

GENERAL SERVICE AGREEMENT entered into between the parties this 23rd day of May, 2018.

BETWEEN:

Commercial Credit Adjusters Ltd.
(hereinafter referred to as "CCA")

OF THE FIRST PART,

and

The Corporation of the Town of Fort Frances
(Legal Corporate Name)
Provincial Offences - Fort Frances Court Services Area
(hereinafter referred to as "the Client")

OF THE SECOND PART,

WHEREAS the Client wishes to retain the services of CCA for third party collection efforts; and
WHEREAS CCA wishes to perform third party collection services for the Client;
NOW THEREFORE, the parties agree as follows:

1.0 Service

1.1 The Client understands that CCA will make demands for payment to recover accounts placed with it for collection. This process may include, but is not limited to; telephone contact attempts and written notices that may indicate the account will be referred for escalation which could include legal action.

1.2 The Client may engage CCA to provide additional services as needed. Pricing for such services will be provided upon request.

2.0 Accuracy of Information

2.1 It is the Client's sole responsibility to ensure all information provided to CCA is true and accurate, including, but not limited to, supporting documentation, and CCA will rely on this information to be true and accurate.

3.0 Commission and Reporting of Direct Payments

3.1 Upon placing an account (s) for collection with CCA, the Client is bound and agrees to pay CCA a contingency fee in accordance with the rates set out below on any monies collected, regardless of when the payment is received and to whom the payment is made.

Commission Rate Structure (Canadian Accounts)

Commission Fees for: Commercial Accounts (on a per account basis)	Commission Fees for: Consumer Accounts (on a per account basis)
15.9% Flat Fee	15.9% Flat Fee
	23% on accounts > 2 nd Placement/ reassigned (if the account has payment plan by another agency)
	Add 5% to the accounts that go legal (this will be if both parties agree to move forward)
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Add 5% to accounts that go legal	
All legal fees and disbursements are to be paid by the aforementioned Client	

3.2 The Client acknowledges that in order for CCA to comply with current government legislation, it MUST maintain up-to-date and accurate Information on all accounts, therefore, the Client agrees to promptly report to CCA any and all payments and communications received by them from the debtor. The Client further acknowledges that any attempt by CCA to collect accounts with inaccurate balances is an offense and contrary to the provisions of the legislation which governs CCA's activities in each Province and Territory. Any failure on the part of the Client to report such information may result in the termination of this Agreement.

4.0 Terms of Payment

4.1 CCA will provide to the Client a monthly statement of net proceeds, detailing the following:

- (a) All monies collected, whether paid to CCA or directly to the Client;
- (b) A summary of what is due to CCA and/or what is owed to the Client;

4.2 The monthly statement shall be sent out to the Client on or before the 15th day of the following month.

4.3 Payment for commissions owed to CCA plus applicable GST is due 30 days from the statement date.

5.0 Litigation Services

5.1 If an account requires the commencement of a legal proceeding, CCA will follow this chronological procedure:

- (a) Request the Client's authorization to pull searches to determine assets that could be attached to the Judgment for enforcement remedies. The Client understands and agrees to pay for the costs for these searches which will be billed on the monthly statement regardless of whether or not legal action proceeds on the account.
- (b) Notify the debtor of our intention to recommend legal action;
- (c) Recommend and send an Authorization to commence legal proceeding to the Client;
- (d) Upon receipt of the signed Authorization from the Client, notify the debtor that we have received written Authorization from the Client to proceed with legal action and advise the debtor of our intention to proceed.

5.2 The Client acknowledges that there is a cost associated with litigation and agrees to pay for all legal costs, including, but not limited to, searches, lawyer's fees, court filing costs, service costs and lawyer's disbursements which will be billed periodically, and which will be reflected on the Client's monthly statement. The Authorization will provide the estimated legal costs and anticipated enforcement remedy available.

5.3 The Client acknowledges that there will be additional legal costs in the event a defence and/or counterclaim is filed by or on behalf of the debtor and the legal fees charged will be billed on an hourly rate based on the regular hourly rate of the lawyer handling the litigation.

5.4 The Client further acknowledges and agrees to pay for unforeseen additional legal costs that may be incurred for enforcement proceedings, which CCA will attempt to describe to the Client before proceeding and only upon obtaining the Client's approval.

6.0 Account Information

6.1 Reporting to the Credit Bureaus

CCA provides data to both Canadian credit reporting agencies which, in the collection process, provides a particular benefit to the Client and to CCA in that the debtor's payment history with the Client is exposed to future financial transactions with other credit grantors and which may motivate the debtor to pay the debt more quickly.

(a) By indication set out below, the Client acknowledges whether or not it wishes to have its accounts, which are placed with CCA for third party collections, to be reported to the credit reporting agencies as unpaid collection items.

- ☒ YES, we request our information be reported
☐ NO, we do not wish our information to be reported

(b) The Client acknowledges that it is the Client's sole responsibility to ensure the information provided is true and accurate.

6.2 Interest

The client acknowledges that if it has a legal and valid pre-existing Agreement with the debtor to charge interest, then;

- ☐ YES, the account(s) should continue to accrue interest at the annual interest rate of ____% and calculated Monthly ☐ or Daily ☐ as Simple ☐ Compounding ☐ or Periodic ☐
☒ NO, the account(s) should not continue to accrue interest.

