

SITE PLAN AGREEMENT

THIS AGREEMENT made this 10th day of September 2018.

B E T W E E N:

4 High Street Inc. -Ont. Corp. # 002309510
(the "Owner")

- and -

The Corporation of the Town of Fort Frances
(the "Municipality")

WHEREAS:

- A. The Owner has represented to the Municipality that the Owner is the registered and beneficial owner of the lands and premises (the "Lands") legally described in **Schedule 1** hereto;
- B. The Owner wishes to construct and develop, in and on the Lands or a portion thereof, a motor vehicle service station (herein sometimes referred to as the "Development" or "Proposed Development");
- C. By an application dated November 16, 2016, the Owner applied to the Municipality for site plan approval in respect of the Proposed Development;
- D. The Municipality provided approval of the Application in respect of the Proposed Development subject to certain conditions;
- E. The Owner has submitted to the Municipality the Plans and Drawings (as "Plans and Drawings" are defined in paragraph 3 of this Agreement) in respect of such Proposed Development by the Owner of the Lands; and
- F. s. 41(10) of the Planning Act (as "Planning Act" is defined in paragraph 3 of this Agreement) (the "Planning Act") permits the registration of this Agreement against the Lands.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants hereinafter expressed and other good and valuable consideration, the receipt of which is hereby acknowledged, the Owner and the Municipality (collectively the "Parties", individually a "Party") hereto agree one with the other as follows:

The Lands

- 1. The Lands affected by this Agreement are as follows: 850 King's Highway, more particularly described in **Schedule 1** attached hereto.

Schedules

- 2. The following Schedules are attached hereto and form part of this Agreement:
 - (a) **Schedule 1** being a description of the Lands affected by this Agreement;
 - (b) **Schedule 2** being a Solicitor's Certificate of ownership of the Lands, which certificate shall be provided to the Municipality within 10 days of the request by the Municipality therefor;
 - (c) **Schedule 3** being a schedule of financial obligations of the Owner payable upon execution of this Agreement or as otherwise provided;
 - (d) **Schedule 4** being a list of the Plans and Drawings (as "Plans and Drawings" are defined in paragraph 3 of this Agreement) as filed by the Owner with the Municipality as may be, with the approval of the Municipality, revised at any time and from time to time;
 - (e) **Schedule 5** being a schedule of letters of credit (which shall be in form and substance satisfactory to the Municipality) to be obtained and filed with the Municipality by the Owner on or before execution of this Agreement; and
 - (f) **Schedule 6** being a schedule for the release/reduction of letters of credit by the Municipality to the Owner.

Definitions

3. In this Agreement:

- (a) "Agreement" means this Agreement and any Schedules referred to in it or attached to it, as may be amended from time to time. The recitals to, and the Schedules attached to this Agreement shall be considered integral parts of it.
- (b) "Construction Lien Act" means the Construction Lien Act, R.S.O. 1990, c. C.30, as amended, including successor legislation.
- (c) "Municipal Act" means the Municipal Act, 2001, S.O. 2001, c.25, as amended, including successor legislation.
- (d) "Person" means an individual, association, partnership, syndicate, firm, organization, foundation, trust, estate, governmental authority, corporation, trustee, agent, or any other entity, and the heirs, administrators, executors, assigns and other legal representatives of any such person to whom the context may apply according to law.
- (e) "Planning Act" means the Planning Act, R.S.O. 1990, c. P.13, as amended, including successor legislation.
- (f) "Plans and Drawings" means the plans and drawings (and any accompanying materials) referred to in **Schedule 4** of this Agreement. The Parties acknowledge that, from time to time, the Plans and Drawings may, with the prior written acceptance of the Municipality, be revised, and if the Municipality provides its acceptance for any revision wherever there is, in this Agreement, any reference to Plans and Drawings, such reference shall be and be deemed to be to the Plans and Drawings so revised with the prior acceptance of the Municipality, and any and all obligations, responsibilities, and otherwise of the Owner to construct or otherwise under or pursuant to this Agreement shall be deemed to reference, apply, and have regard to (and the Owner shall follow and adhere to), the Plans and Drawings so revised.

The Owner shall, further:

- (i) obtain, from any and all authorities having jurisdiction, any and all approvals required for any proposed revision to Plans and Drawings or to any changes to design, construction, and otherwise as may be shown or contemplated therein and thereby; and
- (ii) when submitting and making application to the Municipality in respect of revisions to any and all Plans and Drawings, include with such application any and all approvals applicable or required to be obtained from any and all authorities having jurisdiction.
- (g) "Security" means any and all letters of credit, cash, and other security provided or to be provided the Municipality under or pursuant to the provisions of this Agreement in order to guarantee compliance with all conditions and things to be done or performed or caused to be done and performed by the Owner under or pursuant to this Agreement.
- (h) "Works" means any and all buildings, structures, works, services, facilities and matters and otherwise (and whether internal or external to the Lands) referred to or required by or under this Agreement.

