

BILL OF SALE

This agreement ("Agreement") is entered into effective as of **August 14, 2023**, (the "Effective Date") between **Foothills Water & Sewer, LLC**, an Arizona limited liability company ("Buyer"), and **Northwest Natural Gas Company**, an Oregon corporation ("Seller").

1 SALE AND PURCHASE.

(a) Equipment to be purchased. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the valve exerciser trailer identified in Attachment A (the "Equipment").

(b) Purchase Price. For and in consideration of the sum of fifty-eight thousand seven hundred fifty-two and 61/100 Dollars (\$58,752.61) and other good and valuable consideration, in hand paid by Buyer, and upon the terms and subject to the conditions of this Agreement, Seller hereby sells, assigns, conveys, transfers and delivers to Buyer the Equipment contemplated by Section 1(a). In addition, Buyer will pay any applicable taxes incurred as a result of, relating to, or arising out of the transactions contemplated by this Agreement.

(c) Transfer of Title and Risk of Loss. Effective August 14, 2023 for the Equipment as specified in this Section 1, all right, title, and interest of Seller to the Equipment, and risk of loss of the Equipment, will transfer to Buyer. Buyer will have 60 days to remove the Equipment from Seller's property located at 20285 SW Cipole Road, Sherwood, OR 97140, the NW Natural Operations & Training Center.

2 WARRANTY; DISCLAIMERS.

(a) Seller's Warranty. Seller warrants that it has good title to the Equipment and that the Equipment is not presently encumbered by any mortgage, lien, deed of trust, security interest, or other encumbrance whatsoever created by Seller. Any descriptions of particular Equipment in Attachment A are based on the latest information available to Seller's personnel responsible for the Equipment.

(b) Disclaimer of Further Warranties. *Buyer acknowledges that the Equipment is used. The Equipment is being sold by Seller to Buyer on an "as is, where is" basis and with all faults, including latent defects. Seller does not provide, and specifically disclaims, any and all warranties of any kind whatsoever (except as to title expressly set forth in Section 2(a)), express or implied, written or oral, including but not limited to any warranty of merchantability or any warranty of fitness for a particular use or purpose. The disclaimers of warranties contained herein are "conspicuous" disclaimers for the purposes of any applicable law, rule or order.*

3 INSPECTION; CLAIMS.

(a) Release of Claims. Except for claims relating to a failure to make particular Equipment available to Buyer and claims for a failure of title warranty as described in Section 2(a) herein, Buyer hereby releases Seller, its subsidiaries and related entities and affiliates, and any and all of their respective employees, officers, members, directors, and agents (collectively, the "Indemnified Parties") from all

liability, and waives any claims it may now have or which it may have in the future against them which, either directly or indirectly, are in any way connected with, arise out of, or result from Buyer's purchase of the Equipment, including any liabilities or claims resulting, directly or indirectly, from the failure of Seller to give more specific warnings with respect to individual Equipment or from the inadequacy of any warning.

(b) Limitation of Damages. *The liability of Seller to Buyer for any and all claims arising out of or relating to this Agreement will not exceed the total consideration paid to Seller for the Equipment by Buyer, and in no event will Seller be liable to Buyer for incidental, consequential, special, or indirect damages.*

4 INDEMNITY. *Buyer will and hereby does indemnify and hold Seller and Seller's employees, agents, affiliates and contractors (collectively, the "Indemnified Parties") harmless from, and agrees to defend the Indemnified Parties from, all liens, encumbrances, fines, penalties, claims, demands, liabilities, and causes of action of, to, or by any person, including Buyer or any government entity, including those for injury to, disease, or death of any person and for damage to or destruction of any property or relating to any environmental claims (with respect to all: including reasonable costs, expenses, and attorneys' fees incurred by the Indemnified Parties therewith), arising out of or resulting from: (1) any of the representations, warranties, covenants, and agreements of Buyer set forth in this Agreement being incorrect, untrue, or breached (or alleged by any third party to be incorrect, untrue, or breached); (2) any acts or omissions in connection with the performance of any Buyer activity contemplated by this Agreement of (i) Buyer or its contractors of any tier, or its employees or agents, (ii) anyone directly or indirectly employed or contracted by Buyer, or (iii) anyone otherwise associated with Buyer; or (3) the presence, handling, removal, transport, use, existence, operation, maintenance, or condition of any of the Equipment after the transfer date specified in Section 1(c) above. The indemnification provisions in this Section 4 will be enforceable regardless of whether any person (including the person from whom indemnification is sought) alleges or proves (1) the sole, concurrent, contributory, or comparative negligence of the Indemnified Parties or the person seeking indemnification or (2) the sole or concurrent strict liability imposed upon the Indemnified Parties or the person seeking indemnification. This indemnity protects Seller and the Indemnified Parties from the consequences of the Indemnified Parties' own negligence, fault or strict liability.*

5 MISCELLANEOUS.

(a) Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be null and void or unenforceable, then such provision will be deemed to be severed, and the remaining provisions of this Agreement will remain in full force and effect.

(b) Governing Law; Exclusive Jurisdiction. The Laws of the State of Oregon govern all matters arising out of this Agreement, without giving effect to any principles of conflicts of laws. Any suit, claim, or legal proceeding arising out of or related to this Agreement in any way must be brought in a state or federal court located in Oregon, and the parties hereby consent to the exclusive jurisdiction of such courts.

(c) No Waiver. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants, or conditions of this Agreement, or to exercise any right herein, will not be construed as a waiver or relinquishment of any such term, covenant, condition, or right with regard to further performance.

(d) Assignment. The provisions of this Agreement shall inure to the benefit of and shall be binding upon the parties hereto and the successors and permitted assigns of Buyer and Seller.

(e) Entire Agreement. This Agreement, as to its subject matter, exclusively and completely states the rights and duties of the parties, sets forth their entire understanding, and merges all prior and contemporaneous representations, promises, proposals, discussions, and understandings by or between the parties.

(f) Execution. This Agreement may be executed in one or more counterparts (including by means of facsimile or a portable document format (*.pdf)), each of which, when delivered, shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement is executed and delivered to be effective as of the Effective Date.

Buyer:

Foothills Water & Sewer, LLC

By: Ed Fortner
Ed Fortner

Title: General Manager

Seller:

Northwest Natural Gas Company

By: J. S. Karney
Name: Joseph Karney

Title: Vice President, Engineering and
Utility Operations

ATTACHMENT A
EQUIPMENT LIST

The “Equipment” referenced in the subject Bill-of-Sale includes:

- **Valve Exerciser Trailer – Manufactured by Hurco Technologies Inc, model” VAC 300, purchased new from Hurco in 2021 (NWN property unit trailer #361, asset 9101).**