



**Second Report of
KSV Restructuring Inc.
as Receiver and Manager of certain real
property, assets, undertakings and
property of Maplequest Ventures Inc.
and Digram Developments Caledon Inc.**

September 10, 2025

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COURT FILE NO: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.

APPLICANTS

- AND -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

RESPONDENTS

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDEDSECOND REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

SEPTEMBER 10, 2025

1.0 Introduction

1. On June 26, 2024, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted an order (the "**Receivership Order**") appointing KSV Restructuring Inc. ("**KSV**") as the receiver and manager (in such capacities, the "**Receiver**"), without security, of the real property described in Schedules "A" to "D" of the Receivership Order (each a "**Real Property**" and collectively the "**Real Properties**") and the Personal Property (as defined in the Pollack Affidavit (as defined below), and together with the Real Properties, the "**Property**"). A copy of the Receivership Order is attached as **Appendix "A"**.
2. The application to appoint KSV as Receiver was made by KingSett Mortgage Corporation ("**KingSett**") and First Source Financial Management Inc. ("**First Source**" and together with KingSett, the "**Mortgagees**"), the senior secured creditors of Maplequest Ventures Inc. ("**Maplequest**") and Digram Developments Inc. ("**Digram**", and together with Maplequest, the "**Debtors**").

3. On October 7, 2024, the Court issued an order (the "**Sale Process Approval Order**") approving a sale process (the "**Sale Process**") for all of the Debtors' Property, except the Real Property owned by Digram located at 54 Phyllis Drive, Caledon, Ontario, being PIN 14235-6773 and PIN 14235-5967 (LT) (collectively, the "**Phyllis Real Property**"). In the Receiver's First Report to Court dated September 30, 2024 (the "**First Report**"), the Receiver advised that it was considering various realization options for the Phyllis Real Property.
4. This second report (the "**Second Report**") is filed by KSV in its capacity as Receiver and deals with the Receiver's recommendation in respect of a transaction for the Phyllis Real Property, as well as certain ancillary relief that the Receiver is seeking.

1.1 Purposes of this Second Report

1. The purposes of this Second Report are to:
 - a) provide background information about the Phyllis Real Property;
 - b) summarize a proposed transaction (the "**Phyllis Transaction**") between the Receiver and Lakhvir Kaur (the "**Purchaser**") for the sale of the Phyllis Real Property pursuant to the terms of an Agreement of Purchase and Sale dated July 31, 2025 (the "**Phyllis APS**");
 - c) discuss the amounts available for the establishment of certain reserves, and for certain payments and distributions by the Receiver from the proceeds of the Phyllis Transaction (the "**Phyllis Proceeds**") to KingSett, Digram's senior secured creditor;
 - d) provide an update to the Court in respect of the Sale Process;
 - e) discuss the Settlement Agreement related to the CSA (each as defined below);
 - f) discuss the Receivership Order Amendment and the Assignment of P&E (each as defined below) related thereto;
 - g) recommend that the Court issue:
 - i. an Approval and Vesting Order (the "**AVO**"), among other things:
 - o approving the Phyllis Transaction;
 - o following the Receiver's delivery of the Receiver's certificate substantially in the form attached as Schedule "A" to the proposed AVO (the "**Receiver's Certificate**"), transferring and vesting all of Digram's right, title and interest in and to the Purchased Assets (as defined in the Phyllis APS) in the Purchaser, free and clear of all liens, charges, security interests and encumbrances, other than permitted encumbrances; and

- ii. an order (the "**Distribution, Sealing and Ancillary Matters Order**"), among other things:
 - authorizing and directing the Receiver to make certain payments and distributions and maintain certain reserves (as described and recommended below) from the Phyllis Proceeds, including the KingSett Distribution (as defined below);
 - sealing the unredacted version of the Phyllis APS until the earlier of: (i) the closing of the Phyllis Transaction, or (ii) further Order of the Court;
 - approving the Settlement Agreement and Release dated August 7, 2025 (the "**Settlement Agreement**") by and between the Receiver, Yeoman Developments Inc. ("**Yeoman**") and Mayfield West Developers Group Inc. (in such capacity, the "**Trustee**") and directing the Trustee to pay the Digram Funds (as defined in the Settlement Agreement) in accordance with the Settlement Agreement;
 - amending the Receivership Order *nunc pro tunc* to add certain additional personal property of Digram to the definition of Property (the "**Receivership Order Amendment**"); and
 - approving this Second Report and the Receiver's activities summarized in this Second Report.

1.2 Restrictions

1. In preparing this Second Report, the Receiver has relied upon: (i) discussions with the Debtors' management, (ii) discussions with KingSett and its legal counsel, and (iii) the receivership application materials (collectively, the "**Information**").
2. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information is required to perform its own diligence.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. Each of Maplequest and Digram is incorporated pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended, with a registered head office located at 40 Vogell Road, Suite 51, Richmond Hill, Ontario, L4B 3N6.
2. The directors of both Debtors are Ali Muhammad Memon and Muhammad Ikhlaz Memon.

3. Each of the Debtors is a real estate development company that owns certain of the Real Property on which it intended to develop a residential project (each a "**Project**"). The Real Properties are all located in the Greater Toronto Area.
4. The municipal addresses and Project descriptions of the Real Properties owned by each of the Debtors are set out in the table below.

Owner	Address	Project Description
Maplequest	10475 Heritage Road, Brampton, Ontario, being PIN 14363-0076 (LT) (the " Heritage Real Property ")	Approximately 50-acre residential site, intended to be developed into 147 townhouse units, 288 midrise apartment units and 1,599 high-rise apartment units. No construction has started.
Maplequest	11229 and 11258 Torbram Road, Brampton, Ontario, being PIN 14222-0328 (LT) and PIN 142220326 (LT), respectively (collectively referred to as the " Countryside Real Property ")	Approximately 20-acre site, intended to be developed into 144 low-density single-family dwellings and 27 freehold medium density townhome dwellings. No construction has started.
Digram	Dotchson Avenue, Caledon, Ontario, being PIN 14235-6794 (" Dotchson Real Property ", and together with the Heritage Real Property and the Countryside Real Property, the " Development Lands ")	Raw land intended to be developed into 32 townhouse lots. No construction has started.
Digram	18 Portman Street, Caledon, Ontario, being PIN 14235-6979 and PIN 14235-6280 (LT) (collectively, the " Portman Real Property ")	Individual vacant lot intended for one single-family dwelling. No construction has started.
Digram	4 Breckonwood Street, Caledon, Ontario, being PIN 14235-6765 and PIN 14235-6286 (LT) (collectively, the " Breckonwood Real Property " and together with the Portman Real Property, the " Individual Lots ")	Individual vacant lot intended for one single-family dwelling. No construction has started.
Digram	Phyllis Real Property	Individual lot for one single-family dwelling. Construction is approximately 90% complete.

5. As at the date of the Receivership Order, with the exception of the detached home being constructed on the Phyllis Real Property, construction had not yet commenced on any of the Real Properties.
6. Further background information regarding the Debtors and the reasons that the Mortgagees sought the appointment of the Receiver are provided in the affidavit of Daniel Pollack, an Executive Director of KingSett, sworn on June 14, 2024 (the "**Pollack Affidavit**"), and are not repeated herein. A copy of the Pollack Affidavit and other Court materials filed to-date in these receivership proceedings, including the First Report, are available on the Receiver's website at the following link: <https://www.ksvadvisory.com/experience/case/maplequest>.

2.1 Phyllis Real Property

1. Prior to the commencement of these receivership proceedings, Digram was developing a single-family detached home on the Phyllis Real Property. The Receiver understands from the Debtors' management that the home is approximately 90% complete. Construction of the home has been halted since the commencement of the receivership proceedings.
2. At the outset of these receivership proceedings, the Receiver was advised by Mr. Ali Memon that he (either directly or indirectly), was willing to fund the remaining construction of the home at no cost to the receivership estate, so that it could be completed and the Receiver could proceed to close the sale with the existing pre-sale purchaser. The Receiver agreed to explore this option with Mr. Ali Memon and followed up with Mr. Ali Memon multiple times in this respect. This offer was the Receiver's principal consideration for carving out the Phyllis Real Property from the Sale Process.
3. In early September, the Receiver received an offer from a company that the Receiver understands may be directly or indirectly related to Mr. Ali Memon, offering to provide the Receiver a first-ranking mortgage loan in order to complete the construction of the home on the Phyllis Real Property. Given that this offer was inconsistent with what the Receiver and Mr. Ali Memon had discussed, which initial offer never materialized, and was also unacceptable to the Applicants, the Receiver chose to consider alternate realization options for the Phyllis Real Property, culminating in the proposed Phyllis Transaction detailed in Section 4 below. As of the date of this Second Report, the home located on the Phyllis Real Property remains incomplete.

3.0 Creditors

3.1 Secured Creditors

1. The Receiver understands that each of KingSett and First Source extended loan facilities to Maplequest for its development of the Heritage Real Property (the "**Heritage Loan**") and Countryside Real Property (the "**Countryside Loan**"), respectively.
2. As at September 30, 2024, KingSett was owed approximately \$51.6 million under the Heritage Loan, and First Source was owed approximately \$49 million under the Countryside Loan (interest and fees continue to accrue on these amounts). The Receiver understands that KingSett holds a participation interest of approximately \$31.5 million in the Countryside Loan, with its participation interest in the first position within the loan structure. As such, KingSett is the principal financial stakeholder in both the Heritage Loan and the Countryside Loan.
3. In connection with the Heritage Loan, KingSett's security includes, among other things:
 - a) a first ranking mortgage charge against the Heritage Real Property;
 - b) a first ranking mortgage charge over the various Real Properties owned by Digram, being the Dotchson Real Property, the Portman Real Property, the Breckonwood Real Property and the Phyllis Real Property, which were each given as collateral security; and
 - c) a second ranking mortgage charge (behind First Source) against the Countryside Real Property.

4. In connection with the Countryside Loan, First Source's security includes, among other things, a first ranking mortgage charge against the Countryside Real Property.
5. In addition to the Mortgagees, the Receiver understands that there are certain other creditors of the Debtors, including, among others:
 - a) Niran Construction Ltd., which has registered a construction lien on the Dotchson Real Property in the amount of \$791,768;
 - b) Penco Drywall Ltd. ("**Penco**"), which has registered a construction lien on the Phyllis Real Property in the amount of \$80,709 (the "**Penco Lien**"); and
 - c) various other parties, including those that have registered security against certain property of the Debtors under the *Personal Property Security Act*, R.S.O. 1990, c. P.10 (Ontario) (the "**PPSA**"). These include registrations for personal property related to Maplequest's other business, restaurant equipment, and food-related equipment. Additional registrations cover phone systems and equipment, as well as a specific vehicle. The Receiver understands that certain of the aforementioned personal property does not form part of the Property over which the Receiver has been appointed.

3.2 CRA

1. The Receiver understands that Maplequest and Digram owe approximately \$215,709.75 and \$57,217.54, respectively, in respect of unremitted source deductions to the CRA. The Receiver further understands that the CRA has asserted that approximately \$154,526.62 and \$14,801.65 (the "**Digram CRA Trust Claim**") of the aforementioned amounts owing by Maplequest and Digram, respectively, form a priority trust claim. As of the date of this Second Report, specifically in light of the lack of information made available to the Receiver by the Debtors, the Receiver has not been able to conduct sufficient diligence to form any conclusions in connection with these claims.

3.3 Property Taxes

1. As of July 15, 2025, the Debtors owed the following property taxes in respect of each of the Real Properties, each of which is in arrears:

Real Property	Owed To	Amount Owed (\$)
Heritage Real Property	City of Brampton	\$123,723
Countryside Real Property	City of Brampton	\$16,891
Dotchson Real Property	Town of Caledon	\$32,617
Portman Real Property	Town of Caledon	\$9,194
Breckonwood Real Property	Town of Caledon	\$22,551
Phyllis Real Property	Town of Caledon	\$9,608

4.0 Phyllis Transaction¹

1. On or around January 16, 2025, the Receiver was approached by the Purchaser, an individual who had previously entered into a pre-sale agreement for the home being constructed on the Phyllis Real Property. The Purchaser advised that it would be willing to either: (i) complete the transaction originally contemplated by its pre-sale purchase agreement dated August 15, 2020 (the "**Pre-Sale APS**"), or (ii) complete an "*as-is, where-is*" purchase of the Phyllis Real Property.
2. After obtaining a copy of the Pre-Sale APS from Mr. Ali Memon, the Receiver noted a number of challenges to completing the transaction contemplated therein, including:
 - a. the vendor in the Pre-Sale APS was Auriga Homes Ltd. ("**Auriga**") rather than Digram, who owns the Phyllis Real Property. The Receiver understands that Auriga is a company affiliated with Mr. Ali Memon;
 - b. the Pre-Sale APS provided for deposits of \$175,000, however, the Purchaser alleges that Mr. Ali Memon had agreed to credit the Purchaser a total of \$385,000 on closing in lieu of amounts allegedly owing to the Purchaser from unrelated transactions; and
 - c. the Pre-Sale APS provided for the delivery of a completed home, however, the existing structure is incomplete.
3. Based on information provided by Mr. Ali Memon, the Receiver understands that it would cost approximately \$210,000 to complete the single-family home being constructed on the Phyllis Real Property. These are "hard-cost" estimates and do not include construction soft costs (i.e. insurance, permits, consultants) or financing costs.
4. Given the aforementioned challenges with completing the transaction contemplated by the Pre-Sale APS, including the significant costs and risks associated with completing the ongoing construction or undertaking a protracted marketing process that would not likely result in a higher or better offer, the Receiver determined that an "*as-is, where-is*" sale of the Phyllis Real Property to the Purchaser pursuant to the terms of the Phyllis APS would yield the best outcome for all stakeholders and presented the most viable path forward.
5. Following the Receiver's decision, the Receiver and the Purchaser proceeded to negotiate definitive documents, ultimately resulting in the Phyllis APS. A copy of the Phyllis APS with the purchase price redacted is attached as **Appendix "B"**. An unredacted version is filed as **Confidential Appendix "1"**. The Receiver's recommendation regarding sealing this information is discussed in Section 4.2 below. The key terms and conditions of the Phyllis APS are as follows:
 - a) Purchaser: Lakhvir Kaur.
 - b) Purchase Price: The all-cash purchase price is indicated in the unredacted copy of the Phyllis APS which can be found at Confidential Appendix "1". The purchase price is subject to standard adjustments for a transaction of this nature.