Terms and Conditions - General

4. The Owner:

- (a) covenants and agrees to develop the Lands and do, construct, and build all Works, whether internal or external to the Lands in strict compliance with the Plans and Drawings;
- (b) covenants, warrants, and represents, that the Plans and Drawings submitted to the Municipality have been prepared in a good and workmanlike manner, are accurate in all respects and comply with the requirements of all authorities having jurisdiction;
- (c) acknowledges that the Owner's application is on the basis of a proposal for the Proposed Development, namely the construction, development, and completion, in accordance with the terms and conditions contained in this Agreement. The Owner represents and warrants to the Municipality that no deviations or changes shall be made to the Plans and Drawings and no construction shall take place contrary to such Plans and Drawings, without the prior written approval of the Municipality, except such changes as may be required by the Municipality in order that said Plans and Drawings shall comply with all relevant provisions of the building or zoning or other by-laws or laws of the Municipality, and all regulations or laws of any other authority having jurisdiction;

- (d) covenants and agrees that no work shall be undertaken or performed on, or external to, the Lands except in accordance with the terms of this Agreement;
- (e) acknowledges and agrees that compliance with all applicable laws and regulations applicable, including, without limitation, the Ontario Building Code and the regulations thereunder, and all other applicable laws and requirements of all authorities having jurisdiction, is mandatory;
- (f) covenants and agrees not to convey a part or to further divide the Lands, except in pursuance of the Planning Act or any other similar legislation;
- (g) covenants and agrees that, unless otherwise determined by the Municipality in its sole and unfettered discretion, neither the Owner nor any entity under the authority of the Owner shall be entitled to the issuance of one or more permits to construct or otherwise proceed with any Works or otherwise contemplated under this Agreement until this Agreement has been fully executed and registered on title to the Lands;
- (h) covenants and agrees that it will hold back in its payments to any contractor who may construct services, facilities, or Works or any part thereof, such amounts as may be required under the provisions of the Construction Lien Act. The Owner shall indemnify and save completely harmless the Municipality from and against all claims, demands, actions, causes of action and costs resulting from any construction being performed, by the Owner, its agents and assigns, and any entity acting under the authority of the Owner, and, on demand by the Municipality, the Owner shall take such steps as may be necessary to immediately discharge all liens registered upon or against the Lands, the Works, or otherwise;
- (i) covenants and agrees to retain a professional engineer (the "Engineer") who holds a Certificate of Authorization for municipal engineering applications from the Association of Professional Engineers of Ontario to prepare such design of grading, site and external servicing plans, municipal service connection designs, storm water management, and other reports as may be required by the Municipality to be submitted to the Municipality.

The Engineer shall, prior to the reduction or release of any Security, be required to inspect and certify to the Municipality that all Works have been constructed in accordance with the Plans and Drawings. The certificate, or certificates, shall be in a format acceptable to the Municipality in its sole and unfettered discretion;

- (j) covenants and agrees not to permit occupancy of any building or part thereof for which building permits have been issued until:
 - (i) all Works required under this Agreement are completed in accordance with the requirements of the Ontario Building Code, the applicable zoning by-law and any other municipal by-laws and all other applicable law and requirements of all authorities having jurisdiction;
 - (ii) all water and sanitary sewer infrastructure has been properly tested, approved by all authorities having jurisdiction, and are operating in accordance with the conditions established by the Municipality; and
 - (iii) occupancy permit has been issued.

In the event that a building or part thereof is occupied otherwise than in accordance with the provisions of this paragraph 4(j) of this Agreement, the Owner covenants and agrees that the Municipality shall be entitled to obtain an order from a court of competent jurisdiction prohibiting the occupancy of any building or part thereof until such time as the terms of this Agreement have been fully complied with, and the Owner shall be stopped from opposing such application on the part of the Municipality;

- (k) that the Municipality shall be entitled, in its sole and unfettered discretion and at the sole cost and expense of the Owner, to retain the services of an independent qualified engineer to review all documentation submitted to the Municipality by the Owner and to conduct necessary inspections and otherwise of and in respect of the Works; and
- (l) that once all Works required to be provided, constructed, or installed by it that are internal to the Lands under the terms of this Agreement have been completed to the satisfaction of the Municipality, and in accordance with all Municipal specifications, the laws and requirements of all authorities having jurisdiction, and in a good and workmanlike manner, the Owner shall maintain such Works in accordance with the requirements of all authorities having jurisdiction until this Agreement is amended to provide otherwise or is otherwise released from title to the Lands. In the event that any of the internal Works are not being maintained in accordance with all applicable laws and requirements of all authorities having jurisdiction, or if the Owner is otherwise in default of this Agreement, the Municipality may, on written notice to the Owner, require the Owner to comply with the terms of this Agreement.

