and earthquake coverage to the extent available on commercially reasonable terms:
  - (v) coverage shall be written on a full replacement cost basis;
  - (vi) the insurance shall contain an agreed amount endorsement or equivalent eliminating any co-insurance penalty;
  - (vii) the policy shall be subject to a reasonable deductible which shall be the absolute responsibility of Fraser;
- (b) Commercial General Liability; Commercial general liability insurance or its equivalent, and, if necessary, commercial umbrella or excess insurance with a total limit of not less than \$10,000,000 per occurrence. Such coverage shall include premises/operation, broad form contractual, independent contractors, products/completed operations, broad form property damage, advertising injury and personal injury;
- (c) Workers Compensation and Employers Liability:
  - (i) Workers Compensation and Employers Liability insurance in compliance with the applicable Laws of the State;
  - (ii) Employers Liability insurance coverage limits of not less than \$1,000,000 each accident for bodily injury or \$1,000,000 each employee for bodily injury by disease;
- (d) Automobile Liability: Automobile Liability insurance or its equivalent, and, if necessary, commercial umbrella or excess insurance for any auto including owned

(if any), or non-owned and hired vehicles with combined single limits for bodily injury/property damage not less than \$5,000,000 per occurrence; and

<u>Independent Contractor Coverages</u>: When Fraser obtains the services of an independent contractor for any services associated with the GLHA Property, Fraser shall cause such independent contractor to obtain and maintain in full force and effect:

- (a) commercial general liability insurance coverage which includes premises/operation, products/completed operation, broad form property damage, advertising injury and personal injury;
- (b) workers compensation insurance in compliance with the applicable laws of the State and employers liability insurance coverage; and
- (c) automobile insurance for any auto including all owned, non-owned and hired vehicles:

all with limits appropriate for the scope of contract work to be performed.

### General Insurance Requirements for Fraser:

- all such insurance shall be with insurance companies which are rated "A-VIII" or better by A.M. Best or other insurance companies of recognized responsibility, or equivalent reasonably satisfactory to GLHA;
- (b) All policies shall name GLHA as Additional Insured and/or Loss Payee, as applicable;
- (c) The interest of the Additional Insured(s) and/or Loss Payee(s) in the Shared Facilities shall not be invalidated by any action or inaction of Fraser or any other Person, as applicable;
- (d) All such insurance policies shall provide for the waiver of all rights of subrogation against GLHA, the Additional Insured(s) and/or Loss Payee(s), if any, and their respective officers, employees, agents, successors and assigns, as applicable;
- (e) All such insurance policies shall be primary without right of contribution of any other insurance carried by or on behalf of any of the Additional Insured(s) and/or Loss Payee(s) and each such policy insuring against liability to third parties shall contain a severability of interests or a cross liability provision;
- (f) All such insurance policies shall provide that if cancelled, not renewed, terminated or expiring or if the coverage is reduced or there is any material change in the coverage, such cancellation, nonrenewal, termination, expiration, reduction or material change in coverage shall not be effective as to any of the Additional Insured(s) and/or Loss Payee(s) for 60 days, except for non-payment

of premiums, in which case it shall not be effective for 10 days after receipt of a written notice sent by registered mail from such insurer.

## Schedule B GLHA Insurance Requirements

<u>Coverage</u>: GLHA shall carry or cause to be carried and shall maintain or cause to be maintained at all times during the term of this Agreement the following insurance coverage:

- (a) Property and Boiler and Machinery: All risk property and boiler and machinery insurance, covering physical loss or damage to the Fraser Property including the coverage described below:
  - (i) commercial property insurance which at a minimum covers the perils insured under the ISO form commonly referred to as "all-risk" including fire and extended coverage and collapse:
  - (ii) comprehensive boiler and machinery coverage including electrical malfunction, mechanical breakdown and boiler explosion;
  - (iii) extra and expediting expenses coverage;
  - (iv) flood and earthquake coverage to the extent available on commercially reasonable terms;
  - (v) coverage shall be written on a full replacement cost basis;
  - (vi) the insurance shall contain an agreed amount endorsement or equivalent eliminating any co-insurance penalty;
  - (vii) the policy shall be subject to a reasonable deductible which shall be the absolute responsibility of GLHA;
- (b) Commercial General Liability; Commercial general liability insurance or its equivalent, and, if necessary, commercial umbrella or excess insurance with a total limit of not less than \$10,000,000 per occurrence. Such coverage shall include premises/operation, broad form contractual, independent contractors, products/completed operations, broad form property damage, advertising injury and personal injury;
- (c) Workers Compensation and Employers Liability:
  - (i) Workers Compensation and Employers Liability insurance in compliance with the applicable Laws of the State;
  - (ii) Employers Liability insurance coverage limits of not less than \$1,000,000 each accident for bodily injury or \$1,000,000 each employee for bodily injury by disease;