¹ Capitalized terms in this section have the meaning provided to them in the Phyllis APS unless otherwise defined herein

- c) Deposit: A deposit representing approximately 10% of the purchase price was paid to the Receiver upon execution of the Phyllis APS. The balance of the purchase price, after crediting the deposit, will be paid at closing.
- d) Purchased Assets: include:
 - i. the Lands, being the Phyllis Real Property, including the partially constructed building thereon;
 - ii. prepaid expenses or deposits relating to the Lands;
 - iii. the Permits, to the extent transferable; and
 - iv. all intellectual property, if any, owned by Digram related to the Lands.
- e) "As-is, Where-is": The Phyllis Transaction is consistent with the standard terms of similar insolvency transactions (i.e., to be completed on an "as-is, where -is" and "without recourse" basis with minimal representations, warranties and conditions and no surviving representations or warranties made by the Receiver).
- f) Closing Date: ten (10) days after the date on which the AVO is granted.
- g) Taxes: the purchase price is inclusive of any applicable HST and the Receiver shall remit any applicable HST.
- h) Material Conditions: the only material conditions to closing is the granting of the proposed AVO and the Town Consent².

4.1 Phyllis Transaction Recommendation

1. The Receiver recommends the Court approve the Phyllis Transaction for the following reasons:
 - a) prior to accepting the Purchaser's offer, the Receiver reviewed real estate listings and recent transactions for similar properties in the Town of Caledon. Based on its significant previous and ongoing experience with residential real estate as well as review of comparable real estate listings, in the Receiver's view, there has been no unfairness in the conduct of this informal process and the proposed Phyllis Transaction is the highest and best offer available for the Purchased Assets in the present market;
 - b) the Receiver does not believe that a wide sale process would yield significantly better results due to the very limited market for a partially complete structure. Furthermore, a wide marketing process would require a real estate broker which would increase selling costs and reduce recoveries, whereas there are no realtor commissions owing under the proposed Phyllis Transaction;

² The Town Consent is the written consent required to vest the Lands in the name of the Purchaser which is to be delivered by the Clerk of The Corporation of the Town of Caledon pursuant to Instrument No. PR3566656 (the "Instrument") registered on title to a portion of the Lands. The Instrument relates to a Subdivision Agreement requiring the two parcels be transferred together.

- c) holding costs for the Phyllis Real Property including property taxes, insurance premiums and other expenses would continue to accrue and there is the chance that the value of the incomplete structure may continue to deteriorate if it remains incomplete. Accordingly, the Receiver is of the view that the costs and risks of a further marketing process outweigh the potential benefits;
- d) the proposed Phyllis Transaction preserves value for the Purchaser by allowing it to complete a transaction for this property at a similar price to what it would have otherwise paid under the Pre-Sale APS, after discounting for remaining costs to complete, which the Receiver views as fair and prudent;
- e) the proposed AVO is largely in the form of the standard Commercial List model order and its issuance is a requirement under the Phyllis APS;
- f) the parties with registered interests being vested out by the proposed AVO have been given notice of the Receiver's motion, and the proposed AVO provides that the net proceeds of the Phyllis Transaction shall stand in the place and stead of the Purchased Assets, with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale; and
- g) KingSett, the principal financial stakeholder in respect of the Phyllis Real Property and a firm with significant expertise in residential real estate sector, was consulted and supports the Phyllis Transaction.

4.2 Sealing

1. The Receiver recommends that the unredacted Phyllis APS (Confidential Appendix "1") be filed with the Court on a confidential basis and remain sealed until the earlier of: (i) the closing of the Phyllis Transaction, or (ii) further Order of the Court. Disclosing the Purchase Price could adversely impact the future marketability of the Phyllis Real Property should the Phyllis Transaction not close. Therefore, sealing this information is necessary for ensuring recoveries in these proceedings are maximized.
2. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Receiver is not aware of any party that will be prejudiced if the information is sealed or any public interest that will be served if such details are disclosed in full. The Receiver is of the view that the proposed sealing is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Receiver believes the proposed sealing of Confidential Appendix "1" is appropriate in the circumstances.

5.0 Distribution to KingSett

1. As at the date of this Report, there have been no significant receipts in these receivership proceedings, and accordingly, the Phyllis Proceeds are the only source of funds available for distribution at this time. The Receiver is not currently in a position to distribute any of the Digram Funds received in connection with the Settlement Agreement.

2. As noted above, the Heritage Loan is secured by a first ranking mortgage charge on the Phyllis Real Property (the "**Phyllis Charge**"), which was granted by Digram as collateral security.
3. If the proposed Phyllis Transaction is approved by the Court, the Receiver is seeking authorization and direction to distribute the balance of the Phyllis Proceeds, after reserving and creating holdbacks for the closing costs (i.e. broker commissions, property taxes, HST to be remitted on sale, etc.), the costs of these proceedings secured by the Receiver's Charge (i.e. the fees and costs of the Receiver and its counsel), the amount claimed by Penco under the Penco Lien and the amount claimed by the CRA in connection with the Digram CRA Trust Claim, to KingSett as partial payment for amounts outstanding under the Heritage Loan (the "**KingSett Distribution**"). KingSett will not be fully repaid from the proposed KingSett Distribution and, as noted, will only receive proceeds or funds up to the amount secured by the Phyllis Charge. By repaying a portion of the Heritage Loan at this point in the receivership proceedings, there will be resulting interest savings.
4. The Receiver's counsel, Bennett Jones LLP, has reviewed, among other security, the Phyllis Charge and issued an opinion to the Receiver that, subject to standard assumptions and qualifications, the Phyllis Charge constitutes a good and valid mortgage of and fixed charge on the Phyllis Real Property to the extent of the principal, interest and costs secured thereby.

6.0 CSA and Related Settlement

1. Digram, Yeoman and the Trustee, among others, are party to a Cost Sharing Agreement dated April 10, 2008 (as amended from time to time, the "**CSA**") which governs a land development in the Town of Caledon. A copy of the CSA is attached as **Appendix "C"**.
2. In April of 2025, counsel to the Trustee advised the Receiver that: (i) it was holding the Digram Funds which were earmarked for Digram pursuant to the terms of the CSA; and (ii) Yeoman was asserting one or more claims related to the Digram Funds. In an effort to settle all matters related to the Digram Funds consensually and in a cost-efficient manner, counsel to the Receiver, Yeoman and the Trustee negotiated and finalized the Settlement Agreement. The Receiver, in accordance with the proposed Distribution, Sealing and Ancillary Matters Order, is now seeking approval of the Settlement Agreement along with relief directing the Trustee to pay the Digram Funds in accordance with the Settlement Agreement. The Receiver understands the total amount of the Digram Funds to be approximately \$2,552,680.73. A copy of the Settlement Agreement is attached as **Appendix "D"**.
3. The Settlement Agreement is fair and reasonable and eliminates the costs and delays that would be associated with litigating the subject matter therein and provides finality and certainty for all stakeholders of Digram. The Settlement Agreement is consistent with the purpose and spirit of the *Bankruptcy and Insolvency Act* (RSC, 1985, c. B-3). The Receiver has made best efforts to serve all other parties to the CSA with its motion materials based on the information available to it.

4. KingSett is supportive of the proposed Settlement Agreement.

7.0 Amendment to Receivership Order

1. In order to secure the Heritage Loan, Digram and Maplequest granted KingSett various security (collectively, the "**KingSett Security**"). Paragraph 23 of the Pollack Affidavit includes a non-exhaustive list of the KingSett Security which, at paragraph 23 (j) and (k) includes an Assignment of Profits and Equity in the Mayfield West Phase 1, 2 and 3 Developments (the "**Assignment of P&E**"). KingSett's security interest granted in the Assignment of P&E was registered pursuant to the PPSA. A copy of the Assignment of P&E is attached as **Appendix "E"**.
2. At the time the Receivership Order was sought, the security contemplated by the Assignment of P&E (the "**Additional Personal Property**") was not included within the definition of "Property". In an effort to continue to best administer these receivership proceedings for the benefit of the Debtors' creditors in the most organized manner possible, the Receiver is now seeking the Receivership Order Amendment on the terms set forth in the proposed Distribution, Sealing and Ancillary Matters Order such that the Receivership Order will include , *nunc pro tunc*, the Additional Personal Property within the definition of "Property".
3. KingSett is supportive of the proposed Receivership Order Amendment.

8.0 Sale Process Update

1. As noted above, pursuant to the Sale Process Approval Order, the Court approved a Sale Process for the Property of the Debtors, excluding the Phyllis Real Property.
2. The Sale Process provided for certain timelines for the Receiver to market the respective Property, solicit offers, and in the event an offer was selected as a successful bid, return to Court for approval of a transaction. The Receiver notes that the timelines under the Sale Process have been exceeded and a closeable transaction has not yet been identified for any of the Property subject to the Sale Process.
3. The Receiver understands, in consultation with the respective listing agents, that there has been slower activity in the Canadian land development market over the last 18 months, which has impacted the ability to identify one or more transactions for the balance of the Real Property.
4. Notwithstanding that the timelines under the Sale Process have been exceeded, the Receiver is continuing to market for sale the Property subject to the Sale Process and is advised that there is renewed interest from certain parties that initially participated in the Sale Process.

9.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the relief detailed in Section 1.1(1)(g) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS RECEIVER AND MANAGER OF
CERTAIN REAL PROPERTY, ASSETS, UNDERTAKINGS AND PROPERTY OF
MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Court File No.: CV-24-00722148-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

)

WEDNESDAY, THE 26TH

JUSTICE OSBORNE

)

DAY OF JUNE, 2024

)

BETWEEN:

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by KingSett Mortgage Corporation and First Source Financial Management Inc. (together, the “**Applicants**”) for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing KSV Restructuring Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of the real property legally described in Schedules “A” to “D” to this Order (collectively, the “**Real Property**”) and the Personal Property (as defined in the Pollack Affidavit,

defined below) (collectively with the Real Property, the “**Property**”) was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Daniel Pollack sworn June 14, 2024 and the Exhibits thereto (the “**Pollack Affidavit**”), on hearing the submissions of counsel for the Applicants, the proposed Receiver and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the affidavit of service sworn and filed, and on reading the consent of KSV to act as the Receiver,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Pollack Affidavit.

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to subsection 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of the Property.

RECEIVER’S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of Maplequest Ventures Inc. (“**Maplequest**”) and Digram Developments Caledon Inc. (collectively with Maplequest, the “**Debtors**”) in connection with the Property, including the powers to enter into any agreements or incur any obligations in the ordinary course of business in connection with the Property, cease to carry on all or any part of the business of the Debtors in connection with the Property, or either or them, or cease to perform or disclaim any contracts of the Debtors in respect of the Property;
- (d) to engage construction managers, project managers, contractors, subcontractors, trades, engineers, quantity surveyors, consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other Persons (as defined below) from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by this Order;

- (e) to undertake any construction or other work at the Real Property necessary to bring the Real Property into compliance with applicable laws and building codes;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors in connection with the Property or any part or parts thereof;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors in connection with the Property (including, without limitation, any rent payments in respect of the Real Property) and to exercise all remedies of the Debtors in collecting such monies and accounts, including, without limitation, to enforce any security held by the Debtors in connection with the Property;
- (h) to settle, extend or compromise any indebtedness owing to the Debtors in connection with the Property;
- (i) to deal with any lien claims, trust claims, and trust funds that have been or may be registered (as the case may be) or which arise in respect of the Property, including any part or parts thereof, and, with approval of this Court, to make any required distribution(s) to any contractor or subcontractor of the Debtors or to or on behalf of any beneficiaries of such trust funds pursuant to section 85 of the *Construction Act*, R.S.O. 1990, c. C.30, as amended;
- (j) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, including, without limitation, in respect of construction permits and any requirements related thereto, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

- (k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors (as such proceedings relate to the Property or any portion thereof), the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (l) to investigate, and report to this Court on, intercompany payments, transactions and other material arrangements relating to the Property between the Debtors and other Persons, including, without limitation, other companies and entities that are affiliates of the Debtors, that reasonably appear to the Receiver to be out of the ordinary course of business. All Persons shall be required to provide any and all information and documents related to the Property requested by the Receiver in connection with such investigations;
- (m) to undertake environmental or worker's health and safety assessments of the Property and the operations of the Debtors thereon;
- (n) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion, and with the Applicants' consent, may deem appropriate but nothing in this order will be deemed to prevent the Debtors, or any of their related parties, from presenting offers to purchase the Property or from redeeming the Applicants' mortgages that are the subject of this Application prior to any sale;

(o) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:

(i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended or section 31 of the *Mortgages Act*, R.S.O. 1990, c. M.40, as amended, as the case may be, shall not be required;

(p) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(q) to report to, meet with and discuss with such affected Persons as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(r) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (s) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors and to meet with and discuss with such governmental authority and execute any agreements required in connection with or as a result of such permits, licenses, approvals or permissions (but solely in its capacity as Receiver and not in its personal or corporate capacity);
- (t) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (u) to undertake any investigations deemed appropriate by the Receiver with respect to the location and/or disposition of assets reasonably believed to be, or to have been, Property;
- (v) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in connection with the Property; and
- (w) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations, including opening any mail or other correspondence addressed to the Debtors, provided that the Receiver shall provide copies of any such opened mail or correspondence to the Debtors which is unrelated to the Property as soon as reasonably practicable following receipt and provided that the Receiver shall destroy, keep confidential and not use for any purpose any such mail or correspondence, or the contents thereof, which is unrelated to the Property,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) each of the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, (iii) all construction managers, project managers, contractors, subcontractors, trades, engineers, quantity surveyors, consultants and service providers, and all other persons acting on their instructions or behalf, and (iv) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

6. **THIS COURT ORDERS** that all Persons, on the written request of the Receiver, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, information and cloud-based data of any kind related to the business or affairs of the Debtors regarding the Property, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver reasonable access to and use of accounting, computer, software, cloud and physical facilities relating thereto, provided however that nothing

in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer, in a cloud or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records, on the written request of the Receiver, shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph 7, all Persons shall provide the Receiver with reasonably required assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer, cloud or other system and providing the Receiver with any and all access codes, account names, account numbers and account creating credentials that may be required to gain access to the information.

8. **THIS COURT ORDERS** that, without limiting the generality of paragraphs 5-7 of this Order, all Persons, including, without limitation, any affiliates of the Debtors (collectively, the “**Maplequest Group**”), and the Debtors, shall be required to reasonably cooperate, and share information, with the Receiver in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtors regarding

the Property. In addition to the foregoing general cooperation and information sharing requirements, the Maplequest Group, or any of them, shall be required to do the following: (a) in respect of any and all such contracts, agreements, permits, licenses and insurance policies and other documents relevant to the Debtors and/or the Property: (1) maintain them in good standing and provide immediate notice and copies to the Receiver of any communications received from regulators or providers in respect thereof; (2) provide immediate notice to the Receiver of any material change and/or pending material change to the status quo in respect thereof; and (3) provide thirty (30) days' notice of any renewal date, termination date, election date or similar date in respect thereof; and (b) reasonably assist, and cooperate with, the Receiver in obtaining any further permits and licenses that may be required or requested with respect to the exercise of the Receiver's authority hereunder.