5. The Municipality may, by its agents, officers, employees, assigns, contractors, subcontractors, and other representatives and other Persons howsoever engaged by it, from time to time enter in and on the Lands or any part thereof as well as any building(s) erected thereon to ensure that any Works required to be provided, constructed, or installed by the Owner comply with this Agreement.
6. The Owner covenants and agrees as follows:
 - (a) Not to foul the highways leading to the Lands and to provide on all construction accesses leading to the Lands, an interim granular surface to prevent mud or dust from fouling any roads.
 - (b) Not to permit any approach ramps and driveways across the untraveled portion of any road allowance owned by the Municipality unless such approach ramps and driveways are constructed and installed to the Municipality's specifications.
 - (c) To install curbing to the Municipality's specifications along the approach ramps between the property line and the street, and at all locations shown on the Plans and Drawings.
 - (d) To provide fire access route signs, to locate such number of fire hydrants and size of watermains as approved by the Municipality and to satisfy any and all requirements of the Municipality's Fire Chief or the Fire Chief's designate at the Owner's sole cost and expense.
 - (e) To ensure, provide, and maintain, a proper plan with regard to ambulance and other emergency response and related measures and services.
 - (f) To ensure, provide, and maintain a proper access route for fire, ambulance, and other emergency response and related measures and services.
 - (g) To pave with asphalt or concrete all parking, loading, and walkway areas on the Lands to the Municipality's requirements and specifications. No parking or loading zone shall be permitted on any of the Lands unless all areas for which parking and loading are permitted are paved. All handicapped parking spaces shall be so identified with appropriate signage to the satisfaction of the Municipality. All parking and loading areas shall be constructed and maintained to the Municipality's satisfaction.
 - (h) To design, install, and maintain, in accordance with the Plans and Drawings, light standards, fixtures and illumination devices to adequately illuminate the Lands but to also prevent the spread of light onto other properties or onto public highways.
 - (i) To complete and maintain landscaping and planting on the Lands in accordance with the Plans and Drawings.
 - (j) Not to permit any refuse, junk, debris or other material to be deposited on any lands, school lands, or park lands in the area, and that any such refuse, junk, debris, or other material will be removed from the Lands at the expense of the Owner. If the Owner fails to remove the aforesaid material within a period of 48 hours from the time of delivery of written notice to the Owner, the Municipality may enter the Lands and remove the said material and the Owner shall pay for all costs and expenses incurred by the Municipality and the Owner further agrees that the Municipality shall be entitled to charge same against, and take any such costs and expenses from, any Security.
 - (k) To design, prior to construction, a waste management system for the collection, storage, and disposal of waste and recyclable materials, to implement such system and to maintain same following occupancy of the Proposed Development to the satisfaction of the Municipality.
 - (l) To provide internal recycling and garbage areas sufficient to contain the required number of containers and materials.
 - (m) To convey to the Municipality any easements or land (if any) required by the Municipality for the construction, maintenance and improvement of watercourses, ditches, and land drainage works, sewage facilities, and other public utilities.
 - (n) To obtain written confirmation from the appropriate Persons that all utility requirements for the Lands (including but not limited to telephone, telecommunications, hydro-electric power, gas, and postal services), have been satisfactorily arranged and installed, that servicing for same will be provided without any expense, cost, or obligation on the part of the Municipality, and that all requisite documents and otherwise have been or will be provided to such Persons.
 - (o) To design, obtain approval in respect of, construct, install, and maintain, in accordance with all design and approval requirements of all authorities having jurisdiction and the Plans and Drawings, proper water, sewer, and drainage, systems and facilities, and to indemnify and save harmless the Municipality from actions, claims and suits whatsoever, which may arise out of the implementation or lack of maintenance thereof.

