

TRAINING CENTER LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is effective as of, the 1st day of May, 2016, by and between LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP., a New Hampshire corporation with a mailing address of 15 Buttrick Road, Londonderry, New Hampshire 03053 ("EnergyNorth"), and LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP., a New Hampshire corporation, with a mailing address of 15 Buttrick Road, Londonderry, New Hampshire 03053 ("Granite State").

EnergyNorth hereby leases to Granite State, and Granite State hereby leases from EnergyNorth, the nonexclusive right to occupy and use the land and building identified as 10 Broken Bridge Road in the City of Concord, New Hampshire, also known as the Training Center, with the legal description as follows: that certain parcel of land shown as "Proposed Map 109, Block 1, Lot 2, 10.68 Ac. \pm , 465,037 SF" on a Plan of Land recorded with the Merrimack County Registry of Deeds as Plan 201400021826 (Training Center).

The Lease shall remain in effect until terminated by the Granite State or EnergyNorth with 120-days' notice to the other party.

For the period May 1, 2016, through April 30, 2017, "Granite State's Proportionate Share" shall be twenty five percent (25%). Granite State's Proportionate Share shall be recalculated as of May 1 each year, beginning May 1, 2017, based on the ratio of EnergyNorth's and Granite State's union employees as of end of the immediately preceding calendar year.

For the period May 1, 2016, through April 30, 2017, Granite State shall, on a monthly basis, recognize its Proportionate Share of EnergyNorth's annual costs of ownership, operation and maintenance, coincident with EnergyNorth's recognition of rental income on its books, which Proportionate Share the parties estimate to be \$146,559. Annual costs of ownership, operation and maintenance shall include the following: EnergyNorth's return on its investment in the Training Center at its weighted average cost of capital; EnergyNorth's annual book cost and accumulated depreciation; insurance, electricity; property taxes; natural gas; water and sewer, and routine maintenance (e.g. snowplowing, lawn and grounds, HVAC, plumbing, electrical, alarm, pest control, security; etc.)

Beginning May 1, 2017, and thereafter, Granite State shall, on a monthly basis, continue to recognize its Proportionate Share (as calculated each year) of EnergyNorth's annual costs of ownership, operation and maintenance expense, coincident with EnergyNorth's recognition of rental income on its books.

The offsetting intercompany liability/receivable will be settled periodically along with other related party transactions.

EnergyNorth shall put Granite State into nonexclusive possession of the Leased Premises as of May 1, 2016, and Granite State shall peaceably and quietly hold and enjoy the Training Center. Granite State acknowledges that its possession and use of the Training Center shall be

coextensive with the use and possession by EnergyNorth, its employees, agents, and representatives.

Granite State may, with the prior approval of EnergyNorth, make such reasonable alterations, additions, or improvements to the Training Center as it deems necessary or desirable.

Granite State shall not assign this Lease or its rights hereunder nor sublease the Training Center, without the consent of EnergyNorth. EnergyNorth shall have the right to assign this Lease or its rights hereunder in its sole discretion.

Except as may be caused by the gross negligence or intentional misconduct of EnergyNorth or those for whom EnergyNorth is responsible, EnergyNorth shall not be liable for any injury or damage to any person happening on or about the Training Center, or for any injury or damage to the Training Center, or to any property of Granite State, or to any property of any third person, firm, association, or corporation on or about the Training Center.

This Lease is binding on and will inure to the benefit of the administrators, successors, and permitted assigns of the parties.

Any consent, express or implied, by either EnergyNorth or Granite State to any breach by the other of any covenant or condition of this Lease will not constitute a waiver by EnergyNorth or Granite State of any prior or succeeding breach by the other party of the same or any other covenant or condition of this Lease.

This Lease will be construed and interpreted in accordance with the laws of the State of New Hampshire, excluding its choice of law rules or rulings.

This Lease contains and embraces the entire agreement between the parties and no part may be amended unless such amendment is in writing and signed by both parties.

If any term, clause, or provision of this Lease is judged to be invalid or unenforceable, the validity or enforceability of any other term, clause, or provision in this Lease will not be affected thereby.


[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Lease on May 10, 2016, and it is effective as of May 1, 2016.

LIBERTY UTILITIES (ENERGYNORTH
NATURAL GAS) CORP.



Witness


By: 

Name: David Swain
Title: President

LIBERTY UTILITIES (GRANITE STATE
ELECTRIC) CORP.



Witness

By: 

Name: David Swain
Title: President