7.0 Indemnity

7.1 The Client will indemnify and save harmless CCA, its officers, employees and agents, from and against any claims, liabilities, demands, costs, expenses and causes of action of any nature whatsoever that may be made against CCA arising out of any breach or failure to perform any provision of this Agreement by the Client, its employees or agents.

7.2 This section shall survive the expiration or termination of this Agreement.

8.0 Escalation and Dispute Resolution

8.1 Any dispute between the parties with respect to the interpretation of any provision of this Agreement, or with respect to the performance by either party hereunder, or with respect to any other matter which is specified in this Agreement to go to dispute resolution, will be resolved as specified in this section.

(a) Upon written request of either party, CCA's Account Manager and the Client's Primary or Secondary Contact (collectively the "Coordinators") will discuss the issues of the dispute for the purpose of endeavouring to resolve such dispute.

(b) The Coordinators will discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding relating thereto. During the course of such negotiation, all reasonable requests made by either party to the other for non-privileged information, reasonably related to these terms and conditions, will be honoured in order that each of us may be fully advised of the other's position. The specific format for such discussions will be left to the discretion of the Coordinators but may include the preparation of agreed upon statements of fact or written statements of position furnished to the other party.

(c) If the Coordinators cannot resolve the dispute within five (5) days or such further time frame as is mutually agreeable to the Coordinators, the dispute will be referred to the Client's President, CEO or applicable Executive Manager and CCA's President and/or CEO (collectively "Executives") for their review and resolution. The Executives will communicate with each other within five (5) days of the referral by the Coordinators for the purpose of resolving the dispute.

8.2 Neither party will initiate formal proceedings for the resolution of such dispute until the earlier of:

- (a) The Executives' joint written conclusion that amicable resolution through continued negotiation is unlikely;
- (b) sixty (60) days after the written referral to such Executives was made; or
- (c) thirty (30) days before the limitations period governing any such cause of action relating to such dispute would expire.

8.3 To the extent not prohibited by applicable law, the parties agree that written or oral statements or offers of settlement made in the course of the dispute resolution process set forth in this section:

- (a) Will be confidential information;
- (b) Will not be offered into evidence, disclosed, or used for any purpose other than the dispute resolution process; and
- (c) Will not constitute an admission or waiver of rights.

8.4 This section shall survive the expiration or termination of this Agreement.

9.0 Governing Law and Attornment

9.1 This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of Manitoba, without regard to its conflict of laws' provisions, and the federal laws of Canada applicable therein. Subject to Section 9 hereof, each Party hereby

- (a) irrevocably attorns to the exclusive jurisdiction of the courts of Manitoba for the purpose of any suit, action or other proceeding arising out of this Agreement, the subject matter hereof or any of the transactions contemplated hereby brought by either Party or its successors or assigns,
- (b) waives, and agrees not to assert, by way of motion, as a defence or otherwise, in any such suit, action or proceeding, to the fullest extent permitted by applicable law, that the suit, action or proceeding is brought in an inconvenient forum, that the venue or the suit, action or proceeding is improper, or that this Agreement, or the subject matter hereof or any of the transactions contemplated hereby may not be enforced in or by such courts,
- (c) waives the right to trial by jury of any such suit, action or proceeding, and
- (d) waives any right, claim, or entitlement to any punitive or exemplary damages whatsoever, except as otherwise provided in this Agreement.

9.2 This section shall survive the expiration or termination of this Agreement.

10.0 Confidentiality

The terms (including pricing) and conditions of this Agreement are absolutely confidential between the parties and shall not be disclosed to anyone else, except as shall be necessary to effectuate its terms. Any disclosure in violation of this section shall be deemed a material breach of this Agreement.

11.0 Contact Information

12.1 The Client

Address: 320 Portage Ave

City: Fort Frances Provinces: Ontario Postal Code: P9A 3P9

Phone Number: (807) 274-1676 Fax Number: (807) 274-0446

Contact Name: Lisa Sheppard Contact Title: POA Co-Ordinator

Contact Phone: (807) 274-1676 Contact Email: lsheppard@fortfrances.ca

Name of Authorized Signing Officer: Laure Lindberg Title: Treasurer Email: llindberg@fortfrances.ca

12.2 CCA

Address: 317 Donald Street Suite 300

City: Winnipeg : Manitoba Postal Code: R3B 2H6

Phone Number: 204-958-5850 Fax Number: 204-958-5859

Contact Name: Blue Hodges Contact Title: National Sales Manager

Contact Phone: 204-926-3151 Contact Email: bhodges@CCA.ca

By signing this General Service Agreement, the Client acknowledges they are an authorized Officer of the Client and have the authority to sign this General Service Agreement. The Client hereby accepts and understands the terms and conditions set out in this General Service Agreement.

The Corporation of the Town of Fort Frances
Provincial Offences – Fort Frances Court Services Area



Signature

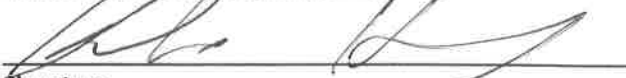
Laurie Lindberg, Treasurer

Print Name & Title

May 23, 2018

Date

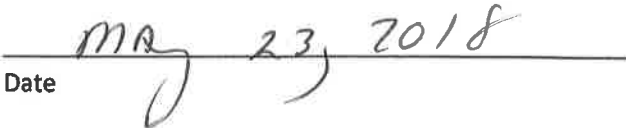
Commercial Credit Adjusters Ltd.



Signature

Blue Hodges/National Sales Manager

Print Name & Title



Date