(d) Automobile Liability: Automobile Liability insurance or its equivalent, and, if necessary, commercial umbrella or excess insurance for any auto including owned (if any), or non-owned and hired vehicles with combined single limits for bodily injury/property damage not less than \$5,000,000 per occurrence; and

<u>Independent Contractor Coverages</u>: When GLHA obtains the services of an independent contractor for any services associated with the Fraser Property, GLHA shall cause such independent contractor to obtain and maintain in full force and effect:

- (a) commercial general liability insurance coverage which includes premises/operation, products/completed operation, broad form property damage, advertising injury and personal injury;
- (b) workers compensation insurance in compliance with the applicable laws of the State and employers liability insurance coverage; and
- (c) automobile insurance for any auto including all owned, non-owned and hired vehicles;

all with limits appropriate for the scope of contract work to be performed.

## General Insurance Requirements for GLHA:

- all such insurance shall be with insurance companies which are rated "A-VIII" or better by A.M. Best or other insurance companies of recognized responsibility, or equivalent reasonably satisfactory to Fraser;
- (b) All policies shall name Fraser as Additional Insured and/or Loss Payee, as applicable;
- (c) The interest of the Additional Insured(s) and/or Loss Payee(s) in the Fraser Property shall not be invalidated by any action or inaction of GLHA or any other Person, as applicable;
- (d) All such insurance policies shall provide for the waiver of all rights of subrogation against Fraser, the Additional Insured(s) and/or Loss Payee(s), if any, and their respective officers, employees, agents, successors and assigns, as applicable;
- (e) All such insurance policies shall be primary without right of contribution of any other insurance carried by or on behalf of any of the Additional Insured(s) and/or Loss Payee(s) and each such policy insuring against liability to third parties shall contain a severability of interests or a cross liability provision;
- (f) All such insurance policies shall provide that if cancelled, not renewed, terminated or expiring or if the coverage is reduced or there is any material change in the coverage, such cancellation, nonrenewal, termination, expiration, reduction or material change in coverage shall not be effective as to any of the

Additional Insured(s) and/or Loss Payee(s) for 60 days, except for non-payment of premiums, in which case it shall not be effective for 10 days after receipt of a written notice sent by registered mail from such insurer.

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**CDOS COUNTY** 

KEGISTER OF DEEDS

RECEIVED

119023

006929

2006 SEP 28 AM 8: 29

3 of 6

Tax Stamp: \$40.00

Recording Fee: \$ 100

Return to: Account # 182
Devine, Millimet & Branch - Attn: klp/djc

111 Amherst Street

Manchester, NH 03101-9949

Carole A. Lamirando, Registrar

# STATE OF NEW HAMPSHIRE

DEPARTMENT OF PROFESSION ADMINISTRATION



REAL ESTATE TRANSPER TAX

99/28/2006 762240 \$ 44449440.00

Property in the Berlin, Gorham, Shelburne, Milan, Dummer, Cambridge and Errol, Coos County, New Hampshire

## EASEMENT AGREEMENT TO CONFIRM AND SUPPLEMENT

This Easement Agreement is made as of the 27<sup>th</sup> day of September, 2006, by and between FRASER N.H. LLC (a Delaware limited liability company) (herein "Fraser") 650 Main Street, Berlin, New Hampshire, 03570, and

GREAT LAKES HYDRO AMERICA, LLC (a Delaware limited liability company) formerly known as GNE, LLC (herein "GLHA") of 972 Main Street, Berlin, New Hampshire, 03570.