- (p) To implement and monitor on-site sediment and erosion control measures during construction of the Proposed Development, to the satisfaction of the Municipality and to allow the Municipality and its employees and agents, in perpetuity, access to the Lands to inspect roof drains, inlet control devices, and water and sewer management facilities.
 - (q) To provide regular removal of snow from the site and that the parking spaces and landscaping areas will not be used for the stockpiling of snow.
 - (r) To provide an environmental clearance certificate certified by a professional engineer or equivalent to the Municipality that all lands to be conveyed to the Municipality under this Agreement are environmentally suitable for their proposed use in accordance with any laws or guidelines from the Ministry of Environment or successor branch or agency (herein, "MOE").
 - (s) to file with and provide to the Municipality, forthwith upon:
 - (i) completion of any buildings in or on the Lands, 2 complete hard copy sets of as built drawings for the buildings;
 - (ii) completion of any services, works, or facilities (including, without limitation, any utility infrastructure), 2 complete hard copy sets, and one complete electronic set, complete with UTM coordinates, of as built drawings for all such services, works, and facilities installed or constructed pursuant to and in accordance with this Agreement, and whether internal or external to the Lands; and
 - (iii) completion of the Proposed Development, 2 copies of survey and survey/real property reports prepared by and Ontario Land Surveyor complete with UTM coordinates;
 - (t) To provide, during all hours of construction, competent on-site supervision of all Works required to be done on all public and private lands and building or other construction to be undertaken in or on the Lands.
 - (u) To erect proper gates, signs, and protections surrounding or in respect of the Works and any construction on the Lands and to maintain same until final completion of construction.
 - (v) That no antennae or associated equipment will be permitted on the roof and that all roof-top equipment shall be adequately screened from view to the satisfaction of the Municipality.
 - (w) To ensure to get locates, and to verify the location of all existing and proposed utility infrastructure (including, without limitation, infrastructure relating to sewer, water, natural gas, hydro, cable, and other utilities), and whether such utility infrastructure is internal or external to the Lands, before commencing any digging or construction. The Owner shall be solely responsible for and pay all costs and expenses associated with any damage to any utility infrastructure and the relocation of any and all utilities as may be required. In the event of damage to any utility infrastructure by the Owner or its agents, assigns, employees, contractors, subcontractors, or other representatives or Persons howsoever engaged, or relocation of any utility infrastructure is, in the Municipality's sole discretion, required, the Municipality shall, in addition, without limitation and without prejudice to any and all other remedies that may be available to the Municipality in law or equity, be entitled, on written notice to the Owner (except in cases of emergency, in which case no notice shall be required), to require the Owner to comply with the terms of this Agreement and draw on, and utilize, the Security as the Municipality deems fit to pay for any and all costs, expenses, and damage, and costs of relocation, from the proceeds so drawn.
 - (x) To make all necessary arrangements and to be solely responsible for the costs and expenses of removing and relocating any existing municipal or public services requiring relocation in the course of, or in connection with, the construction, installation or provision of the Works or otherwise required under this Agreement.
 - (y) To comply with all provisions of the Municipality's noise by-law.
 - (z) To provide the opportunity for ongoing and final site/Works inspection, monitoring, and testing (including, without limitation, prior to and during construction and material delivery, testing, or compaction) as required by the Municipality.
7. The Owner covenants and agrees to provide, arrange for, construct, install, and pay for all Works required to be provided, constructed, or installed by it that are internal to the Lands under the terms of this Agreement to the satisfaction of all authorities having jurisdiction, and in accordance with all municipal requirements and specifications, and in a good and workmanlike manner.

In the event of any of such internal Works not being or having been so constructed, installed, repaired, or if the Owner is otherwise in default of this Agreement, the Municipality shall, without limitation and without prejudice to any and all other remedies that may be available to it, be entitled, on written notice to the Owner (except in cases of emergency, in which case no notice shall be required), to:

- (a) require the Owner to comply with the terms of this Agreement; and
- (b) do or cause to be done whatever the Municipality deems necessary for or to ensure compliance with this Agreement (including, without limitation, the right to install, construct, and maintain any and all such Works)

all at the Owner's sole cost and expense, and to recover any and all costs and expenses (including, without limitation, all legal and related costs) expended or incurred by the Municipality in doing so, and draw on, and utilize, the Security as the Municipality deems fit to ensure, require, and complete, compliance, and pay all costs and expenses incurred thereby from the proceeds so drawn.

8. Notwithstanding any review (if any) or otherwise by the Municipality of the Plans and Drawings, and anything contained in this Agreement or otherwise, it is and shall throughout be and at all times remain the responsibility and liability of the Owner to ensure that all Plans and Drawings and any other documents provided by the Owner to the Municipality are accurate in all respects and comply with all provisions of the building or zoning or other by-laws of the Municipality and laws, regulations, and requirements of all authorities having jurisdiction, and the Municipality shall not, whether by or as a result of any review done by the Municipality of the Plans and Drawings, or any other action or non-action taken by the Municipality have any responsibility or liability to the Owner in respect thereof nor be deemed to have approved or confirmed that the Plans and Drawings are accurate in any respect or at all or comply with the provisions of the building or zoning or other by-laws of the Municipality or regulations, laws, or requirements of any other authority having jurisdiction.

The Owner is aware that, given the Municipality's staffing, budgeting, and other limitations, and considerations and the obligations of the Owner to ensure the provision of information and Plans and Drawings, which is complete and in compliance with the requirements of all authorities having jurisdiction, the Municipality may undertake a limited or cursory review of the Plans and Drawings, relying, as the Municipality does, on the Owner to ensure completeness and compliance.

Terms and Conditions - Other

9. The Owner acknowledges and confirms that, to the best of their knowledge and belief, there are no conditions known to them or any of them of or relating to the Lands (whether or not objected to by any authority with jurisdiction with respect to the same) which would adversely interfere with or derogate from, the uses to which Lands are presently put or the uses to which the Owner proposes to put the Lands, including, without limitation, the existence of any environmental hazard or other substance, material or contaminant of the soil or groundwater or any constituent element thereof causing or which would cause environmental contamination or concern.
10. (a) The Owner covenants and agrees to provide, arrange for, construct, install, and pay for the following Works external to the Lands, namely:
- (i) to repair and restore to the satisfaction of the Municipality any grounds, fences, and any other works, services, facilities, and otherwise, dug up or damaged during or as a result of the construction or execution of the Proposed Development;
 - (ii) any and all Works shown on or spoken to in the Plans and Drawings as being external to the Lands, including, without limitation:
 - (A) the water, storm sewer, and sanitary sewer infrastructure to the property line of the Lands;
 - (B) concrete driveway approaches as shown on the Plans and Drawings;
 - (C) hydro-electric power, gas, telephone, and other public utility requirements for the Proposed Development; and
- (b) The Owner acknowledges that notwithstanding that the above-noted Works may be external to the Lands, it derives a direct benefit from the provision, construction, and installation of such Works and that the Proposed Development proposed hereunder could not be accommodated without the existence of such Works.
- (c) The Owner covenants and agrees to construct or install all Works required to be provided, constructed or installed by it that are external to the Lands under the terms of this Agreement to the satisfaction of the Municipality and any other authority having jurisdiction, and in accordance with all municipal specifications, and in a good and workmanlike manner. The Owner guarantees the workmanship and materials for the construction and installation of the external Works and to maintain same free of defects for a period (in this Agreement sometimes referred to as the "Guarantee and Maintenance Period") of one (1) year from the date of certification by the Municipality of completion thereof. The Owner covenants and agrees that it shall promptly and properly repair all defects in any and all such external Works to the complete satisfaction of the Municipality.