NO PROCEEDINGS AGAINST THE RECEIVER

9. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph 11 shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or contractual, statutory or regulatory mandates for the supply of goods and/or services to the Debtors or in respect of the Property, construction and development projects, including without limitation, all computer software, communication and other data services, sub contracts, trade suppliers, accounting services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors, or in respect of the Property,

construction and development projects, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

14. **THIS COURT ORDERS** that in the event that an account for the supply of goods and/or services is transferred from the Debtors to the Receiver, or is otherwise established in the Receiver's name, no Person, including but not limited to a utility service provider, shall assess or otherwise require the Receiver to post a security deposit as a condition to the transfer/establishment of the account.

RECEIVER TO HOLD FUNDS

15. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

16. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1, as amended (the “**WEPPA**”).

PIPEDA

17. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act, 1999*, S.C. 1999, c. 33, as amended, the *Environmental Protection Act*, R.S.O. 1990, c. E.19, as amended, the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, as amended or the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, as amended and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

19. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the WEPPA. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

22. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow from KingSett Mortgage Corporation by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding

principal amount does not exceed \$1,000,000.00 (or such greater amount that is acceptable to the Applicants and as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subordinate in priority to the Receiver’s Charge and the charges as set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. **THIS COURT ORDERS** that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “E” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

26. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

SERVICE AND NOTICE

27. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://www.ksvadvisory.com/experience/case/maplequest>.

28. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

29. **THIS COURT ORDERS** that the Applicants, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors’ creditors or other interested parties and their

advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

GENERAL

30. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

31. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

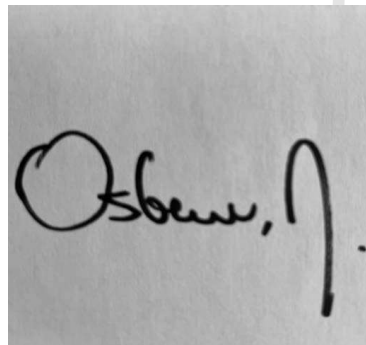
32. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

33. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

34. **THIS COURT ORDERS** that the Applicants shall have their costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the net realizations from the Property with such priority and at such time as this Court may determine.

35. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

36. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto Time on the date of this Order and are enforceable without the need for entry and filing.

A rectangular box containing a handwritten signature in black ink. The signature appears to be "Osborne, J." with a stylized flourish at the end.

2024.06.2

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11:54:17

-04'00'

SCHEDULE “A”

REAL PROPERTY

10475 Heritage Road, Brampton, Ontario

PIN 14363-0076 (LT)

PART LOT 13 CONCESSION 5 WEST OF HURONTARIO STREET(CHING) DESIGNATED
PART 1, 43R34281; SAVE AND EXCEPT PARTS 1 AND 2, EXPROPRIATION PLAN
PR4226364; CITY OF BRAMPTON

SCHEDULE “B”

REAL PROPERTY

11258 Torbram Road, Brampton, Ontario

PIN 14222-0326 (LT)

PART LOT 16 CONCESSION 5 EAST OF HURONTARIO STREET AS IN RO531582
EXCEPT PART 20 43R35903; SUBJECT TO AN EASEMENT IN GROSS OVER PART 21
43R35903 AS IN PR3336328; CITY OF BRAMPTON

PIN 14222-0328 (LT)

PART LOT 16 CONCESSION 6 EAST OF HURONTARIO STREET PART 13 43R18218 &
PART 6 43R36289 EXCEPT PART 4 43R36289 & PART 3 43R35903; CITY OF BRAMPTON

SCHEDULE “C”

REAL PROPERTY

4 Breckonwood Street, Caledon, Ontario

14235-6765 (LT)

BLOCK 103, PLAN 43M2077; TOWN OF CALEDON

Dotchson Avenue, Caledon, Ontario

14235-6794 (LT)

BLOCK 132, PLAN 43M2077; SUBJECT TO AN EASEMENT OVER PART BLOCK 132, PLAN 43M2077 AS IN PR2480476; SUBJECT TO AN EASEMENT AS IN PR4013648; TOWN OF CALEDON

18 Portman Street, Caledon, Ontario

14235-6979 (LT)

BLOCK 62, PLAN 43M2096; TOWN OF CALEDON

54 Phyllis Drive, Caledon Ontario

14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE “D”

REAL PROPERTY

Abutting 54 Phyllis Drive, Caledon Ontario

PIN 14235-5967 (LT)

BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON

Abutting 18 Portman Street, Caledon, Ontario

PIN 14235-6280 (LT)

BLOCK 73, PLAN 43M2055; SUBJECT TO AN EASEMENT FOR ENTRY AS IN PR3809487;
TOWN OF CALEDON

Abutting 4 Breckonwood Street, Caledon, Ontario

PIN 14235-6286 (LT)

BLOCK 79, PLAN 43M2055; SUBJECT TO AN EASEMENT FOR ENTRY AS IN PR3616235;
TOWN OF CALEDON

SCHEDULE “E”

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that KSV Restructuring Inc., the receiver and manager (the “**Receiver**”) without security, of the Property, appointed pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated June 26, 2024 (the “**Order**”) made in an application having Court File Number [●], has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

8. Capitalized terms that are not defined herein have the meanings ascribed thereto in the Order.

DATED the _____ day of _____, 2024.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

KINGSETT MORTGAGE CORPORATION AND
FIRST SOURCE FINANCIAL MANAGEMENT
INC.

and
MAPLEQUEST VENTURES INC. AND DIGRAM
DEVELOPMENTS CALEDON INC.

Applicants

Respondents

Court File No.: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

APPOINTING ORDER

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place, Suite 6200
P.O. Box 50
Toronto, ON M5X 1B8

Marc Wasserman (LSO# 44066M)
Tel: 416.862.4908
Email: mwasserman@osler.com

Dave Rosenblat (LSO# 64586K)
Tel: 416.862.5673
Email: drosenblat@osler.com

Lawyers for the Applicants

Appendix “B”

AGREEMENT OF PURCHASE AND SALE

BETWEEN

KSV RESTRUCTURING INC.

in its capacity as court-appointed receiver and manager, without security,
of the Real Property and Personal Property (each as defined in the Receivership Order)
and not in its personal capacity or in any other capacity

- and -

LAKHVIR KAUR

Dated: July 31, 2025

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 31st day of July, 2025.

BETWEEN:

KSV RESTRUCTURING INC., in its capacity as court-appointed receiver and manager, without security, of the Real Property and Personal Property (each as defined in the Receivership Order)

(in such capacity, the "**Receiver**")

- and -

LAKHVIR KAUR

(the "**Purchaser**")

RECITALS

- A. **WHEREAS** pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued on June 26, 2024 (the "**Receivership Order**"), the Receiver was appointed as the court-appointed receiver and manager, without security, of, among other things, the Purchased Assets;
- B. **AND WHEREAS** pursuant to the Receivership Order, the Receiver was authorized to, among other things, market the Purchased Assets and apply for an order of the Court approving the sale of the Purchased Assets and vesting in and to a purchaser all the Debtor's right, title and interest in and to the Purchased Assets;
- C. **AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell the Purchased Assets upon the terms and subject to the conditions set out herein;

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties, the Parties agree as follows:

ARTICLE 1 **DEFINED TERMS**

1.1 Definitions

In this Agreement:

"**Accounts Payable**" means all amounts relating to the Lands owing to any Person which are incurred in connection with the purchase of goods or services in the ordinary course of business;

"**Agreement**" means this agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to "**article**", "**section**" or "**schedule**"

mean the specified article, section of, or schedule to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

"Applicable Law" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"Approval and Vesting Order" means the approval and vesting order issued by the Court approving this Agreement and the Transaction and conveying to the Purchaser the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, which order shall be in a form substantively similar to the draft order attached as Schedule "B" hereto, with such modifications and amendments to such form as may be approved by the Receiver and the Purchaser, each acting reasonably;

"Assignable Assets" has the meaning given in Section 3.1(c);

"Assumption Agreement" has the meaning given in Section 15.10;

"Books and Records" means the files, documents, instruments, surveys, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) pertaining to the Purchased Assets that have been or will be delivered by the Receiver to the Purchaser at or before Closing; provided, however, that Books and Records shall not include any bank or accounting records;

"Business Day" means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;

"Claims" means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Purchased Assets or the Debtor, and **"Claim"** means any one of them;

"Closing" means the successful completion of the Transaction;

"Closing Date" means the first Business Day which is ten (10) days after the date on which the Approval and Vesting Order is issued by the Court, or, if the Parties agree, such other date as agreed in writing by the Parties;

"Consents and Approvals" means the consents and approvals of all relevant third parties with respect to the Transaction, if any;

"**Contracts**" means all of the contracts, licences, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which the Debtor is a party and which relate to the Lands;

"**Court**" has the meaning set out in the recitals;

"**Debtor**" means Digram Developments Caledon Inc;

"**Deposit**" has the meaning given in Section 4.2;

"**Encumbrances**" means all liens, charges, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

"**ETA**" means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

"**Excluded Assets**" means the Receiver's and the Debtor's right, title and interest in and to any asset of the Receiver and the Debtor other than the Purchased Assets, which Excluded Assets include the Receiver's and the Debtor's right, title and interest in and to the following:

- (a) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtor that do not relate exclusively or primarily to any of the Purchased Assets;
- (b) the benefit of any refundable Taxes payable or paid by the Debtor in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtor to any refund, rebate, or credit of Taxes for the period prior to the Closing Date; and
- (c) the Contracts;

"**Excluded Liabilities**" has the meaning given in Section 3.3;

"**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof, including, without limitation, any municipality in which the Lands are located; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and "**Governmental Authority**" means any one of them;

"**HST**" means harmonized sales tax imposed under Part IX of the ETA;

"**ITA**" means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

"Lands" means the real property municipally known as 54 Phyllis Drive, Caledon, Ontario and legally described in Schedule "A" hereto, together with all rights and benefits appurtenant thereto, and including the partially constructed building thereon;

"Notice" has the meaning given in Section 15.3;

"Parties" means the Receiver and the Purchaser and **"Party"** means either one of them;

"Permits" means all the authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Governmental Authority in respect of the Lands;

"Permitted Encumbrances" means all those Encumbrances described in Schedule "C" hereto;

"Person" means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

"Purchase Price" has the meaning set out in Section 4.1;

"Purchased Assets" means all the right, title and interest, if any, of the Debtor in and to the following:

- (a) the Lands;
- (b) the full benefit of any and all prepaid expenses or deposits with any Person, public utility or Governmental Authority relating to the Lands;
- (c) the Permits, but only to the extent transferable to the Purchaser or the Purchaser's permitted assignees; and
- (d) all intellectual property, if any, owned by the Debtor with respect to the Lands,

provided, however, that the Purchased Assets shall not include the Excluded Assets or the Excluded Liabilities;

"Purchaser" has the meaning set out in the recitals;

"Realty Tax Refund" has the meaning set out in Section 4.6;

"Receiver" has the meaning set out in the recitals;

"Receiver's Solicitors" means Bennett Jones LLP;

"Receivership Order" has the meaning set out in the recitals;

"Rights" has the meaning given in Section 3.1(c), but only has such meaning in such Section;

"**Taxes**" means all taxes, HST, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

"**Third Party**" has the meaning given in Section 3.1(c);

"**Town Consent**" means the written consent to the vesting of the Lands in the name of the Purchaser delivered by the Clerk of The Corporation of the Town of Caledon pursuant to Instrument No. PR3566656 registered on title to a portion of the Lands; and

"**Transaction**" means the transaction of purchase and sale contemplated by this Agreement.

ARTICLE 2 **SCHEDULES**

2.1 Schedules

The following schedules are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule A	Legal Description of the Lands
Schedule B	Form of Approval and Vesting Order
Schedule C	Permitted Encumbrances

ARTICLE 3 **AGREEMENT TO PURCHASE**

3.1 Purchase and Sale of Purchased Assets

- (a) Relying on the representations and warranties herein, the Receiver hereby agrees to sell, assign, convey and transfer to the Purchaser, and the Purchaser hereby agrees to purchase, the Purchased Assets, free and clear of all Encumbrances, other than the Permitted Encumbrances.
- (b) Subject to the Closing, the Receiver hereby remises, releases and forever discharges to, and in favour of, the Purchaser, all of its rights, Claims, interests and demands, past or present, whether known or unknown, fixed or contingent or otherwise, whatsoever in the Purchased Assets.
- (c) This Agreement or any document delivered in connection with this Agreement shall not constitute an assignment of any rights, benefits or remedies (in this Section 3.1(c), collectively, the "**Rights**") under any Permits or Consents and Approvals (collectively, the "**Assignable Assets**") that form part of the Purchased Assets and which are not assignable by the Receiver to the Purchaser without the required

consent of the other party or parties thereto or a Governmental Authority (collectively, the "**Third Party**"). To the extent any such consent is required and not obtained by the Receiver prior to the Closing Date, then, to the extent permitted by Applicable Law:

- (i) the Receiver will, at the request, direction and sole cost of the Purchaser, acting reasonably, assist the Purchaser, in a timely manner and using commercially reasonable efforts, in applying for and obtaining all consents or approvals required under the Assignable Assets in a form satisfactory to the Receiver and the Purchaser, acting reasonably;
- (ii) the Receiver will only deal with or make use of such Rights in accordance with the directions of the Purchaser;
- (iii) at the Purchaser's sole cost, the Receiver will use its commercially reasonable efforts to take such actions and do such things as may be reasonably and lawfully designed to provide the benefits of the Assignable Assets to the Purchaser, including holding those Assignable Assets in trust for the benefit of the Purchaser or acting as agent for the Purchaser pending such assignment; and
- (iv) in the event that the Receiver receives funds with respect to those Assignable Assets, the Receiver will promptly pay over to the Purchaser all such funds collected by the Receiver, net of any outstanding costs directly related to the assignment in respect of such Assignable Assets.

The provisions of this Section 3.1 shall not merge but shall survive the completion of the Transaction. Notwithstanding the forgoing, nothing herein shall prohibit the Receiver, in its sole, absolute and unfettered discretion, from seeking to be discharged as receiver of the Debtor at any time after Closing. The Parties hereby acknowledge and agree that the covenants of the Receiver contained in this Section 3.1 shall terminate concurrently with the discharge of the Receiver as receiver of the Debtor.

3.2 Excluded Assets

Notwithstanding anything else in this Agreement, the Purchased Assets shall not include the Excluded Assets.

3.3 Excluded Liabilities

With the sole exception of the Permitted Encumbrances, the Purchaser is not assuming, and shall not be deemed to have assumed any liabilities, obligations or commitments of the Debtor or the Receiver or of any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Lands or the Debtor's ownership or interest therein, whether pursuant to this Agreement or as a result of the Transaction (collectively, the "**Excluded Liabilities**"). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as otherwise agreed in this Agreement, all Taxes payable by the Debtor or the Receiver arising with respect to any period prior to the Closing Date and all Taxes payable relating to any matters or assets other than the Purchased Assets;
- (b) except as otherwise agreed in this Agreement, any liability, obligation or commitment associated with (i) the Accounts Payable and incurred prior to Closing, or (ii) any employees or contractors of the Debtor;
- (c) any liability, obligation or commitment resulting from an Encumbrance that is not a Permitted Encumbrance;
- (d) any liability, obligation or commitment associated with any of the Excluded Assets; and
- (e) except as otherwise agreed in this Agreement, any liability, obligation or commitment in respect to Claims arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date.