## RECITALS

- 1. Fraser is the owner and operator of a pulp mill and a paper mill on certain real property situate in the City of Berlin and Town of Gorham and is the owner of other real property in the City of Berlin, the Town of Gorham, in Coos County, New Hampshire more particularly described in the following instruments (comprising the "Fraser Property"):
  - A. Deed (Diesel & Steam) of American Tissue-New Hampshire Electric, Inc. to Fraser executed May 29, 2002, and recorded (defined below) at Book 996, Page 361;
  - B. Deed of Pulp of America, LLC to Fraser executed May 29, 2002, and recorded at Book 996, Page 374; as corrected at Book 1018, Page 107;
  - Deed of Paper of America, LLC to Fraser executed on May 29, 2002, and recorded at Book 996, Page 420;

- Deed of Berlin Mills Railway, Inc. to Fraser executed on May 29, 2002, and recorded at Book 996, Page 432;
- E. Excluding land conveyed by Quitclaim Deed of Fraser to White Mountain Energy, LLC dated December 19, 2003, and recorded at Book 1064, Page 249.
- II. GLHA is the owner and operator of six hydroelectric facilities on certain real property with appurtenant rights situate in the City of Berlin, Town of Gorham and the Town of Shelburne, and flowage rights which may include the following communities in Berlin, Gorham, Shelburne, Milan, Dummer, Cambridge and/or Errol, all in Coos County, New Hampshire, more particularly described in the following instruments (comprising the "GLHA Property"):
  - A. Deed of American Tissue-New Hampshire Electric, Inc. to GNE, LLC executed on May 29, 2002, and recorded at Book 996, Page 366;
  - B. Deed of Fraser to GLHA dated as of even or near even date herewith and recorded of even or near even date herewith.
- III. Prior to April 30, 1965, the Brown Company (a Maine corporation) was the owner and operator of the Fraser Property and the GLHA Property;
- IV. By Deed of Warranty of the Brown Company to Brown-New Hampshire, Inc. dated April 30, 1965, recorded at Book 490, Page 3, the GLHA Property, which included easements necessary to operate the GLHA Property, was separated in title from the Fraser Property (the "1965 Deed").
- V. In 1965 there were no surveys of the GLHA Property and the legal descriptions for the land and easements in the 1965 Deed were, by necessity, broad, general, and lacked specificity.
- VI. Both Fraser and GLHA have determined that the boundaries, rights and easements for the GLHA Property need to be more clearly set forth.
- VII. GLHA has commissioned a survey of the GLHA Property which surveys are herein the GLHA Plans (defined below) together with GLHA facilities as defined below.
- VIII. All capitalized terms contained herein have the meaning of term as defined herein.
- NOW, THEREFORE, Fraser and GLHA hereby agree and grant and convey certain rights and easements as following which shall be confirmatory and supplementary to the 1965 Deed:

continued

# ARTICLE I SAWMILL STATION

- 1.1 For consideration paid, Fraser does hereby grant to GLHA, with Quitclaim Covenants, the following rights and easements for the benefit of the Sawmill Station:
  - A. confirms 50' wide access easement over old Cell House Site created in 1965 deed. This access is depicted on the plan dated February 21, 2002 and entitled "Minor Subdivision, Activity & Use Restriction Area Cell House Site, Pulp & Paper of America, LLC, Berlin, New Hampshire" prepared by York Land Services, Inc. and recorded in the Coos County Registry of Deeds at Plan # 1785.
  - B. a general access easement across the Fraser Property located along the easterly side of the Androscoggin River in Berlin, Coos County, New Hampshire over or on existing rights of way or in other locations as mutually agreed to by Fraser and GLHA to provide access for persons, vehicles, machinery and equipment for all purposes associated with the use, ownership and operation of the Sawmill Station.
- 1.2 For consideration paid, GLHA hereby grant to Fraser, with Quitclaim Covenants, for the benefit of the Fraser Property, the right and easement:
  - A. to install, maintain, repair, improve, and replace all steam and water lines currently existing at the portion of the GLHA Property associated with the Sawmill Station.
  - B. to access, use, operate, maintain, repair and replace the valve house, valves and appurtenant equipment, the location of which is shown on the Sawmill Station Plan.