In the event of any of such external Works not being or having been provided, constructed, installed, repaired, or maintained to the satisfaction of the Municipality, or if the Owner is otherwise in default of this Agreement, the Municipality shall, without limitation and without prejudice to any and all other remedies that may be available to it, be entitled, on written notice to the Owner (except in cases of emergency, in which case no notice shall be required), to:

- (i) require the Owner to comply with the terms of this Agreement; and
- (ii) do or cause to be done whatever the Municipality deems necessary for or to ensure compliance with this Agreement (including, without limitation, the right to install, construct, and maintain any and all such Works)

all at the Owner's sole cost and expense, and to recover any and all costs and expenses (including, without limitation, all legal and related costs) expended or incurred by the Municipality in doing so, and draw on, and utilize, the Security as the Municipality deems fit to ensure, require, and complete, compliance, and pay all costs and expenses incurred thereby from the proceeds so drawn.

The Owner acknowledges that any action or non-action taken by the Municipality or by anyone on its behalf, including, without limitation, relating to the removal of snow and ice, or sanding, or cleaning of any roads, or permitting the connection of additional services to any of the external Works herein required to be constructed or installed, during the Guarantee and Maintenance Period or otherwise, is without prejudice to the Municipality's right to enforce any and all provisions of this Agreement.

- 11. The Owner covenants and agrees that there will be no blasting conducted in or on the Lands by the Owner.

Financial Conditions, Security, and Insurance

- 12. The Owner covenants and agrees to:

- (a) pay to the Municipality, forthwith upon request by the Municipality, for any and all costs and expenses whatsoever of and incurred by the Municipality with regard to the application, the preparation of this Agreement, any other matter or thing relating to the Agreement, and the registration of this Agreement against title to the Lands, and including, without limitation, all legal/lawyers fees and disbursements, engineers/engineering fees and disbursements, planning/planners fees and disbursements, Municipal staff time, notice, application, advertising, postage, court, land titles, mileage, material, HST as applicable, and any other costs and charges in any way related to the application or this Agreement;
- (b) pay any outstanding taxes (including arrears, interest and penalties) and local improvement charges; and
- (c) pay to the Municipality the Municipality's building permit fee and any other fees and otherwise payable pursuant to the Municipality's User Fees By-law.

- 13.
 - (a) In order to guarantee compliance with all conditions contained herein, the Owner covenants and agrees to file and maintain with and for the benefit of the Municipality, on the execution of this Agreement, (a) letter(s) of credit (collectively, the "Letter of Credit") in the amount set out in **Schedule 5** attached hereto. The Letter of Credit shall be in a form satisfactory to and approved by the Municipality, and the Owner covenants and agrees that the Letter of Credit shall be kept in full force and effect and that it will pay all premiums as the said Letter of Credit become due or until such time as set out in **Schedule 6** attached hereto.
 - (b) The Owner hereby acknowledges and agrees that should there be a deficiency in or failure to carry out any Works, matter, or thing required under or by this Agreement, and the Owner fails to comply, within 30 days written notice (except in an emergency situation or other exigent circumstances requiring immediate response, in which case verbal notice less than 30 days shall be deemed sufficient) with a direction to carry out such work, matter, or thing, the Municipality shall be entitled to (in addition and without limitation and without prejudice to any and all other remedies that may be available to the Municipality in law or equity), without limitation, draw on the Letter of Credit or any of it to the extent necessary and complete all outstanding work, matters, and things, enter onto the Lands as necessary for any and all such purposes, and pay all costs and expenses incurred thereby from the proceeds so drawn.