ARTICLE 4

PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price

The purchase price for the Purchased Assets shall be [REDACTED] dollars, inclusive of HST (the "**Purchase Price**").

4.2 Deposit

Within two (2) Business Days after execution of this Agreement by the Receiver as indicated on the last page of this Agreement, the Purchaser shall pay to the Receiver's Solicitors, in trust, a deposit by wire or certified cheque of [REDACTED] dollars (the "**Deposit**"), which such Deposit shall be held in accordance with the provisions of this Agreement pending completion of the Transaction or other termination of this Agreement, and shall be applied against and towards the Purchase Price due on completion of the Transaction on the Closing Date.

4.3 Satisfaction of Purchase Price

The Purchaser shall indefeasibly pay and satisfy the Purchase Price as follows:

- (a) the Deposit shall be applied against the Purchase Price; and
- (b) the balance of the Purchase Price, subject to adjustments contained in this Agreement, shall be paid by wire or certified cheque on Closing by the Purchaser or the Purchaser's solicitors to the Receiver's Solicitors.

4.4 Allocation of Purchase Price

The Parties, acting reasonably and in good faith, covenant to use best efforts to agree to allocate the Purchase Price among the Purchased Assets in a mutually agreeable manner on or prior to the Closing Date, provided that failure of the Parties to agree upon an allocation shall not result in the termination of this Agreement but rather shall result in the nullity of the application of this Section 4.4 such that each Party shall be free to make its own reasonable allocation.

4.5 Adjustment of Purchase Price

- (a) The Purchase Price shall be adjusted as of 11:59 p.m. on the day prior to the Closing Date, in a manner and amount to be agreed upon by the Parties, acting reasonably, for any and all property Taxes and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a receivership sale. The Receiver shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval by no later than three (3) Business Days prior to the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination. Notwithstanding any other term in this Agreement, in no event shall the Purchaser be responsible for any charges, fees, Taxes, costs or other adjustments in any way relating to the period prior to the Closing Date or relating to any matters or assets other than the Purchased Assets for the period from and after the Closing Date.
- (b) Other than as provided for in this Section 4.5 and Section 4.6 there shall be no adjustments to the Purchase Price.

4.6 Realty Tax Refunds and Rebates

Any refund or rebase of property Taxes relating to the Lands in respect of the period prior to the Closing Date (each a "**Realty Tax Refund**") will remain the property of the Receiver. To the extent the Purchaser receives payment or credit on account of any Realty Tax Refund, the Purchaser shall hold such amount in trust for the Receiver, endorse such amount (without recourse) in favour of the Receiver and immediately deliver such amounts to the Receiver. Any refund or rebate of property Taxes relating to the Lands in respect of the period from and after the Closing Date will be the property of the Purchaser. To the extent the Receiver receives payment of any such amount, the Receiver shall hold such amount in trust for the Purchaser, endorse such payment (without recourse) in favour of the Purchaser and immediately deliver such payments to the Purchaser.

ARTICLE 5

TAXES

5.1 Taxes

The Purchaser shall be responsible for all federal and provincial sales taxes, land transfer tax, good and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased Assets to the Purchaser. For greater certainty and notwithstanding anything to the contrary contained herein, if the sale of the Purchased Assets is subject to HST, then such tax shall be included in, and not in addition to, the Purchase Price.

ARTICLE 6

CLOSING ARRANGEMENTS

6.1 Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The Parties agree that the Closing shall in all respects follow the usual procedure for closing real estate transactions with title insurance in the Province of Ontario, subject to any requirements imposed by the Court.

6.2 Tender

Any tender of documents or money under this Agreement may be made upon the Parties or their respective solicitors, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

6.3 Receiver's Closing Deliverables

The Receiver covenants to execute, where applicable, and deliver the following to the Purchaser on or before the Closing Date or on such other date as expressly provided herein:

- (a) a copy of the issued Approval and Vesting Order and the attached Receiver's Certificate;
- (b) a statement of adjustments prepared in accordance with Section 4.5, to be delivered not less than three (3) Business Days prior to the Closing Date;
- (c) to the extent applicable, an assignment and assumption agreement for all Permits, and Consents and Approvals pertaining to the Lands (to the extent assignable) relating to the period from and after the Closing Date and, to the extent not assignable, an agreement that the Receiver will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(c);
- (d) the Town Consent;
- (e) a certificate from the Receiver, dated as of the Closing Date, certifying that:

- (i) except as disclosed in the certificate, the Receiver has not been served with any notice of appeal with respect to the Approval and Vesting Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Approval and Vesting Order or to enjoin, restrict or prohibit the Transaction; and
- (ii) all representations, warranties and covenants of the Receiver contained in this Agreement are true and have been complied with as of the Closing Date, with the same effect as though made on and as of the Closing Date; and
- (f) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Purchaser, acting reasonably, Applicable Law or any Government Authority.

6.4 Purchaser's Closing Deliverables

The Purchaser covenants to execute, where applicable, and deliver the following to the Receiver on or before the Closing Date or on such other date as expressly provided herein:

- (a) the indefeasible payment and satisfaction in full of the Purchase Price in accordance with Section 4.3;
- (b) an assignment and assumption agreement for all Permits, and Consents and Approvals pertaining to the Lands (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement that the Receiver will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(c);
- (c) a certificate from the Purchaser, dated as of the Closing Date, certifying that all representations, warranties and covenants of the Purchaser contained in this Agreement are true and have been complied with as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (d) a copy of the title insurance policy obtained by the Purchaser in accordance with Section 6.6; and
- (e) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Receiver, acting reasonably, Applicable Law or any Government Authority.

6.5 Receiver's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Section 7.3 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Section 7.1, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate comprising Schedule "A" of the Approval and Vesting Order, and shall file same with the Court.

6.6 Title Insurance

The Purchaser shall obtain title insurance coverage for the Lands with a reputable title insurance provider in order to allow for the unconditional release of the Purchase Price on the Closing Date, notwithstanding that the Approval and Vesting Order may not be registered against title to the Lands as at such date. The Receiver shall use commercially reasonable efforts to assist the Purchaser in obtaining such title insurance coverage. The cost of obtaining any title insurance in connection with the purchase of the Lands shall be at the sole cost of the Purchaser.

ARTICLE 7 **CONDITIONS PRECEDENT TO CLOSING**

7.1 Conditions in Favour of the Receiver

The obligation of the Receiver to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Purchaser contained in this Agreement to be performed on or before the Closing Date shall have been duly performed by the Purchaser;
- (c) the Purchaser shall have complied with all the terms contained in this Agreement applicable to the Purchaser prior to the Closing Date;
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;
- (e) the Receiver shall have, using commercially reasonable efforts, obtained the Town Consent; and
- (f) the Court shall have issued the Approval and Vesting Order.

7.2 Conditions in Favour of Receiver Not Fulfilled

If any of the conditions contained in Section 7.1 are not fulfilled on or prior to the Closing Date, so long as such non-fulfilment was not caused by the Receiver's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and cause the Closing to occur, and such non-fulfilment is not directly or indirectly as a result of any action or omission of the Receiver, then the Receiver may, at its sole discretion (other than as stipulated below), and without limiting any rights or remedies available to it at law or in equity:

- (a) terminate this Agreement by Notice to the Purchaser, in which event the Receiver shall be released from its obligations under this Agreement to complete the

Transaction (other than those obligations which are expressly stated to survive termination of this Agreement); or

- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.3 Conditions in Favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (a) all the representations and warranties of the Receiver contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Receiver under this Agreement to be performed on or before the Closing Date shall have been duly performed by the Receiver;
- (c) the Receiver shall have complied with all the terms contained in this Agreement applicable to the Receiver prior to the Closing Date;
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;
- (e) from the date of this Agreement to Closing, there shall have been no new Encumbrances registered on title to the Lands or matters affecting the title to the Lands arising or registered after the date of this Agreement, in each case which are not otherwise vested-out pursuant to the Approval and Vesting Order;
- (f) the Receiver shall have, using commercially reasonable efforts, obtained the Town Consent; and
- (g) the Court shall have issued the Approval and Vesting Order.

7.4 Conditions in Favour of Purchaser Not Fulfilled

If any of the conditions contained in Section 7.3 are not fulfilled on or prior to the Closing Date, so long as such non-fulfilment was not caused by the Purchaser's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and not caused by the Purchaser's failure to cause the Closing to occur, and any such non-fulfilment is not directly or indirectly as a result of any action or omission of the Purchaser, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (a) terminate this Agreement by Notice to the Receiver, in which event the Purchaser and the Receiver shall be released from their obligations under this Agreement to complete the Transaction; or

- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

ARTICLE 8

REPRESENTATIONS & WARRANTIES OF THE RECEIVER

The Receiver represents and warrants to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (a) the Receiver has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver, subject to the Approval and Vesting Order. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms;
- (b) the Receiver has been duly appointed as the receiver of the Lands, with the full right, power and authority to enter into this Agreement, perform its obligations hereunder and convey the Purchased Assets;
- (c) the Receiver is not a non-resident of Canada for the purposes of the ITA;
- (d) subject to any charges created by the Receivership Order, the Receiver has done no act to encumber or dispose of the Purchased Assets and is not aware of any action or process pending or threatened against the Debtor that may affect its ability to convey any of the Purchased Assets as contemplated herein.

ARTICLE 9

REPRESENTATIONS & WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Receiver as follows, with the knowledge and expectation that the Receiver is placing complete reliance thereon and, but for such representations and warranties, the Receiver would not have entered into this Agreement:

- (a) the Purchaser is a Canadian citizen or a permanent resident of Canada;
- (b) Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Government Authority, or any Applicable Law. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (c) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets,

has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property;

- (d) the Purchaser has not incurred any obligation or liability, contingent or otherwise, for any broker's or finder's fees or commissions in respect of this Transaction. The Receiver shall not have any obligation or liability to pay such fees or commissions, other than to the Agent under the listing agreement between the Receiver and the Agent; and
- (e) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter into this Agreement or to consummate the Transaction, and the Purchaser is not aware of any existing ground on which any such action, suit or proceeding may be commenced with any reasonable likelihood of success.

ARTICLE 10

COVENANTS

10.1 Mutual Covenants

Each of the Receiver and the Purchaser hereby covenants and agrees that, from the date hereof until Closing, each shall take all such actions as are necessary to have the Transaction approved in the Approval and Vesting Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in Article 7 and to consummate the Transaction.

10.2 Receiver Covenants

The Receiver hereby covenants and agrees that, from the date hereof until Closing, it shall use commercially reasonable efforts to provide to the Purchaser all necessary information in respect of the Debtor and the Purchased Assets reasonably required to complete the applicable tax elections in accordance with Article 5 and to execute all necessary forms related thereto.

10.3 Purchaser Covenants

The Purchaser hereby covenants and agrees that, from the date hereof until Closing, it shall take all such actions as are necessary to provide to the Receiver all necessary information in respect of the Purchaser reasonably required to complete, if necessary, the applicable tax elections in accordance with Article 5 and to execute all necessary forms related thereto.

ARTICLE 11

POSSESSION AND ACCESS PRIOR TO CLOSING

11.1 Possession of Purchased Assets

The Receiver shall remain in possession of the Purchased Assets until the Closing Date, at which time the Purchaser shall take possession of the Purchased Assets where situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in this Agreement and the Approval and Vesting Order have been satisfied or waived and the Purchaser has satisfied or the Receiver has waived all the delivery requirements outlined in Section 7.1.

11.2 Risk, Damage and Destruction, and Expropriation

- (a) The Purchased Assets shall be and remain at the risk of the Receiver until Closing and at the risk of the Purchaser from and after Closing.
- (b) If, prior to the Closing Date, all or a material part of the Lands is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Lands is issued by any Governmental Authority, the Receiver shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three (3) Business Days after the Purchaser receives Notice in writing from the Receiver of such expropriation, elect to either (i) complete the Transaction in accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of the Receiver or Debtor to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis, or (ii) terminate this Agreement and not complete the Transaction, in which case all rights and obligations of the Receiver and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate, and the Deposit shall be returned to the Purchaser forthwith.

ARTICLE 12

AS IS, WHERE IS AND ASSUMPTION OF LIABILITIES

12.1 Condition of the Purchased Assets

The Purchaser acknowledges and agrees that:

- (a) that the Receiver is selling and the Purchaser is purchasing the Purchased Assets on an "*as is, where is*" and "*without recourse*" basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, hazardous materials or deficiencies exist on the Closing Date, whether patent or latent;
- (b) it has entered into this Agreement on the basis that neither the Receiver nor the Debtor has guaranteed or will guarantee title to or marketability, use or quality of the Purchased Assets, that the Purchaser will conduct such inspections of the

condition and title to the Purchased Assets as it deems appropriate and will satisfy itself with regard to these matters;

- (c) all documents and information provided or made available to it by the Receiver (including, without limitation, its employees, agents and representatives) are for reference only and that the Purchaser has not relied on any such documents and information in entering into this Agreement;
- (d) that no representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose, environmental compliance, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Receiver to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement;
- (e) without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c S-1, do not apply hereto and/or have been waived by the Purchaser;
- (f) the description of the Purchased Assets contained in this Agreement is for the purpose of identification only and no representation, warranty or condition has or will be given by the Receiver concerning the accuracy of such description; and
- (g) except as otherwise expressly provided for in this Agreement, the Receiver will have no obligations or responsibility to the Purchaser after the Closing Date with respect to any matter relating to the Purchased Assets or the condition thereof.

12.2 Assumption of Liabilities

The Purchaser shall assume, fulfill, perform and be responsible for all liabilities and obligations of any kind relating to the Purchased Assets in respect of the period from and after the Closing Date, and the Purchaser shall indemnify and save harmless the Receiver and its directors, officers, servants, agents and employees in respect of all Claims which may be brought against or suffered by the Receiver, its directors, officers, servants, agents or employees or which any of them may suffer, sustain, pay or incur as a result of any matter or thing arising out of, or resulting from, attributable to or connected with or relating to the Purchased Assets. The covenants and agreements to indemnify made by the Purchaser in this Section 12.2 shall survive Closing and not be subject to any limitation periods.

ARTICLE 13 **POST-CLOSING MATTERS**

13.1 Books and Records

The Purchaser shall keep and maintain the Books and Records for a period of two (2) years from the Closing Date, or for any longer period as may be required by Applicable Law or Governmental Authority or as requested by the Receiver. Upon reasonable advance notice, during such two (2) year period after the Closing Date, the Purchaser will grant the Receiver and the Debtor and, in

the event the Debtor is adjudged bankrupt, any trustee of the estate of the Debtor and their respective representatives, reasonable access during normal business hours to use and copy the Books and Records at the sole cost of the Receiver or bankruptcy trustee of the estate of the Debtor, as the case may be, and at no cost to the Purchaser.