# ARTICLE II RIVERSIDE STATION

- 2.1 For consideration paid; Fraser does hereby grant to GLHA, with Quitclaim Covenants, the following rights and easement for the benefit of the Riverside Station:
  - A. access over other land of Fraser on the east side of the Androscoggin River over or on existing rights of way or in other locations as mutually agreed to by Fraser and GLHA for the purposes repairing, maintaining, and/or replacing the flash boards and structures on the GLHA property depicted in Detail C on the Riverside Plan.
- 2.2 For consideration paid, GLHA does hereby grant to Fraser, with Quitclaim Covenants, the following rights and easements for the benefit of the Fraser Property:

- A. to use, operate, maintain, improve, repair, and replace the existing overhead oil lines and steam pipes as shown in Detail B on the Riverside Plan.
- B. a general access easement across the GLHA Property to access, use, operate, maintain, repair and replace the Bermico fire pump water intake for the pulp mill as located in Detail B of the Riverside Plan.

# ARTICLE III CROSS STATION

- 3.1 For consideration paid, Fraser does hereby grant to GLHA with Quitclaim Covenants, the following rights and easements for the benefit of Cross Station:
  - A. An access easement across the Fraser Land adjacent to the Cross Station over or on existing rights of ways or in other locations as mutually agreed to by Fraser and GLHA by persons, vehicles, machinery, and equipment, as such access easement is depicted on the Cross Plan (defined below).
- 3.2 For consideration paid, GLHA does hereby grant to Fraser, with Quitclaim Covenants, the following rights and easements for the benefit of Fraser Property:
  - A. An easement to install, maintain, repair, improve and or replace the existing stock and water lines as they are currently located and depicted on the Cross Plan.
  - B. An easement for the benefit of the land occupied by the Fraser paper mill (i.e., for the purpose of furnishing steam to the paper mill) to construct, install, maintain, repair, improve and remove an underground steam line running from the easterly side of old railroad bridge which crosses the Androscoggin River southerly of Cross Station as shown on the Cross Plan and extending northerly to the land currently occupied by the Fraser pulp mill, the exact location of such steam line to be determined by mutual agreement of Fraser and GLHA.
  - C. An easement for the benefit of the land occupied by the Fraser paper mill (i.e., for the purpose of furnishing water, power and other utilities to the paper mill) to construct, install, maintain, repair, improve and remove underground water lines. power lines and any other utilities as required, running from the easterly side of old railroad bridge which crosses the Androscoggin River southerly of Cross Station as shown on the Cross Plan and extending northerly to the land currently occupied by the Fraser pulp mill; provided, however, that the installation and location of any such lines or utilities shall be subject to (i) the prior approval of GLHA, such discretion to be exercised by GLHA reasonably based on the present or future needs of GLHA and the absence of interference of such line or utilities with the facilities and operations of GLHA, and (ii) the obligation of Fraser to relocate such lines or utilities at Fraser's cost and expense in the event that such lines or utilities interfere with the future operations or facilities of GLHA. Any disagreement regarding the installation, location, relocation or removal of such lines or utilities shall be resolved in accordance with Section 6.8 hereof. Fraser agrees to indemnify and hold GLHA harmless from any loss, cost, damage or

expense incurred or suffered by GLHA on account of the presence of such lines or utilities on GLHA's property.

# ARTICLE IV TRANSMISSION LINES

- 4.1 For consideration paid, Fraser does hereby grant to GLHA, with quitclaim covenants, the perpetual right and easement to construct, install, maintain, repair, operate, replace and improve all overhead and underground power and poles and appurtenant equipment for the transmission of electricity and/or communications which are the subject of, and the location of which are depicted on, plans entitled "Power & Transmission Lines for Great Lakes Hydro America, LLC, Berlin, Gorham and Shelburne, New Hampshire prepared by York Land Services, Inc. dated January 26, 2006 and recorded in the Coos County Registry of Deeds as Plan # 2771 & 2772, including but not limited to Segments 2, 4, 6, 9, 12, 14, 16, 22, 23, 25 and any temporary by-pass lines depicted on said plan.
- 4.2 For consideration paid, GLHA does hereby grant to Fraser, with quitclaim covenants, the perpetual right and easement to maintain, repair, operate, improve and replace the existing transmission lines in their current location either solely owned by Fraser or jointly owned as those rights and interests as described in the Undivided Ownership, Operation and Maintenance Agreement by and between Fraser and GNE, LLC (now known as GLHA) recorded May 31, 2002 at Book 996, Page 572, over the portions of the land of GLHA depicted in the Cross Plan and the Cascade Plan.
- 4.3 The parties agree that the transmission lines may be relocated as the parties may mutually agree. Any such relocation shall be in writing, executed by the parties, and recorded in the Coos County Registry of Deeds.