- (c) The Owner hereby acknowledges and agrees that the Municipality reserves the right to draw on and use the proceeds from the Letter of Credit to complete any Works, matter, or thing required to be done, observed, or performed by the Owner pursuant to this Agreement. The Owner further acknowledges and agrees that, notwithstanding anything contained in this Agreement, in the event that the Municipality determines that any reduction in the Letter of Credit will create a shortfall with respect to securing the completion of any Works, matter, or thing remaining to be carried out, observed, or performed by the Owner pursuant to this Agreement, the Municipality:
 - (i) shall not be obligated to reduce the Letter of Credit until such time as such Work, matter, or thing is satisfactorily completed or the Municipality has sufficient Letter of Credit to ensure that such work, matter, and thing will be completed; and
 - (ii) may request additional letters of credit for such additional amounts as the Municipality determines is necessary to fully secure the completion of any Works, matter, or thing to be or remaining to be carried out, observed, or performed by the Owner pursuant to this Agreement, and the Owner shall and does hereby agree to provide same within 30 days of demand by the Municipality therefor.
 - (d) Wherever in this Agreement a letter of credit is required to be filed with the Municipality, the Owner may deposit with the Treasurer of the Municipality cash or certified cheque in an amount equal to the Letter of Credit and such deposit shall be held by the Municipality as security to be utilized in a like manner as the letters of credit referred to above and otherwise as required or permitted by this Agreement, provided that no interest shall be payable on any such deposit.
 - (e) Notwithstanding anything contained in this Agreement, it is understood and agreed by the Parties that, except as may be otherwise permitted by the Chief Building Official of the Municipality in writing, the Owner shall not commence, undertake, engage in, or continue the Works nor any part of them without first having provided to the Municipality security satisfactory to the Municipality.
 - (f) The Owner acknowledges that upon the transfer of ownership of the Lands, the Municipality will not return any Letter of Credit until the new owner files with the Municipality a substitute Letter of Credit or such other Security as may be permitted in the required amounts.
14. The Owner shall provide or cause to be provided to the Municipality, on or prior to the execution of this Agreement:
- (a) a general comprehensive liability insurance policy in the amount of \$5,000,000.00 per occurrence in a form satisfactory to the Municipality, indemnifying the Municipality from any loss arising from claims or damages, injury or otherwise in connection with any and all Works, things, and matters done by or on behalf of the Owner. The policy shall include but not be limited to bodily injury, property damage, and contractual liability and contain a cross-liability clause and name the Municipality as additional insured. The policy shall be maintained in full force and effect from and after the execution of this Agreement until all Works external to the Lands have been assumed by the Municipality and in any event until the expiry of the Guarantee and Maintenance Period. The policy shall be endorsed to provide 30 days written notice of cancellation to the Municipality. The Owner shall, upon request therefor by the Municipality at any time and from time to time, promptly provide the Municipality with a certificate of insurance in accordance with the above and if requested a certified true copy(s) of the policy(s) certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to this Agreement. In the event that any renewal premium is not paid, the Municipality, in order to prevent the lapse of such liability insurance policy, may pay the renewal premium or premiums and the Owner agrees to pay the cost of such renewal or renewals within 30 days of the account therefor being rendered by the Municipality. The issuance of such policy of insurance shall not be construed as relieving the Owner from any liability or responsibility for any claims in excess of the aforementioned policy limits. Further, the Owner shall ensure that any contractor and subcontractor engaged to complete the Works or any matters to be done by and/or on behalf of the Owner or otherwise shall maintain the same as or equal insurance as required to be provided and maintained by the Owner hereunder; and
 - (b) Professional Liability insurance in the amount of \$5,000,000.00 per claim in a form satisfactory to the Municipality. Such insurance shall provide coverage for all errors and omissions made by the Owner's Engineer and other professionals in the rendering of, or failure to render, professional services in connection with this Agreement, and remain in full force and effect for 12 months after completion of all things and matters to be done by or to be done by or on behalf of the Owner hereunder. Until the completion of all things and matters done by or to be done by or on behalf of the Owner, upon the placement, renewal, amendment, or extension of all or any part of the insurance, the Owner shall promptly provide the Municipality with a certificate of insurance and if requested a certified true copy(s) of the policy(s) certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to this Agreement.

Administration

15. (a) If any notice is required to be given by the Municipality to the Owner with respect to this Agreement, such notice shall be mailed, delivered or sent by facsimile transmission to:

4 High Street Inc. – Ont. Corp. #002309510
42 CAWTHRA AVE
Toronto, ON
M6N 5B3

Facsimile: 647-436-3637

or such other address of which the Owner has notified the Municipality in writing.

- (b) If any notice is required to be given by the Owner to the Municipality with respect to this Agreement, such notice shall be mailed, delivered or sent by facsimile transmission to:

The Corporation of the Town of Fort Frances
320 Portage Avenue
Fort Frances, Ontario
P9A 3P9

Attention: Clerk

Facsimile: 807.274.8479

or such other address of which the Municipality has notified the Owner in writing.

