



PAYS Financing Agreement
Owner Assignment and Novation Agreement

PAYS Agreement no.

Instructions: The Seller is to submit this completed and signed Agreement to the below address no less than 15 days prior to the sale or transfer of the property it relates to.

BETWEEN _____ (hereinafter referred to as “Seller”) and _____ (hereinafter referred to as “Buyer”) and **MANITOBA HYDRO** (hereinafter referred to as “Hydro”)

WHEREAS:

- A. Seller and Hydro are parties to the agreement set out in Schedule “A” hereto (such agreement, including Parts I through V of the PAYS Financing Agreement and all amendments thereto, if any, hereinafter referred to as the “Agreement”);
- B. Pursuant to a purchase and sale agreement effective _____, 20____, all of the right, title, estate and interest of Seller in and to the Agreement, and payments under the Agreement have been conveyed and transferred to Buyer; and
- C. Hydro is willing to consent to the conveyance recited above and to recognize and accept Buyer as a party to the Agreements in the place and stead of Seller as of the Effective Date subject to the terms and conditions of this Assignment.

NOW THEREFORE in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the parties hereto covenant and agree as follows:

1. Seller hereby assigns, transfers, sets over and conveys unto Buyer, effective as of _____, 20____ (hereinafter referred to as “Effective Date”), all of the Seller’s right, title, estate and interest in and to the Agreement, to have and to hold the same for its sole use and benefit absolutely.
2. Buyer hereby accepts the assignment herein provided and covenants and agrees with Seller and Hydro to assume, and thereupon and thereafter to be bound by and observe, carry out, perform and fulfill all of the covenants, conditions, obligations and liabilities of Seller under the Agreement from and after the Effective Date, to the same extent and with the same force and effect as though Buyer had been named a party to the Agreement as of the Effective Date in the place and stead of Seller.
3. Hydro hereby consents to the assignment and accepts Buyer as a party to the Agreement, and hereby covenants and agrees that Buyer shall be entitled to hold and enforce all of the benefits, rights and privileges of Seller under the Agreement from and after the Effective Date as if Buyer had been originally named as a party to the Agreement, and the Agreement shall continue in full force and effect with Buyer substituted as a party thereto as of the Effective Date in the place and stead of Seller.
4. Hydro hereby expressly releases, relieves and discharges Seller from all of its duties, obligations and liabilities arising out of or accruing under the Agreement from and after the Effective Date, **PROVIDED**, however that nothing herein contained shall be construed as a release of Seller from any obligations or liability under the Agreement, which obligations or liability accrued prior to the Effective Date, saving and excepting only any obligation to give prior notice to Hydro of the proposed disposition by the Seller to Buyer, and Hydro expressly consents to such disposition and waives any and all prior or pre-emptive rights to purchase, rights of first refusal and rights to restrict (or to require consent to) assignments or dispositions in respect of the Agreement.
5. The address of Buyer for notices under the Agreement shall be:

Name of Buyer			
Address of property being purchased	City/town	Province	Postal code

6. Buyer expressly acknowledges that in all matters relating to the Agreement, subsequent to the Effective Date and prior to the delivery of a copy of this assignment agreement to Hydro, including but not limited to all accounting, conduct of operations and disposition of production thereunder, Seller has been acting as trustee for and duly authorized agent of Buyer, and Buyer does hereby expressly ratify, adopt and confirm all acts or omissions of Seller in its capacity as trustee and agent, to the end that all acts or omissions shall for all purposes be construed as having been made or done by Buyer.
7. The Buyer acknowledges, by providing his initials beside the statement below, that he/she has received a copy of the Agreement between Hydro and the Seller and that he/she is fully aware and agrees to the terms and conditions contained therein.
8. The parties hereto shall, from time to time and at all times hereafter, without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required to give full effect to the provisions hereof.
9. This assignment agreement shall be binding upon Seller and Buyer notwithstanding the failure or refusal of Hydro to execute a copy of this assignment agreement.
10. This assignment agreement shall enure to the benefit of and be binding upon the parties hereto and their respective administrators, trustees, receivers, successors and assigns.
11. This assignment agreement shall be governed by, construed and enforced in accordance with the laws of the Province of Manitoba and the laws of Canada applicable therein.
12. This assignment agreement may be executed in counterpart, no one copy of which need to be executed by all of the parties hereto. When copies have been executed by each of the parties hereto, all copies together shall constitute one agreement and shall be a valid and binding contract among the parties hereto as of the date first above written.
13. If any provision of this assignment agreement is determined to be invalid, illegal or unenforceable in whole or in part, such invalidity, illegality or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

Routing instructions:

1. The Seller signs and dates the Agreement and obtains a witness signature.
3. The Seller’s lawyer mails, faxes or scans and emails the Agreement to the Buyer’s lawyer.
3. The Buyer signs and dates the Agreement and obtains a witness signature.
4. The Buyer acknowledges that they received a copy of the PAYS Agreement by initialing and dating the appropriate fields at the bottom of the Agreement.
5. The Buyer’s lawyer mails the Agreement to:
Manitoba Hydro
PAYS Financing Program
360 Portage Ave., Winnipeg, MB R3C 0G8

IN WITNESS WHERE the parties hereto have executed and delivered this assignment agreement as of the date first above written.

SELLER (please print name(s)) _____	_____	MANITOBA HYDRO
	Signature of Seller(s)	
	_____	Per: _____
	Signature of Witness	
	_____	_____
	Witness name (please print)	Name

		Title
BUYER (please print name(s)) _____	_____	
	Signature of Buyer(s)	

	Signature of Witness	

	Witness name (please print)	

Buyer acknowledges having received a copy of the PAYS Financing Agreement between MANITOBA HYDRO and

_____	dated _____	Buyer Initials: _____
(Seller Name)		