# ARTICLE V GENERAL EASEMENTS

- 5.1 For consideration paid, Fraser does hereby grant to GLHA with Quitclaim Covenants, the following rights and easements appurtenant to each parcel of the GLHA Property:
  - A. The right and easement to enter onto the Fraser Property for access to the GLHA Property for the purposes of maintaining, operating, repairing; and replacing the hydroelectric facilities of GLHA.
  - B. The right to use Fraser Property in areas designated by Fraser on a temporary basis to store machinery, equipment and materials for maintenance, repair, improvement, or replacement of any of the hydroelectric facilities operated by GLHA on the GLHA Property.
- 5.2 For consideration paid, GLHA does hereby grant to Fraser with Quitclaim Covenants, the following rights and easements for the benefit of the Fraser Property:

- A. The right and easement to enter into the GLHA Properties for the purpose of maintaining, repairing, replacing or improving the Fraser Properties;
- B. A general access easement across and on the GLHA Property to maintain, replace, repair, and operate steam and other utility lines and pipes and appurtenant equipment all as presently located on the GLHA Property, and used in the operation of the Fraser Property.
- 5.3 For purposes of this Easement Agreement, Fraser and GLHA agree that a grant of an easement for access or the confirmation or supplement to access of an easement granted or reserved under the 1965 Deed includes:
  - A. the right to use, maintain, repair, and improve the area of the access easement at the sole cost and expense of the holder of the access easement. The right of access shall be for access by foot or by vehicle on or across existing rights of way or in other locations as mutually agreed to by Fraser and GLHA, for use by the holder of the easement, its employees, contractors, and business invitees for the purposes of access. The holder of the benefited parcel may enter onto land adjoining the area of the access easement to maintain, repair, or replace improvements to the access easement, including paving the area of the access easement provided the burdens of the access easement are not increased.
  - B. the owner of the real estate burdened by the access easement shall take no action to prevent use of the access easement for the limited and specified purposes intended by the grant of the easement.
  - C. The access easement shall not be relocated without the express prior written approval of the owner of the beneficial parcel and the owner of the burdened parcel.
- 5.4 For purposes of this Easement Agreement, Fraser and GLHA agree that the grant of an easement water lines, sewer lines, power lines, or any other utility above, along, or below the ground or the confirmation or supplement of any such easement granted or reserved under the 1965 Deed includes:
  - A. the right to enter the real estate burdened by such easement to use, maintain, repair, replace or improve such easement and to use property adjacent to such easement area for such purposes. The holder of such easement shall use, maintain repair, replace, and improve such easements at its sole cost and expense. All such work shall not interfere with the operations of the parcel burdened by such easement.
  - B. the owner of the real estate burdened by any such easement shall take no action to interfere with the use of such easement.

## ARTICLE VI GENERAL TERMS

6.1 Confirmatory and Supplementary: This Agreement shall be construed to confirm and supplement the terms of the 1965 Deed, and it shall not be construed that GLHA is releasing any rights and easements under said 1965 Deed unless said (a) release terms are explicit or (b) said rights and easements were previously released by instruments recorded in the Coos County Registry of Deeds. This Agreement shall also not be construed that Fraser is releasing the limitations described with respect to flowage rights held by GLHA. This Agreement shall not be construed to revise the exceptions and reservations made in the 1965 Deed except to the extent explicitly stated herein or as set forth in the deed from Fraser to GLHA in a deed of even date herewith and recorded in the Coos County Registry of Deeds. This instrument shall be recorded in the Coos County Registry of Deeds.