ARTICLE 14

TERMINATION

14.1 Termination of this Agreement

This Agreement may be validly terminated:

- (a) upon the mutual written agreement of the Parties;
- (b) pursuant to Section 7.2 by the Receiver;
- (c) pursuant to Section 7.4 by the Purchaser;
- (d) pursuant to Section 11.2(b);
- (e) by either of the Parties, in writing to the other, if the Approval and Vesting Order is not issued by the Court on or before October 31, 2025; or
- (f) automatically, should Closing have not occurred prior to the discharge of the Receiver as the receiver of the Purchased Assets, unless the Receiver's interest in this Agreement has been assigned (or as part thereof) the Receiver's discharge.

14.2 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Receiver, the Purchaser shall be entitled to the return of the **Deposit** without deduction, which shall be returned to the Purchaser forthwith, and this shall be the Purchaser's sole right and remedy pursuant to this Agreement or at law as a result of the Receiver's breach. If this Agreement is terminated as a result of a breach of a representation, warranty, covenant or obligation of the Purchaser, the Deposit shall be forfeited to the Receiver as liquidated damages and not as a penalty, which the Parties agree such Deposit is a genuine estimate of the liquidated damages that the Receiver would suffer in such circumstances, and this shall be the Receiver's sole right and remedy pursuant to this Agreement or at law as a result of the Purchaser's breach.

14.3 Termination If No Breach of Agreement

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then the following shall apply:

- (a) the Parties shall be released from all obligations and liabilities hereunder, except those that survive the termination of this Agreement;
- (b) the Deposit shall be returned to the Purchaser forthwith, without deduction; and

- (c) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief other than as expressly provided herein.

ARTICLE 15

GENERAL CONTRACT PROVISIONS

15.1 Further Assurances

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and which are not inconsistent with the terms hereof, including, at the Purchaser's request and expense, the Receiver shall execute and deliver such additional conveyances, transfers and other assurances as may, in the opinion of the Parties or their counsel, acting reasonably, be reasonably required to effectually carry out the intent of this Agreement and transfer the Purchased Assets to the Purchaser.

15.2 Survival Following Completion

Notwithstanding any other provision of this Agreement, Article 8, Article 9, Section 14.2 and Section 14.3 shall survive the termination of this Agreement and the completion of the Transaction, provided, however, that upon the discharge of the Receiver, the Parties' respective obligations by reason of this Agreement shall end completely and they shall have no further or continuing obligations by reason thereof.

15.3 Notice

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "Notice") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Receiver:

KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5H 1J9

Attention: Noah Goldstein / Murtaza Tallat
Tel: (416) 932-6207 / (416) 932-6031
Email: ngoldstein@ksvadvisory.com / mtallat@ksvadvisory.com

and a copy to the Receiver's Solicitor:

Bennett Jones LLP
3400 One First Canadian Place
Toronto, ON M5X 1A5

Attention: Sean Zweig / John van Gent
Tel: (416) 777-6254 / (416) 777-6522
Email: zweigs@bennettjones.com / vangentj@bennettjones.com

(b) to the Purchaser:

Lakhvir Kaur

[•]

Tel: [•]
Email: [•]

and a copy to the Purchaser's counsel:

[•]

Attention: [•]
Tel: [•]
Email: [•]

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third (3rd) Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first (1st) Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth (4th) Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

15.4 Waiver

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

15.5 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit or the requirement for such consent is not required pursuant to the terms of the Approval and Vesting Order, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

15.6 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario sitting in Toronto. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes among them.

15.7 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

15.8 Time of the Essence

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

15.9 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

15.10 Assignment

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. The Purchaser may not assign this Agreement without the Receiver's prior written approval, which approval shall be in the Receiver's sole, absolute and unfettered discretion. Notwithstanding the foregoing, the Purchaser shall only have until the granting of the Approval and Vesting Order to direct that title to the Purchased Assets be taken in the name of another person, entity, joint venture, partnership or corporation (presently in existence or to be incorporated prior to the Closing Date) provided that (a) such person, entity, joint venture, partnership or corporation shall, in writing, agree, prior to the date of the granting of the Approval and Vesting Order, to assume and be bound by the terms and conditions of this Agreement (the "**Assumption Agreement**") and a copy of such Assumption Agreement is delivered to the Receiver forthwith after having been entered into, in which case the Purchaser shall nonetheless not be released from any and all further obligations and liabilities hereunder, and (b) if the Purchaser does not, prior to the granting of the Approval and Vesting Order, direct that title to the Purchased Assets be taken in the name of such person, entity, joint venture, partnership or corporation, then the Purchaser shall continue to be liable hereunder and the Approval and Vesting Order shall vest title to the Purchased Assets in the Purchaser.

15.11 Expenses

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

15.12 Severability

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

15.13 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

15.14 Cumulative Remedies

Unless otherwise expressly stated in this Agreement, no remedy conferred upon or reserved to one or both of the Parties is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

15.15 Currency

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of Canada.

15.16 Receiver's Capacity

It is acknowledged by the Purchaser that the Receiver is entering into this Agreement solely in its capacity as Court-appointed receiver of the Lands and that the Receiver shall have absolutely no personal or corporate liability under or as a result of this Agreement in any respect.

15.17 Planning Act

This Agreement is to be effective only if the provisions of the *Planning Act*, R.S.O. 1990, C. P.13, as amended, are complied with.

15.18 No Third Party Beneficiaries

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns. No other person or entity shall be regarded as a third party beneficiary of this Agreement.

15.19 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

15.20 Publicity

The Purchaser agrees with the Receiver not to make any public announcement of the Transaction prior to Closing, except for the purpose of obtaining the Approval and Vesting Order or unless the content and timing of such announcement have been agreed upon by both Parties, or unless such announcement is otherwise required by Applicable Law.

15.21 Confidentiality

The Purchaser acknowledges that it has signed, and continues to be bound by, a confidentiality agreement with the Receiver with respect to the Purchased Assets. The Purchaser undertakes and agrees (and agrees to cause its agents, employees and representatives) to keep the existence and terms of this Agreement in strict confidence, except in the course of conveying necessary information to third parties directly involved in the Transaction and except as may be required by law or otherwise mutually agreed upon in writing by the parties.

15.22 Non-Registration

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document providing evidence of this Agreement against title to the Lands. Should the Purchaser be in default of its obligations under this Section 15.22, the Receiver may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Lands. The Purchaser irrevocably nominates, constitutes and appoints the Receiver as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Lands.

15.23 Counterparts

This Agreement may be executed in counterparts and by facsimile or PDF, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

15.24 Electronic Execution of Agreement and Certain Other Documents

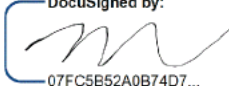
The words "execution", "execute", "signed", "signature", and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the

extent and as provided Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada) and the *Electronic Commerce Act, 2000* (Ontario), or any other similar laws based on the *Uniform Electronic Commerce Act* of the Uniform Law Conference of Canada.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF the Receiver has duly executed this Agreement as of the 31st day of July, 2025.

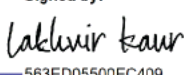
KSV RESTRUCTURING INC., as court-appointed receiver and manager, without security, of the Real Property and Personal Property (each as defined in the Receivership Order) and not in its personal capacity or in any other capacity

DocuSigned by:

Per: 07FC5B52A0B74D7...
Name: Noah Goldstein
Title: Managing Director

ACCEPTED by the Purchaser as of the date first above written.

DocuSigned by:

1F190A2F3AA648C...
Witness: Harpal Singh Bhalla

Signed by:

563ED05500EC409...
LAKHVIR KAUR

**SCHEDULE A
LEGAL DESCRIPTION OF THE LANDS**

FIRSTLY

PIN: 14235-5967 (LT)

BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON

SECONDLY

PIN: 14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE B
FORM OF APPROVAL AND VESTING ORDER

Court File No. CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) [●], THE [●]
JUSTICE [●]) DAY OF [●], 2024

B E T W E E N :

KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.

Applicants

- and -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 C. C.43, AS AMENDED

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the "Receiver"), without security, of the Real Property and the Personal Property (each as defined in the Receivership Order dated June 26, 2024) for an order, *inter alia*, approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur (the "Purchaser"), as purchaser, dated [●], 2025 (as amended, the "Sale Agreement"), a copy of which is attached as

Appendix "[●]" to the [●] Report of the Receiver dated [●], 2025 (the "[●] Report"), and vesting in the Purchaser, all of the Digram Developments Caledon Inc.'s (the "**Company**") right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario..

ON READING the [●] Report and appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of [●] sworn and filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the [●] Report, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be

necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, licences, restrictions, contractual rights, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order of the Honorable Osborne dated April 19, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders and declares that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Peel (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter [the Purchaser] as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:

- i. the pendency of these proceedings;
- ii. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- iii. any assignment in bankruptcy made in respect of the Company,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

SCHEDULE "A"

FORM OF RECEIVER'S CERTIFICATE

Court File No. CV-24-00722148-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N :

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and –

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 C. C.43, AS AMENDED**

RECEIVER'S CERTIFICATE

RECITALS

I. Pursuant to an Order of the Honourable Mr. Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 26, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (in such capacity, the "**Receiver**"), without security, of the Real Property and Personal Property (each as defined in the Receivership Order).

II. Pursuant to an Order of the Court dated [●], 2025, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur (the "**Purchaser**"), as purchaser, dated [●], 2025 (as amended, the "**Sale Agreement**"), and provided for the vesting in

the Purchaser of all the Digram Developments Caledon Inc.'s right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _
_____ [DATE].

KSV RESTRUCTURING INC., solely in its capacity as court-appointed receiver, and not in its personal capacity or in any other capacity

Per: _____
Name:

- 8 -

Title:

SCHEDULE "B"

LEGAL DESCRIPTION OF THE REAL PROPERTY

FIRSTLY

PIN: 14235-5967 (LT)

BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON

SECONDLY

PIN: 14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE "C"

PART 1: INSTRUMENTS TO BE DELETED FROM FIRSTLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR3617556	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3617557	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822712	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822713	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822714	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822715	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.

PART 2: INSTRUMENTS TO BE DELETED FROM SECONDLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR2861457	2016/01/29	CHARGE	KINGSETT MORTGAGE CORPORATION
PR2861458	2016/01/29	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3050717	2016/12/20	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3050723	2016/12/20	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3097560	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3097561	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3240203	2017/11/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3566643	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3566644	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822593	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822594	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822595	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822596	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.
PR4369233	2024/08/26	CONSTRUCTION LIEN	PENCO DRYWALL LTD.

SCHEDULE "D"

PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS RELATED TO THE REAL PROPERTY

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

SCHEDULE "C"

PART 1: GENERAL PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. all rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of any Governmental Authority;
4. rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Ontario or Canada;
5. applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;
6. any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land or other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;
8. any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Receiver or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such privileges do not materially affect the use or the operation of the assets affected thereby;
9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order; and
10. Encumbrances permitted or created pursuant to the terms of this Agreement or which are otherwise expressly approved by the Purchaser in writing.

PART 2: SPECIFIC PERMITTED ENCUMBRANCES

FIRSTLY LANDS - PIN: 14235-5967 (LT)

3. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
4. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
5. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

6. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
7. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

Appendix “C”

FINAL AGREEMENT - April 10, 2008

**MAYFIELD WEST COMMUNITY -
CALEDON, ONTARIO**

COST SHARING AGREEMENT

**BRATTY AND PARTNERS, LLP
Barristers and Solicitors
7501 Keele Street
Suite 200
Vaughan, Ontario
L4K 1Y2**

MAYFIELD WEST COMMUNITY COST SHARING AGREEMENT

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MAYFIELD WEST COST SHARING AGREEMENT

THIS AGREEMENT made as of the 10th day of April, 2008

A M O N G:

SOUTH FIELDS COMMUNITY INC.

(hereinafter referred to as "South Fields")

OF THE FIRST PART,

-and-

SOUTH FIELDS II COMMUNITY INC.

(hereinafter referred to as "South Fields II")

OF THE SECOND PART,

-and-

MOSCORP III DEVELOPMENT INC.

(hereinafter referred to as "Moscorp III")

OF THE THIRD PART,

-and-

MOSCORP VII DEVELOPMENT INC.

(hereinafter referred to as "Moscorp VII")

OF THE FOURTH PART,

-and-

MAYFIELD WEST DEVELOPERS GROUP INC.

(hereinafter referred to as the "Trustee")

OF THE FIFTH PART,

-and-

DAVID SCHAEFFER ENGINEERING LIMITED

(hereinafter referred to as the "Consultant")

OF THE SIXTH PART.

WHEREAS those lands (the "**Lands**") situate in the Town of Caledon, in the Regional Municipality of Peel, which are bounded in red on the plan annexed hereto as Schedule "A", are owned, in part, by the parties of the First to Fourth Parts, whose lands are more particularly described in Schedule "B";

AND WHEREAS, in order to further the development of each Owner's lands, the Owners have agreed to co-operate with each other in order to obtain Secondary Plan Approval of the Lands, and to share, in their Proportionate Shares, all costs and expenses incurred in obtaining such Secondary Plan Approval (including, without limitation, the costs of all studies, plans, fees of lawyers, planners, engineers and other professional consultants and application fees);

AND WHEREAS, in order to develop the Lands, the Town will require that portions thereof (the "**Community Use Lands**") be designated for or be dedicated to a use (a "**Community Use**") which is public in nature, which lands the Owners have agreed will be utilized pursuant to the terms of this Agreement;

AND WHEREAS the Owners have agreed that if an Owner's contribution of Community Use Lands exceeds its Proportionate Share, a reimbursement will be made by the payment of monies from the Owner(s) whose contributions are less than their Proportionate Share to the Owner(s) whose contributions are greater than their Proportionate Share(s);

AND WHEREAS, in order to develop the Lands, the Town will also require the cost of servicing the Community Use Lands and providing infrastructure which benefits the Community (the "**Community Construction Costs**") be shared by the Owners, which the Owners have agreed to do provided that each Owner's share is adjusted amongst the Owners so that the burden of satisfying the Community Construction Costs is shared by each Owner in accordance with its Proportionate Share;

AND WHEREAS the Owners have entered into the Master Financial Agreement with respect to the payment and financing of various costs, charges and infrastructure related to the development of the Lands, and wish to implement the provisions thereof in order to ensure compliance with the terms of the Master Financial Agreement and to ensure that the costs, charges and security to be paid and/or delivered pursuant thereto are shared by all Owners within the Community;

IN CONSIDERATION OF ONE DOLLAR and other good and valuable consideration now paid by each of the parties, one to each other, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby acknowledge, covenant and agree as follows:

ARTICLE I: DEFINITIONS

1.01 In this Agreement and in the Schedules attached hereto, the following words and expressions shall have the following meanings:

- (a) "**Additional Financial Mitigation Payment**" shall have the meaning ascribed thereto in Section 4.09(e) of this Agreement;
- (b) "**Agents**" shall have the meaning ascribed thereto in Section 5.17 of this Agreement;
- (c) "**Chairman**" means the chairman of a Group Meeting, who shall be appointed by the Owners present at such meeting;
- (d) "**Closed Kennedy Road Allowance**" means that portion of Kennedy Road (referred to in Section 1.7(F) of the Master Financial Agreement as "old" Kennedy Road) which is to be closed by the Town and conveyed to the Owners who convey lands for the new alignment of Kennedy Road, in accordance with Section 1.7(F) of the Master Financial Agreement;
- (e) "**Community**" means the community within which the Lands are situate and commonly known as the Mayfield West Community, as shown on Schedule "A" attached hereto;
- (f) "**Community Centres**" means those lands required by the Town for purposes of community centres and shown as community centres on the Secondary Plan and the Community Design Plan;
- (g) "**Community Construction Costs**" refer to and mean all costs incurred for Community Use Lands, services and/or infrastructure related to the Community Use Lands or otherwise benefiting the Community, including therein the following costs:
 - (i) the costs of servicing Community Use Lands, including water, hydro and sanitary and storm sewers and the costs related thereto;

- (ii) the costs incurred for planners, engineers, consultants, lawyers and other professionals and the like, as well as engineering fees, municipal fees, bonding fees and the like, for or in respect of the creation of or related to the Community Use Lands, based on twenty (20%) percent of such Community Construction Costs;
- (iii) the costs incurred for:
 - (A) construction of storm water management ponds including grading costs (including excavation), inlet, outlet and overflow structures, maintenance access roads, by-pass pipes, fencing, topsoil and seeding, landscaping, external storm sewer outfalls, maintenance and cleaning costs until assumption, and monitoring costs (if required by the Town or Toronto Region Conservation Authority);
 - (B) oversized portion of village core stormwater management pond;
 - (C) grading, servicing and landscaping of Greenway Corridors;
 - (D) additional road construction costs in excess of minimum local residential and industrial road standards associated with Community Roads, including, without limitation, additional depth road make-up as per minimum Town standards, additional width of roadway, additional sidewalk, bicycle path, centre median, additional streetscape and additional lighting;
 - (E) construction of creek crossing as shown on the Secondary Plan at Kennedy Road;
 - (F) additional creek crossings as may be required for H2 tributary, subject to finalization of road patterns;
 - (G) construction of hydro trunk services (including without limitation, costs for acquisition of easement(s), and costs related to construction of switchgears and feeder circuits);
 - (H) construction of hydro transformer stations;
 - (I) construction of any Community Road adjacent to Community Use Lands, based on 50% of road width, sidewalk, sanitary sewer, storm sewer, watermain, hydro, street lighting and street trees;
 - (J) servicing of sites for Schools, including storm and sanitary sewer connections and control manholes, water connections and control valves, chain link fencing, driveway construction and rough grading;
 - (K) servicing of sites for Parks, including storm and sanitary sewers connections and control manholes, water connections, control valves backflow preventer, chain link fencing, and rough grading;
 - (L) servicing of sites for Community Centres, including storm and sanitary sewers connections and control manholes, water connections, control valves backflow preventer, chain link fencing, and rough grading;
 - (M) servicing of social housing sites, including storm and sanitary sewer connections and control manholes, water connections and control valves, chain link fencing, driveway construction and rough grading;
 - (N) construction of entry features as required by the Community Design Plan;
 - (O) landscaping of vista blocks and linkages as required by the Community Design Plan, if required by the Town;

- (P) removal and decommissioning of utilities and other works from the Closed Kennedy Road Allowance and remediation of the lands comprising the Closed Kennedy Road Allowance;
- (Q) such other costs as the Owners may agree to from time to time in accordance with Section 5.01;

The parties acknowledge that all estimates of Community Construction Costs shall include a 15% mark-up, provided that the final Community Construction Costs shall be calculated (without such mark-up) based on the actual final Community Construction Costs incurred by the Owners, as confirmed by the Consultant.

For greater certainty, costs for rough grading shall be based on "on-site" cut-and-fill rates.

- (h) **"Community Design Plan"** means the Community Design Plan approved by Town Council on October 23, 2007, which sets out the general design of the Community;
- (i) **"Community Roads"** mean (i) the excess right-of-way width of any road which exceeds eighteen (18) metres for residential roads and twenty-two and one-half (22.5) metres for industrial roads (excluding additional widenings for private intersections on boundary roads and excluding P-loop roads where the Town requires additional width to address access and emergency access issues), and (ii) 50% of the portion of any road right-of-way that adjoins any Community Use Lands, and (iii) 100% of any road right-of-way which adjoins Community Use Lands on both sides;
- (j) **"Community Uses" or "Community Use Lands"** means those lands located within the Developable Area in the Community (whether owned by a participating Owner or a non-participating landowner) which are for the use by the Community and designated, in accordance with the Secondary Plan and Community Design Plan for or for use as:
 - (i) Schools;
 - (ii) Parks;
 - (iii) community centres;
 - (iv) Social Housing Sites;
 - (v) partial Highway 410 and Kennedy Road interchange;
 - (vi) hydro transformer station sites or other utility sites required for community distribution purposes, to the extent that such sites are (1) located within Developable Area, (2) located outside the road allowance conveyed or to be conveyed to the Town, (3) not otherwise compensated for by the applicable utility or other applicable authority, and (4) in excess of 3 metres by 3 metres (and for greater clarity, only the area of such site(s) in excess of 9 square metres shall be included in Community Use Lands;
 - (vii) Greenway Corridors;
 - (viii) Community Roads (including without limitation traffic calming measures, traffic circles and roundabouts, and sight triangles);
 - (ix) entrance features and community identification features as shown on the Community Design Plan;
 - (x) subject to the approval of the Owners pursuant to Section 5.01, other developable lands within the Lands which are to be conveyed to the Town or other applicable authority by an Owner or those lands which are otherwise not useable by an Owner because they are designated or required by the Town for a purpose which, in addition to benefiting more than one Owner, may or may not directly benefit the Owner who conveys or loses the land, or other publicly required land;

- (k) "**Compensation Amount**" means the sum of FOUR HUNDRED AND FIFTY THOUSAND DOLLARS (\$450,000.00) per acre (equivalent to ONE MILLION ONE HUNDRED AND ELEVEN THOUSAND FIVE HUNDRED DOLLARS (\$1,111,500.00) per hectare);
- (l) "**Consultant**" means the engineer, planner or other person or firm appointed from time to time to fulfil such function by the Owners. Initially the Consultant shall be David Schaeffer Engineering Limited;
- (m) "**Contribution**" means a sum of money which an Owner is required to pay on account of its net undercontribution of the Cost of Community Uses, pursuant to Section 5.07 hereof;
- (n) "**Cost of Community Uses**" shall mean the aggregate of: (i) the compensation payable in respect of Community Use Lands, (ii) the Community Construction Costs, (iii) the Secondary Plan Costs, (iv) the External Servicing and Study Costs, and (v) any other costs payable pursuant to this Agreement;
- (o) "**Delaying Owner**" shall have the meaning ascribed thereto in Section 6.01(f) hereof;
- (p) "**Developable Area**" means that portion of the Lands exclusive of: (i) Valleylands; (ii) Woodlots; (iii) environmental features which are required to be preserved and which are required to be conveyed to the Municipality or other applicable authority in accordance with the Master Environmental Servicing Plan applicable to the Community; and (iv) environmental buffers which are required to be preserved and which are required to be conveyed to the Municipality or other applicable authority in accordance with the Master Environmental Servicing Plan applicable to the Community. Without limiting the foregoing, the applicable area of the Closed Kennedy Road Allowance which may be conveyed to an Owner shall be added to the Developable Area of such Owner;
- (q) "**Development Event**" shall mean the earlier of:
 - (i) the issuance by the Trustee of its confirmation of release of such development pursuant to Section 6.05 hereof; and
 - (ii) the occurrence of any of the following:
 - (1) the registration of a Plan of Subdivision against an Owner's lands; or
 - (2) the registration of a plan of condominium against an Owner's lands; or
 - (3) the final approval of a severance obtained for development purposes (i.e. transfer to an end-user) in respect of an Owner's lands; or
 - (4) the execution of a site plan agreement or other development agreement in respect of an Owner's lands; or
 - (5) where none of (1) to (4) apply, the final approval of rezoning, development or re-development of an Owner's lands; or
 - (6) where none of (1) to (5) apply, the issuance of a building permit in respect of an Owner's lands;
- (r) "**External Servicing and Study Costs**" means the costs related to the following:
 - (i) studies to determine the required external services;
 - (ii) external sanitary sewers (full width and depth);

- (iii) external storm sewers (full width and depth);
- (iv) external watermain (full width and depth);
- (v) sanitary pump station and forcemain(s);
- (vi) external roads and road improvements, including without limitation, intersection improvements, signalization, illumination and channelization;
- (vii) intersection improvements at collector and arterial roads as set out in the approved Traffic Management Plan prepared by Entra Consultants, including additional turning lanes in excess of base road size, handwells, ducts, signalization and illumination (on non-illuminated arterial roads);
- (viii) realignment of the Kennedy Road trunk watermain, including interim staging measures and abandonment of the original Kennedy Road trunk watermain;
- (ix) all costs and security paid or provided (or to be paid or provided) by the Owners pursuant to, or otherwise related to, the Master Financial Agreement, to the extent that such costs are not expressly included in Community Construction Costs, including without limitation, the following:
 - (1) costs of design and property acquisition and cost of oversizing in connection with the widening of Kennedy Road bridge over Highway 410 from two (2) to four (4) lanes (to the extent not reimbursed by development charge credits);
 - (2) costs of design and property acquisition and cost of oversizing in connection with the widening of superstructure of Heart Lake Road bridge over Highway 410 from two (2) to four (4) lanes;
 - (3) cost of noise attenuation measures along the Highway 410 frontage;
 - (3) construction of external valley improvements, including without limitation trails and pedestrian bridges within the valley;
 - (4) construction of trail systems;
 - (5) employment lands marketing campaign;
 - (6) fiscal impact charges;
 - (7) costs of public infrastructure (including, without limitation, all studies and supporting documents related thereto) to be front-ended by the Owners pursuant to the Master Financial Agreement, to the extent not reimbursed by development charge credits.
- (x) all costs and security paid or provided (or to be paid or provided) by the Owners pursuant to, or otherwise related to, the Town Kennedy Road Project Agreement, to the extent that such costs are not expressly included in Community Construction Costs;
- (xi) all costs and security paid or provided (or to be paid or provided) by the Owners pursuant to, or otherwise related to, the Town Heart Lake Road Project Agreement, to the extent that such costs are not expressly included in Community Construction Costs;
- (xii) comprehensive adaptive management program as may be required by the Town in accordance with the MESP;
- (xiii) any other external services or studies deemed necessary by the Town or Region and which benefit the Community.

The parties acknowledge that all estimates of External Servicing and Study Costs shall include a 15% mark-up.

- (s) "**Existing Owners**" shall have the meaning ascribed thereto in Sub-Section 6.09(iv) hereof;
- (t) "**Front-Ending Owner**" shall have the meaning ascribed thereto in Sub-section 6.01(e) hereof;
- (u) "**Greenway Corridors**" means those lands shown as greenway corridors on the Secondary Plan and the Community Design Plan (to a maximum of six (6) hectares for the entire Community);
- (v) "**Group**" means all of the Owners of the Lands who are parties to this Agreement and all Owners who become party to this Agreement pursuant to Section 6.09;
- (w) "**Group Meeting**" means a meeting to which all Owners are invited as provided in Section 5.01 hereof;
- (x) "**Lands**" shall have the meaning ascribed thereto in the first recital of this Agreement and shall also include the lands of any Owner who becomes a party to this Agreement;
- (y) "**Master Financial Agreement**" means the agreement dated September 26, 2006, entered into by certain of the Owners and the Town with respect to the payment and financing of various costs and charges related to the development of the Lands, a copy of which is attached hereto as Schedule "L";
- (z) "**Municipality**" means The Corporation of the Town of Caledon, the Regional Municipality of Peel, and/or other authority having jurisdiction over the development of the Lands and/or the registration of a Plan of Subdivision thereon;
- (aa) "**Non-Developing Owner**" shall have the meaning ascribed thereto in Section 6.01(e)(ii) hereof;
- (bb) "**Operating Fund**" means a bank account with The Toronto-Dominion Bank operated by the Trustee pursuant to Section 5.05 for the benefit of all the Owners, which contains monies paid to and for use by the Trustee for the purposes of this Agreement;
- (cc) "**Other Owners**" shall have the meaning ascribed thereto in Sub-Section 6.01(f) hereof;
- (dd) "**Overdedicated Party**" means an Owner who has contributed more than its Proportionate Share of Community Use Lands pursuant to the terms of this Agreement, and "Overdedicated Parties" shall mean more than one Overdedicated Party;
- (ee) "**Owner**" means the Parties of the First to Fourth Parts inclusive hereto who have executed this Agreement, and shall also include, from time to time and at the applicable time, any party who becomes a party to this Agreement from time to time pursuant to Section 6.09 hereof, and "Owners" means more than one Owner. A Party that is comprised of more than one person shall be treated as one Party and each member of such Party shall be jointly and severally responsible for the performance of the obligations of such Party;
- (ff) "**Parks**" means those portions of the Lands which from time to time are designated by the Secondary Plan as a park, neighbourhood park or parkette, and any open space or other lands accepted by the Town as a park for the purpose of the Planning Act;
- (gg) "**Plan of Subdivision**" or "**Subdivision Plan**" means a plan of subdivision registered pursuant to the *Planning Act*, and also includes any Lands whose development is permitted by reason of the registration of a plan of

condominium pursuant to the *Condominium Act*, or by reason of a severance obtained for development purposes and the execution of a site plan agreement or other development agreement pertaining to such lands pursuant to the *Planning Act* (and in the case of such severance, a plan of subdivision shall be deemed to have been registered against such lands, or any part thereof, at the time that such severance becomes final) or in respect of any development in respect of which none of the foregoing apply, upon the transfer of municipal/community services and/or lands to the Town or other applicable authority;

- (hh) "**Proportionate Share**" means the proportion that an Owner's Developable Area bears to the Developable Area of the lands owned by all of the Owners, as determined and/or confirmed by the Consultant from time to time, provided that, notwithstanding the foregoing:
- (i) "Proportionate Share" in respect of oversized sanitary sewers (including without limitation, oversized and extra depth sewers) shall be calculated based on the proportion that each Owner's benefitting Developable Area tributary to any given leg or segment of sanitary sewer bears to the total Developable Area tributary to that leg of sewer;
 - (ii) "Proportionate Share" in respect of sanitary pump station(s) and forcemain(s) shall be calculated based on the proportion that each Owner's benefitting Developable Area tributary to the pump station bears to the total Developable Area tributary to that pump station;
 - (iii) "Proportionate Share" in respect of oversized storm sewers (including without limitation, oversized and extra-depth sewers) shall be calculated based on the proportion that each Owner's benefitting Developable Area tributary to any given leg or segment of storm sewer, multiplied by the runoff co-efficient, bears to the total Developable Area tributary to that leg of sewer;
 - (iv) "Proportionate Share" in respect of oversized watermains (including without limitation, oversized and extra-depth watermains) shall be calculated based on the proportion that each Owner's Developable Area which benefits from such watermain(s) bears to the total Developable Area of all the Owners which benefit from such watermain(s);
 - (v) "Proportionate Share" in respect of storm water management ponds shall be calculated based upon the proportion that each Owner's Developable Area tributary to such pond bears to the Developable Area of all of the Owners which are tributary to such pond, multiplied by the run-off co-efficient, and benefitting tributary areas shall be based on the minor system area tributary to any given pond;
 - (vi) "Proportionate Share" in respect of Parks shall be calculated on the same basis as Parks would be required to be contributed to the Town pursuant to the provisions of the Planning Act of Ontario (as same may be amended and/or replaced from time to time) (i.e. based on density generation/land use);
 - (vii) "Proportionate Share" in respect of hydro trunk services shall be calculated based on the proportion that each Owner's Developable Area which benefits from such hydro trunk services bears to the total Developable Area of all the Owners which benefit from such hydro trunk services;
 - (viii) except as otherwise set out herein, "Proportionate Share" in respect of all other Costs of Community Uses shall be calculated based on the proportion that an Owner's Developable Area bears to the Developable Area of all Owners within the Community.