- (c) Any notice so given shall be deemed conclusively to have been given and received when so delivered personally or via facsimile, or on the third day following the sending thereof by mail. Any party hereto may change any particulars of its address for notice by notice to other party in the manner aforesaid.
16. The Owner hereby agrees that this Agreement, together with any schedules thereto, shall be registered upon title to the Lands at the sole cost and expense of the Owner. The covenants, agreements, conditions and undertakings herein contained on the part of the Owner shall run with the Lands and shall be binding upon it, its successors and assigns as owners and occupiers from time to time and this covenant shall be to the benefit of the Municipality and its lands and highways appurtenant and adjacent to the Lands. The Owner further covenants and agrees to pay to the Municipality the cost of registration of this Agreement, as well as any further costs incurred by the Municipality as a result of the registration of any other documents pertaining to the application and this Agreement.
17. The Owner covenants and agrees, at its own expense, to obtain and register such documentation (collectively, the "Subordination and Postponement Documentation") from its mortgagees, lessees, and encumbrancers and other Persons interested therein or with respect thereto as may be deemed necessary by the Municipality to postpone and subordinate their interest in the Lands to the interest of the Municipality in order to ensure that this Agreement shall take effect and have priority as if it had been executed and registered prior to the execution and registration of the document or documents giving to the mortgagee, lessees, and encumbrancers and other Persons interested therein their interest in the Lands. The Subordination and Postponement Documentation shall be registered on title to the lands immediately after the registration of this Agreement.
18. The Owner acknowledges that the Municipality, in addition to any other remedies it may have at law or equity, shall also be entitled to enforce this Agreement in accordance with s. 446 and any other applicable provisions of the Municipal Act.
19. Nothing in this Agreement shall relieve the Owner from compliance with all applicable municipal by-laws, laws, regulations, notices, or other policies or laws and regulations established by any other authority having jurisdiction.
20. If the Proposed Development governed by this Agreement is not commenced within 1 year from the date of the execution of this Agreement, the Municipality may, at its sole option and on 60 days notice to the Owner, declare this Agreement null and void and of no further force and effect. Under no circumstances shall the Municipality be obligated to refund any fees, levies, or other charges paid by the Owner pursuant to this Agreement.
21. (a) The part numbers and headings, subheadings and section, subsection, clause and paragraph numbers are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- (b) This Agreement shall be construed with all changes in number and gender as may be required by the context.

- (c) Every provision of this Agreement by which the Owner is obligated in any way shall be, unless otherwise specifically stated, deemed to include the words "at the sole cost and expense of the Owner" including the payment of any applicable taxes (including, without limitation, HST).
 - (d) References herein to any statute or any provision thereof include such statute or provision thereof as amended, revised, re-enacted or consolidated from time to time and any successor legislation thereto.
 - (e) All obligations herein contained to be performed and observed on the part of the Owner shall, although not expressed to be covenants, be deemed to be covenants.
 - (f) Whenever a statement or provision in this Agreement is followed by words denoting inclusion or example and then a list of or reference to specific items, such list or reference shall not be read so as to limit the generality of that statement or provision, even if words such as "without limiting the generality of the foregoing" do not precede such list or reference.
 - (g) The Owner and the Municipality agree that all covenants and conditions contained in this Agreement shall be severable, and that should any covenant or condition in this Agreement be declared invalid or unenforceable by a court of competent jurisdiction, the remaining covenants and conditions and the remainder of the Agreement shall remain valid and not terminate thereby.
 - (h) Any rule of construction that a document is to be construed more strictly against the Party who itself, or through its agent, drafted such document, shall not apply to this Agreement as it is agreed that the Parties, directly or through their agents, have participated in the preparation of this Agreement.
 - (i) The Owner shall execute any further and other documents and do such further and other things as may be required or desirable to give effect to this Agreement.
22. Neither this Agreement nor any interest therein nor any rights under it shall be assigned or otherwise transferred by the Owner in whole or in part without the prior consent in writing of the Municipality.
23. If the Owner is constituted by or of more than one Person, their obligations hereunder shall be joint and several.
24. The Owner shall indemnify and save harmless the Municipality for and against all actions, causes of action, claims, suits, and demands whatsoever which may or do arise directly or indirectly by reason of, this Agreement, the construction and otherwise of the Proposed Development, or the Owner undertaking the Proposed Development.
25. The Owner agrees to do such further and other things and sign any further documents necessary or desirable to give effect to this Agreement.
26. The failure of the Municipality at any time to require performance by the Owner of any obligation under this Agreement shall in no way affect the Municipality's right thereafter to enforce such obligation, nor shall the waiver by the Municipality of the performance of any obligation hereunder be taken or be held to be a waiver of the performance of the same or any other obligation hereunder at any later time. The Municipality shall specifically retain its rights to enforce this Agreement in such manner as it deems fit.
27. Time shall always be of the essence of this Agreement. Any time limits specified in this Agreement may be extended with the consent in writing of the Parties, but no such extension of time shall operate or be deemed to operate as an extension of any other time limit, and time shall be deemed to remain of the essence of this Agreement notwithstanding any extension of any time limit.
28. The Parties covenant and agree with each other not to call into question or challenge, directly or indirectly, in any proceeding or action in court, or before any administrative tribunal, the Party's right to enter into and enforce this Agreement. The law of contract applies to this Agreement and the Parties are entitled to any and all remedies arising from it, notwithstanding any provision in s.41 of the Act interpreted to the contrary. The Parties agree that adequate consideration has flowed from each party to the other and that they are not severable. This provision may be pleaded by either party in any action or proceeding as an estoppel of any denial of such right.
29. The Owner understands and agrees that this Agreement and any materials or information provided to the Municipality may be subject to disclosure under the *Municipal Freedom of Information and Protection of Privacy Act* or as otherwise required by law.
30. This Agreement shall be interpreted under and be governed by the laws of the Province of Ontario.
31. This Agreement may be executed in any number of counterparts and all of these counterparts shall for all purposes constitute one agreement, binding on the Parties, notwithstanding that all Parties are not signatory to the same counterpart.
32. This Agreement and everything herein contained shall ensure to the benefit of and be binding upon the Parties hereto and their successors and assigns.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals duly attested to by their proper signing officers in that behalf.