GLHA and Fraser do hereby acknowledge that the so-called Diesel Station, the Kraft Steam Station, the Cascade Steam Station the Central Steam Station (all of which are referenced in the 1965 Deed) are not presently owned by GLHA and have either been dismantled or are presently owned by Fraser.

Fraser hereby confirms and reaffirms by granting to GLHA the flowage rights and easements necessary to operate the six hydroelectric facilities on the GLHA Property insofar as said flowage rights and easements affect any real property of Fraser in Berlin, Gorham, Shelburne, Milan, Dummer, Cambridge and/or Errol, Coos County, New Hampshire.

- 6.2 Perpetual: The rights and easements and terms herein are perpetual and shall run with the land and shall bind the parties hereto, their successors and assigns. As used herein "GLHA" shall include, as the context dictates, its successors and assigns, and "Fraser" shall include, as the context dictates, its successors and assigns.
- 6.3 Insurance of Fraser: Fraser shall carry and maintain, or cause to be carried and maintained, no less than the insurance coverages listed in Schedule A, applicable to the Fraser Property in the minimum amounts indicated in Schedule A, with insurance companies qualified to do business in the State of New Hampshire. Any cost, fee or expense associated with carrying and maintaining insurance coverages including any deductibles shall be borne by Fraser.
  - A. Certificate of Insurance: The policies set forth in this Section shall contain a provision that coverages afforded under the policies will not be cancelled, non-renewed or materially modified unless 30 days' prior written notice via Certified United States mail has been delivered to GLHA. The policies shall name GLHA as a beneficiary under the policies as its interests may appear in the case of property insurance, and on an annual basis at each policy anniversary, Fraser shall furnish to GLHA Additional Insured and/or Loss Payee a certification of all required insurance policies in form reasonably satisfactory to GLHA.

- B. All policies set forth in this Section shall include waivers of any right of subrogation of the insurers thereunder against Fraser, and any right of the insurers to any setoff or counterclaim or any other deduction whether by attachment or otherwise, in respect of any liability of any such person insured under such policy.
- 6.4 Insurance of GLHA: GLHA shall carry and maintain, or cause to be carried and maintained, no less than the insurance coverages listed in Schedule B, applicable to the GLHA Property in the minimum amounts indicated in Schedule B, with insurance companies qualified to do business in the State of New Hampshire. Any cost, fee or expense associated with carrying and maintaining insurance coverages including any deductibles shall be borne by GLHA.
  - A. Certificate of Insurance: The policies set forth in this Section shall contain a provision that coverages afforded under the policies will not be cancelled, non-renewed or materially modified unless 30 days' prior written notice via Certified United States mail has been delivered to Fraser. The policies shall name Fraser as a beneficiary under the policies as its interests may appear in the case of property insurance, and on an annual basis at each policy anniversary, GLHA shall furnish to Fraser Additional Insured and/or Loss Payee a certification of all required insurance policies in form reasonably satisfactory to Fraser.
  - B. All policies set forth in this Section shall include waivers of any right of subrogation of the insurers thereunder against GLHA, and any right of the insurers to any setoff or counterclaim or any other deduction whether by attachment or otherwise, in respect of any liability of any such person insured under such policy.

## 6.5 Fraser Indemnity:

- A. Fraser General Indemnity: Fraser agrees that it shall protect, indemnify and hold harmless GLHA and its respective directors, officers, partners, members, employees, trustees, agents, successors and assigns (collectively, the "GLHA Indemnified Parties") from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) in respect of claims by third parties arising out of the breach of its obligations under this Agreement, negligence, willful misconduct, or failure to act according to Prudent Industry Practice on the part of Fraser or any of its officials, agents or employees, contractors or subcontractors of any tier in connection with its work; provided, however, that Fraser shall not be required to reimburse or indemnify any GLHA Indemnified Party for any loss or claim to the extent such a loss or claim is due to the negligence or willful misconduct of that Indemnified Party.
- B. <u>Fraser Environmental Indemnity</u>: Without in any way limiting the generality of the above Section, Fraser shall indemnify the GLHA Indemnified Parties against and hold them harmless from any claims, actions, orders, remediation orders, abatement orders, prevention orders and suits, administrative or other proceedings