For greater clarity, and for purposes of calculating the Owners' Proportionate Shares and preparation of the cost sharing schedules pursuant to this

Agreement, the participating Owners shall collectively (and in their pro-rata shares) carry the burden of the cost-sharing obligations attributable to the lands of the non-participating owners within the Community, until such time as such non-participating owners enter into this Agreement in accordance with Section 6.09 herein.

- (ii) **"Region"** means the Regional Municipality of Peel;
- (jj) **"Registration Package"** shall have the meaning ascribed thereto in Section 3.05 of this Agreement;
- (kk) **"Schools"** means those portions of the Lands designated either as a public school or separate school site;
- (ll) **"Secondary Plan Costs"** shall mean the aggregate of all costs and expenses incurred from time to time by the Owners (whether before or after the date of this Agreement) for the benefit of the Group in respect of: processing and obtaining all approvals in respect of the Official Plan Amendment (being LOPA 208 and ROPA 17), studies and supporting documents that support OPA 208 and a Community Design Plan, Secondary Plan and Community Design Plan with respect to the Lands, including without limiting the generality of the foregoing, the costs (to a maximum of \$200,000.00) related to the original Mayfield West "competition" to bring the Community forward for development (including studies, reports and workshops), Environmental Impact Study & Management Plan (EIS & MP), Traffic Management Plan (TMP), Community Design Plan (CDP), Development Phasing Plans, Master Financial Agreement and all other agreements related thereto, LOPA 208 and ROPA 17 participation costs, Town's costs for the OMB hearing for LOPA 208, Environmental Assessment for Kennedy Road, LIDAR mapping and air photography, environmental assessment studies, peer reviews in respect of any or all of the foregoing, costs related to negotiation and implementation of the Town's development charges by-law and any amendments thereto, and the costs of all studies, plans, fees of lawyers, planners, engineers and other professionals and consultants and application fees related to the foregoing;
- (mm) **"Secondary Plan"** means the Mayfield West Secondary Plan designating the Lands for development purposes, being Town Official Plan Amendment 208 and Regional Official Plan Amendment 17, as may be amended from time to time in accordance with the unanimous approval of all the Owners;
- (nn) **"Security"** shall have the meaning ascribed thereto in Section 4.04 hereof;
- (oo) **"Shared Local Road(s)"** means that portion of a local road which is wholly or partially located within an Owner's land but which fronts or flanks any lot or block on an adjacent Owner's lands (as determined by the Consultant);
- (pp) **"Social Housing Sites"** means those sites required by the Town to be set aside, conveyed and/or otherwise preserved by an Owner for the purpose of social housing, as shown on the Secondary Plan and the Community Design Plan, to a maximum of five (5) acres for the entire Community);
- (qq) **"Town"** means the Town of Caledon;
- (rr) **"Town Kennedy Road Project Agreement"** means the agreement dated May, 2007, entered into by certain of the Owners and the Town with respect to the front-ending of the widening of Kennedy Road bridge over Highway 410, a copy of which is attached hereto as Schedule "M";
- (ss) **"Town Heart Lake Road Project Agreement"** means the agreement dated May, 2007, entered into by certain of the Owners and the Town with respect to the front-ending of the widening of Heart Lake Road bridge over Highway 410, a copy of which is attached hereto as Schedule "L";
- (tt) **"Transferee"** shall have the meaning ascribed thereto in Section 6.08 hereof;

- (uu) "**Trustee**" means MAYFIELD WEST DEVELOPERS GROUP INC. or such other party or parties from time to time appointed to act as such by the Owners pursuant to Section 5.02 hereof;
- (vv) "**Underdedicated Party**" means an Owner which has contributed less than its Proportionate Share of Community Use Lands pursuant to the terms of this Agreement, and "Underdedicated Parties" shall mean more than one Underdedicated Party;
- (ww) "**Woodlots**" means staked woodlots as approved by the Toronto Region Conservation Authority and/or other applicable authority and required to be conveyed to the Town without compensation therefor;
- (xx) "**Valleylands**" means that portion of a valley located below the top of bank as established and/or approved by the Toronto Region Conservation Authority and the Town, and which lands are to be transferred to the Town; and
- (yy) "**Withdrawal**" means a sum of money which an Owner is entitled to receive on account of its net overcontribution of the Cost of Community Uses, pursuant to Section 5.08 hereof.

ARTICLE II: PROPORTIONATE SHARES

2.01 **Proportionate Share of Cost of Community Uses** - Each Owner agrees to bear its Proportionate Share of the Cost of Community Uses, subject to and in accordance with the terms of this Agreement. In addition, each Owner agrees to bear its Proportionate Share of the Secondary Plan Costs, which shall be payable within ten (10) days following written request by the Trustee.

ARTICLE III: LAND COMPENSATION

3.01 **Overdedicated /Underdedicated Parties** - The Overdedicated Parties shall be compensated by the Underdedicated Parties in accordance with Section 3.02 hereinbelow. Such compensation shall be calculated by the Consultant and contributed by an Underdedicated Party, subject to and in accordance with the terms of this Agreement, immediately prior to (and as a pre-condition of) the occurrence of a Development Event in respect of the lands of such Underdedicated Party.

3.02 **General Compensation** -

- (a) The compensation referred to in the preceding Section shall consist of payment of monies by the Underdedicated Parties on the basis of the Compensation Amount, for the lands for which the Overdedicated Party is to be compensated pursuant to the terms of this Agreement.
- (b) The Owners acknowledge and agree that the Compensation Amount shall be fixed unless and until amended by the Owners in accordance with Section 5.01 hereof. The Owners acknowledge and agree that the Compensation Amount, and as may be re-determined by the Owners from time to time as aforesaid, has been and/or will be (as the case may be) calculated on the basis of the fair market value for unserviced land in the Community. The Owners hereby confirm the principle that the Compensation Amount payable by an Underdedicated Party shall be calculated based on the Compensation Amount which is applicable at the time that a Development Event is attained in respect of the lands (or applicable phase thereof) of such Underdedicated Party. The Owners further acknowledge and agree that, if amended as aforesaid, the revised Compensation Amount shall be applicable to all compensation calculations under this Agreement from and after the date of such confirmation and/or revision, until such time as the Compensation Amount has been further revised in accordance with Section 5.01 of this Agreement, and such revised Compensation Amount shall not be retroactive to the calculation of any underdedication claim completed for an Underdedicated Party which has attained a Development Event prior to the date of such revision, or to any subsequent adjustment or re-adjustments to such previous calculations. For clarification, in the event that a Development Event occurs in respect of an Underdedicated Party and such Underdedicated Party pays its

underdedication based on the Compensation Amount then applicable, and such Compensation Amount is subsequently increased prior to the occurrence of a Development Event in respect of the applicable Overdedicated Party, then the calculation of such Underdedicated Party's underdedication shall not be adjusted to reflect the new Compensation Amount payable to such Overdedicated Party. Similarly, in the event that a Development Event occurs in respect of an Overdedicated Party, and the Compensation Amount is subsequently increased prior to the occurrence of a Development Event in respect of an Underdedicated Party, then the calculation of such Underdedicated Party's underdedication shall be adjusted to reflect the new Compensation Amount applicable at the time of the occurrence of the Development Event in respect of the lands (or applicable phase thereof) of the Underdedicated Party.

- (c) For greater clarity, the parties acknowledge and agree that the Compensation Amount does not include compensation for the road and services adjacent to Community Use Lands, and therefore the area of such road adjacent to such Community Use Lands (i.e. 50% of local road adjacent to Community Use Lands) will be included in the Community Use Lands to be compensated pursuant to this Agreement, and, except as otherwise expressly set out herein, the cost of services related to such Community Use Lands will be included in Community Construction Costs to be shared by the Owners pursuant to this Agreement.
- (d) Subject to Section 6.17 hereof, the Owners acknowledge and agree that the calculation of any Contribution/Withdrawal pursuant to this Agreement shall be net of any credits, recoveries, reimbursements or other contributions (financial or otherwise) from the Town or other applicable authority received or to be received by an Owner in respect of any Cost of Community Uses (the "Credits"), as verified by such Owner (by way of statutory declaration or other satisfactory evidence as may be required by the Consultant and/or the Trustee) and as confirmed by the Consultant. In the alternative, an Owner who is entitled to receive any such Credits may elect to assign such Credits to the Trustee and consequently to have its Contribution/Withdrawal calculated without the deduction of such Credits therefrom. Any proceeds received by the Trustee on account of such Credits shall be distributed amongst the Owners in their Proportionate Shares.
- (e) The parties acknowledge and agree that Community Use Lands shall include only those lands related to permanent Community Uses, and that Community Use Lands shall not include lands related to temporary services.

3.03 Community Use Lands Area Adjustment - If the area of lands actually provided by any Owner for Community Use shall be different from that set forth in any Schedule attached or to be attached hereto, the appropriate adjustments shall be made by the Consultant to the areas therein set forth as well as the Contribution or Withdrawal therein set forth. An Owner who provides in excess of the number of hectares set opposite its name, and/or lands in excess of those set shown in the Community Design Plan, shall not receive an adjustment in respect of the excess unless the Owner's planning consultant certifies that such excess was required by the Town for a Community Use and same is verified and confirmed by the Consultant. Notwithstanding any other provision contained in this Agreement, an Owner shall not provide lands for Community Uses unless such lands are required by the City, school board or other governing authority, as certified by the Consultant.

The calculations, percentages and amounts that are shown from time to time in the Schedules annexed hereto appear therein as an illustration of how the calculations, percentages and amounts are intended to be determined and are binding upon the parties, subject to amendment and/or adjustment from time to time pursuant to this Agreement. The Developable Area of each Owner shall be verified based upon the certificates of Ontario Land Surveyors in the form attached hereto as Schedule "D", and shall be introduced in substitution for the Developable Area currently shown in the Schedule(s) attached hereto. The calculations, percentages and amounts currently shown in the Schedules shall in each case be replaced by the numbers resulting from the said substitution. Moreover, the said calculations, percentages and amounts shall be revised in the event that a landowner who is not currently a signatory to this Agreement shall agree to be a party hereto and, in such case, all such calculations, percentages and amounts shall be revised accordingly.

3.04 Contribution/Withdrawal Adjustments -In order to equitably redistribute the burden of the Community Use Lands among the Owners, the Owners acknowledge and agree

that the Contributions or Withdrawals of the Owners in respect of Community Use Lands will be determined by the Consultant immediately prior to registration of a Plan or Plans of Subdivision or other Development Event for the lands of each Owner subject to such adjustment as may be necessary due to changes that occur on registration of any of such Plans of Subdivision or other Development Event.

3.05 Registration Package - Prior to an Owner requiring the issuance of the Consultant's certificate pursuant to Section 3.06 of this Agreement and clearance from the Trustee for registration by an Owner of a Plan of Subdivision or other Development Event against any part of the Lands pursuant to Section 6.05 of this Agreement, such Owner shall deliver to the Consultant a copy of the Plan of Subdivision which is to be registered together with a certificate of an Ontario Land Surveyor, in the form set out in Schedule "D", certifying as to the number of hectares included in the Developable Area and the number of hectares designated therein for Community Use Land, together with all items set out on Schedule "P" attached hereto (collectively the "Registration Package").

3.06 Consultant's Certificate - Upon receipt of the Registration Package, the Consultant shall, at the sole cost of the subject Owner, determine the area of the lands on the Plan of Subdivision (or other lands subject to the Development Event, as the case may be) allocated for Community Uses and shall certify the lands that are required for Community Uses. Subject to receipt of the Registration Package, as well as such other information as may be reasonably required by the Consultant, the Consultant shall, as soon as reasonably possible, furnish the Trustee with its certificate setting forth the foregoing and confirming the amount to be paid and/or received by such Owner pursuant to the terms of this Agreement in respect of the lands which are the subject of such certificate. The Trustee shall be entitled to rely on such Consultant's certificate as being accurate for the purpose of this Agreement, subject to such changes that may occur upon registration of the Plan of Subdivision or other Development Event. The total area of the lands allocated for Community Uses and the Proportionate Shares of all Owners shall be finally determined by the Consultant's certificate(s) delivered to the Trustee as soon as the same can be accurately determined by the Consultant and if any adjustment is required (including any adjustment(s) necessitated by additional persons becoming parties to this Agreement) appropriate adjustments shall be made to the Contributions and Withdrawals stipulated in the Schedule(s) annexed hereto as well as Contributions and/or Withdrawals theretofore made. The parties acknowledge and agree that the Consultant's certificate as aforesaid shall be based on the best estimates of costs and information available at the time of issuance of such certificate, and that such certificate does not constitute a guaranty or warranty that the estimated costs contained therein shall constitute the final actual costs, and the calculations and amounts set out in such Consultant's certificate shall be subject to updating and adjustment from time to time in accordance with this Agreement as actual costs and land areas are determined. The Consultant shall update and adjust such estimates from time to time as necessary based on more up-to-date information and, ultimately, based on final actual costs and final land areas. In the event that, as a result of such adjustments any Owner is required to pay additional monies to the Trustee pursuant to this Agreement, such additional monies shall be paid to the Trustee within ten (10) days following written request by the Trustee. Subject to adjustments to the Consultant's certificates and to the cost sharing schedules attached hereto, in accordance with this Agreement, the calculations set forth in the Schedules hereto annexed (as may be updated from time to time) and the Consultant's certificates issued to date shall continue to be binding upon the parties, except in the event of manifest error or omission.