4 High Street Inc. – Ont. Corp. #002309510

per _____
Name:
Title:

per _____
Name:
Title:

We have authority to bind the corporation

The Corporation of the Town of Fort Frances

per _____
Name: R. Avis,
Title: Mayor

per _____
Name: E. Slomke,
Title: Town Clerk

We have authority to bind the Municipality

Schedule 1

Legal Description of Lands

Lot 39 Riv Rge Mclrvine Twp; Plan 48R2376 Part 4 PCL 18234

Schedule 2

Solicitor's Certificate of Ownership

TO: The Corporation of the Town of Fort Frances (the "Municipality")

I, _____ a Solicitor of Ontario, do hereby certify that **4 High Street Inc. – Ont. Corp. #002309510** are the sole registered and beneficial owners in fee simple of the lands and premises legally described as 850 King's Highway (Lot 39 Riv Rge Mclrvine Twp; Plan 48R2376 Part 4 PCL 18234).

I further certify that there are no mortgages or other encumbrances upon the said lands or any part thereof save and except the following:

Lot 39 Riv Rge Mclrvine Twp; Plan 48R2376 Part 4 PCL 18234

All easements, licenses, and or rights-of-way to be conveyed to the Municipality, if any, will be so conveyed with the consent of all chargees and other encumbrancers.

This certificate is given by me to the Municipality for the purpose of having the said Municipality act in reliance on it in entering into this Agreement.

DATED at **Fort Frances** Ontario, this **10th** day of **September**, 2018.

Solicitor for the Owner

Schedule 3

Schedule of Financial Obligations of the Owner

1. Any and all costs and expenses whatsoever incurred by the Municipality with regard to:
 - a. Application for site plan
 - b. Preparation of this agreement
 - c. Registration of this Agreement on title
 - d. All legal / lawyer fees and disbursements
 - e. Engineer / engineering fees and disbursements
 - f. Planning / planner fees and disbursements
 - g. Municipal staff time
 - h. Land title fees
 - i. Any other costs or charges in anyway related to the application or this agreement
 - j. HST as applicable on any of the above

Schedule 4

List of Plans and Drawings
(Appendix 'A')

| | |
|--|--|
| A1.1 Site Plan, General Notes & Site Rec. A2.1 Main Floor & Mezz. Floor Plan A2.2 Pit Floor & Pre-Cast Floor Panel Layout & Roof Plan A3.1 Elevations A4.1 Mezz. Floor & Wall Framing & Cross Sections A5.1 Details, Finish Schedules, Hardware A5.2 Sections & Details A5.3 Construction Details | Mechanical M-101 and M-102 Electrical E-101, E-102 and E-103 Plumbing P-101, P-102 and P-103 S-101 Foundation Plan S-102 Slab On-Grade Plan / Details |
| Sovereign Asset Management Site Details (9 pages) | |

Schedule 6

Letters of Credit

| | |
|--|---|
| Letter of Credit to be provided by the Owner to ensure provision, fulfillment, and completion of the Works and to ensure the Owner's obligations, responsibilities, and otherwise as set out in this Agreement | 5% of the project value obtained from the building permit, of \$600,000.00. |
|--|---|

Schedule 6

Reduction or Release of Security

Application for Reduction of Securities

Prior to the reduction or release of any portion of the Letter of Credit security held by the Municipality for the Works, facilities and matters set out in this Agreement, the Owner shall supply the Municipality with the following documentation:

- (a) letter of application for reduction/release;
- (b) the consultant's certificate confirming that services completed;
- (c) as-constructed drawings;
- (d) satisfactory evidence of no construction liens filed;
- (e) workplace safety certificate;
- (f) statutory declaration as to accounts;
- (g) surveyor's certificate and real property report(s); and
- (h) composite utility plan.

Reduction/Release of Securities

Upon certification by the Municipality that all conditions imposed by this Agreement have been satisfied and for which the security was submitted, and provided the Owner is not in default with respect to any other provision of this Agreement, the Municipality shall reduce the said security by ninety percent (90%).

To ensure compliance with all conditions contained herein, the remaining ten (10%) shall be held by the Municipality for a period of one (1) year after the date of final completion (Guarantee and Maintenance Period) and therewith release or return the Security to the Owner or to the issuing financial institution.

The Municipality shall not be required to refund or account for any Security utilized by the Municipality as a result of any default by the Owner under the provisions of this Agreement. The Municipality covenants and agrees to return or release the Security for the aforementioned matters under the conditions specified.