3.07 Transfer of Community Use Lands - The Owners agree to convey, prior to Plan of Subdivision registration, the Community Use Lands that are not otherwise required to be conveyed to the Town or any other authority, to the Trustee in blank form subject to the insertion therein of the plan registration number following registration, if applicable.

The conveyance to the Trustee shall be as a bare trustee, and the Trustee is authorized to convey such lands pursuant to any agreement of purchase and sale with the school board or other applicable authority, subject however to the right of the Owners who have fulfilled their obligations under this Agreement to share in the proceeds derived from the sale, if any, thereof, in accordance with their Proportionate Shares. The Community Use Lands shall be conveyed free and clear from all liens, charges and encumbrances, except for any subdivision agreement with the Town (provided same has been complied with). The Trustee shall place and maintain liability insurance coverage in respect of such lands on terms and conditions satisfactory to the Trustee, and the costs related thereto shall be paid by the Group.

In the alternative, the Trustee may require the Owner to consent to the registration of a restriction against title to the subject Community Use Lands indicating that no conveyance or encumbrance of, or other dealings with, such Community Use Lands shall take place without the consent of the Trustee in writing, provided that the Group shall be responsible for payment of realty taxes and insurance costs in respect of such lands from and after the date of registration of such restriction, and provided further that the Owner shall thereafter deal with such lands (including without limitation, any change in use thereof) only in accordance with the Trustee's direction and approval.

3.08 Sale of Community Use Lands -

- (a) If within three (3) years after the registration of the Plan of Subdivision within which the Community Use Lands are located (or such earlier or later time as may be determined by the Group), the relevant school board or other governing authority has not purchased the lands held by the Trustee for such purpose, then, on the direction of the Owners, the Trustee shall apply to the school board or other governing authority for a release of its claim or right against the lands on behalf of the Owner(s) that registered the Plan of Subdivision and such Owner(s) hereby consent thereto. The release may be accepted on such terms and conditions as the Owners shall approve including consent to an application to rezone the lands to whatever use may be acceptable to the Owners. The Owners acknowledge and agree that any proceeds received by the Trustee from the relevant governing authority, or in pursuance of Section 3.09(b) hereinbelow, on account of such lands (whether on account of interest payable with respect thereto or otherwise) shall be applied and distributed by the Trustee in compliance with the provisions of this Agreement and the Schedules attached hereto. Notwithstanding anything in this Agreement to the contrary, the Owners acknowledge and confirm that the lands referred to in this Section 3.09 (whether such lands are for a school site or other Community Use) shall be included in the Community Use Lands for which an Overdedicated Party is to be compensated pursuant to Section 3.02 of this Agreement and in accordance with the appropriate Schedules attached hereto, and such Overdedicated Party shall be entitled to claim a Withdrawal in respect of such lands (provided such Owner has fulfilled the conditions entitling it to make a Withdrawal) upon the transfer thereof (whether as part of a Plan of Subdivision or by severance or other conveyance) to the Trustee or to the Town for transfer to the relevant school board or other governing authority.
- (b) On the direction of the Owners, the Trustee shall offer to sell and accept an offer to purchase the Community Use Lands on such terms and conditions as the Owners shall approve and the proceeds thereof, as and when received, shall be applied and distributed in compliance with the provisions of this Agreement, provided that prior to the Trustee accepting any offer to purchase as aforesaid, it shall grant to the Owner that transferred the subject Community Use Lands to the Trustee a first right of refusal to purchase such lands upon the terms and conditions contained in such offer to purchase, such first right of refusal to be exercised within seven (7) days following receipt by such Owner of such offer to purchase, failing which such right shall be deemed to be waived and the Trustee shall be free to sell the Community Use Lands in accordance with such offer to purchase, provided that in the event that the transaction contemplated by such offer to purchase is not completed, this first right of refusal shall be automatically re-instated to such Owner, and this provision shall apply mutatis mutandis to any further offer to purchase the Community Use Lands which may be received by the Trustee from time to time.
- (c) Pending the disposition of the Community Use Lands by the Trustee as herein contemplated, the Owners shall jointly and severally bear and indemnify the Trustee against all costs related to the said lands including the transactional costs of acquiring and maintaining the same, realty taxes, insurance costs, compliance with all municipal and other governmental requirements, disposition costs and all legal expenses, reserving to each Owner the right to be indemnified by the other Owners in their Proportionate Shares, should such Owner become liable for more than its Proportionate Share of such costs.
- (d) Each Owner agrees to notify the Trustee and every other Owner of the sale of any Community Use Lands to any authority or any other party, and of the terms of such sale, and to deliver to the Trustee a copy of any agreement(s) related to such sale. The Trustee shall be entitled to participate in the negotiations for the sale of such Community Use Lands and shall be provided with a copy of the agreement of

purchase and sale with respect thereto for its review and approval prior to finalization of same.

- (e) Notwithstanding any other provision contained herein, the Trustee shall be permitted to withhold any Owner's share of the proceeds derived or derivable from the sale of Community Use Lands (including, without limitation, school sites) as security for and/or to be used and applied towards such Owner's share of the Cost of Community Uses.

3.09 **Community Use Land Adjustment** - In order to fund the adjustment required so that each Owner will bear its burden of the Community Uses in its Proportionate Share, the following procedure shall be adopted:

- (a) Should any payment or credit be received by any Owner (other than a Withdrawal) in respect of any Community Use Land held by it (whether included in a Plan of Subdivision or otherwise) such payment shall be received and held in trust for the benefit of all Owners as their respective interests may appear, unless such payment or credit has already been reflected in the calculation of such Owner's Contribution/Withdrawal pursuant to this Agreement. Forthwith following receipt by any Owner of any payment as aforesaid, such Owner shall deliver the payment to the Trustee who shall dispose of such payment as herein provided;
- (b) Each Owner agrees that forthwith following the receipt of any money referred to in the preceding subsection and in any event no later than two (2) business days following such receipt, it shall notify the Consultant, the Consultant and the Trustee of such receipt. Forthwith following receipt of such notice, the Consultant shall calculate the area of land to be transferred or the amount properly payable by such Owner to the Trustee hereunder in accordance with Section 3.02 hereof in respect of such receipt or conveyance. The Consultant shall then notify the Trustee of the area of land to be transferred or the amount so determined to be properly payable, as aforesaid, and the Trustee shall be entitled to rely absolutely upon such notice.

ARTICLE IV: COMMUNITY CONSTRUCTION COST SHARING

4.01 **Sharing of Community Construction Costs** - The Owners covenant and agree to bear the Community Construction Costs in accordance with their respective Proportionate Shares, which are to be paid, borne and adjusted in the manner herein provided.

4.02 **Calculation of Community Construction Costs** -

- (a) The Consultant shall be entitled to calculate Community Construction Costs based on estimates, subject to subsequent adjustment based on actual costs once determined by the Consultant.
- (b) Community Construction Costs are exclusive of land costs which are valued in accordance with the provisions of Section 3.02 hereof.
- (c) The Consultant shall determine such construction costs, both estimated and incurred (as applicable), and its determination shall be final and binding on all parties, save and except in the event of manifest error.
- (d) The parties acknowledge and agree that, unless otherwise agreed to by the Owners in accordance with Section 5.01, Community Construction Costs shall not include any costs or expenses related to the remediation of adverse soil conditions or environmental contamination, or construction in adverse weather conditions, which may arise in respect of any Community Use Lands or in connection with any Community Construction Costs.
- (e) The parties acknowledge and agree that Community Construction Costs shall not include any costs or expenses related to the remediation of defects or deficiencies related to or arising from the design, construction or maintenance of any works or services by an Owner.
- (f) Subject to Section 6.17 hereof, the Owners acknowledge and agree that the calculation of any Contribution/Withdrawal pursuant to this Agreement in respect of

Community Construction Costs, shall be net of any credits, recoveries, reimbursements or other contributions (financial or otherwise) from the Town or other applicable authority to an Owner in respect of any Community Construction Costs (the "Credits"), as determined by the Consultant. In the alternative, an Owner who is entitled to receive any such Credits may elect to assign such Credits to the Trustee and consequently to have its Contribution/Withdrawal calculated without the deduction of such Credits therefrom. Any proceeds received by the Trustee on account of such Credits shall be distributed amongst the Owners in their Proportionate Shares.

- (g) The parties acknowledge and agree that Community Construction Costs shall include only costs related to permanent services, and that Community Construction Costs shall not include costs related to temporary services.

4.03 Payment of Community Construction Costs - Community Construction Costs as aforesaid, shall, in the first instance, be paid for by the Owner entering into the contract for the construction thereof. Such Owner shall be entitled to Contribution from the other Owners, each in accordance with its Proportionate Share, as may be best estimated by the Consultant. The Owners acknowledge and agree that the amount of the Contribution from the other Owners in accordance with the foregoing shall be determined by the Consultant in accordance with, *inter alia*, Section 6.18 hereinbelow, and shall be paid to the Trustee prior to issuance of the Trustee's release pursuant to Section 6.05 in respect of the registration by such Owner of the Plan(s) of Subdivision (or other Development Event, as the case may be) that benefits from such Community Construction Costs. Upon settlement of a draft contract which relates to the creation of a Community Construction Cost, the Owner shall obtain the written approval of the Consultant with respect to the Community Construction Costs proposed to be included therein prior to finalizing the terms thereof with the contractor. In the event that the Consultant does not confirm that the scope and cost of the Community Construction Costs contained within such contract is fair and reasonable and consistent with the terms of this Agreement, then the Owner shall be entitled to proceed with such construction either on the same terms (and cost) as set out in the draft contract, in which case only a reasonable portion thereof shall be included in Community Construction Costs (as determined by the Consultant), or pursuant to another draft contract (and cost) approved by the Consultant in accordance with the foregoing. Once the Owner has completed the construction of Community Uses and other community works on its lands sufficient to satisfy permit servicing requirements (as determined by the Consultant), it shall furnish the Consultant with particulars of payments of Community Construction Costs together with progress/payment certificates in respect thereof issued by the Owner's consulting engineer, together with such other information as the Consultant may reasonably require, in order to enable the Consultant to implement the provisions of this Section 4.03, and the Consultant shall provide its certificate to the Trustee certifying the Community Construction Costs incurred and yet to be incurred by such Owner. The Consultant shall be entitled to rely on the Owner's consultant's certificate of Community Construction Costs incurred and yet to be incurred, subject to review by the Consultant and absent manifest error. The Trustee shall be entitled to rely on the Consultant's determinations from time to time as to construction costs paid by an Owner and the estimated cost of uncompleted work.

In the alternative, the Owners may authorize the Trustee and/or the Consultant to act on behalf of the Owners and to retain such consultants, advisors, contractors or professional personnel as may be necessary to design, tender and supervise the construction of all or any portion of the Community Uses and the works/services related thereto, and the cost thereof shall be borne and paid for by the Owners based on their Proportionate Shares, and in such event each Owner shall pay such share (or any portion thereof) within thirty (30) days of written request by the Trustee.

4.04 Security for Payment -

- (a) An Owner shall, prior to the occurrence of a Development Event, secure to the Trustee, by letter of credit (in such format as may be required by the Trustee and providing for *inter alia*, automatic annual renewal) or other payment or security (the "**Security**") acceptable to the Trustee, such Owner's Proportionate Share (or as may be best estimated by the Consultant) of Community Construction Costs less the amount of Community Construction Costs actually paid or otherwise secured (e.g. by delivery of security in respect of such Community Construction Cost(s) to the Town or other applicable authority) by such Owner to the date thereof (as certified by the Consultant), but in any event, and notwithstanding the foregoing, such Security to be

delivered to the Trustee shall be in an amount which is no less than such Owner's net underdedication of Community Construction Costs (as the case may be).

- (b) Prior to the expiry of the Security the Owner shall deliver to the Consultant and the Trustee a certificate from its consulting engineer certifying the amount actually expended by the Owner on account of Community Construction Costs. Upon acceptance of the consulting engineer's certificate the Security held by the Trustee shall be adjusted to reflect the difference between its Proportionate Share (as may be best estimated by the Consultant) of Community Construction Costs and the actual amount expended by that Owner to that date for Community Construction Costs. The Trustee shall be entitled to draw upon the Security as necessary in order to fulfill such Owner's obligations under this Agreement.

4.05 **Oversized Services** - Any increase in the costs of servicing the Lands or any part thereof arising from oversizing of services (which for the purposes of this Agreement shall include oversizing and extra depth) shall be reimbursed to the Owner(s) who paid for such oversized services by the Owner(s) benefiting from such oversizing. Payment shall be made by the benefiting Owner to the Owner who constructed such oversized service(s) and/or to the Trustee, immediately prior to the occurrence of a Development Event in respect of lands that benefit from such oversizing. The Consultant shall determine whether a service constitutes an oversized service, and the amount to be paid for the increased costs arising from the oversizing by such Owner or Owners, and such determination shall be final and binding on the affected parties save and except in the event of manifest error.

For the purposes of this Agreement, the Owners acknowledge and agree that the following shall constitute oversized services:

- (i) sanitary sewers greater than 250 mm in diameter or greater than 4.0 m depth (measured from centre line of road to obvert);
- (ii) sanitary sewer manholes in excess of 1200 mm diameter or greater than 4.25 m depth;
- (iii) storm sewers greater than 600 mm in diameter or greater than 3.5 m depth (measured from centre line of road to obvert);
- (iv) storm sewer manholes in excess of 1500 mm diameter or greater than 4.1 m depth;
- (v) watermains greater than 200mm in diameter or greater than 1.8 m depth (measured from centre line of road to obvert);
- (vi) valve chambers greater than 200 mm in diameter or greater than 2.05 m depth; and
- (vii) foundation drain collectors greater than 200mm in diameter or greater than 4.0m depth to obvert.

For greater clarity, the Owner on whose lands such service is located shall be solely responsible for the cost of the local portion of such service, and all Owners who benefit from such oversized service (including without limitation, such local Owner if applicable, as determined by the Consultant), shall share the oversizing costs in accordance with this Section 4.05.

4.06 **External Servicing and Study Costs** - Each of the Owners covenants and agrees to pay its Proportionate Share of the External Servicing and Study Costs within thirty (30) days of written request by the Trustee. Subject to any appointments made by the Owners pursuant to this Agreement, the Owners agree that the Consultant or the affected Owner shall be authorized on behalf of the Owners to retain such consultants, advisors, contractors or professional personnel as may be necessary to design, tender and supervise the construction of all external services and that, subject to review and confirmation by the Consultant, the cost of such external services shall be paid for by the Trustee on behalf of all of the Owners in accordance with the terms of this Agreement, subject to the approval of the Group.

Subject to Section 6.17, the Owners acknowledge and agree that any Owner who is entitled to receive any credits, recoveries, reimbursements or other contributions (financial or otherwise) from the Town or other applicable authority in respect of any External Servicing and Study Costs ("Credits") shall assign such Credits to the Trustee and any proceeds received by the Trustee on account of such Credits shall be distributed amongst the Owners in their Proportionate Shares.

4.07 Security for Payment - Each Owner shall, immediately prior to the registration of its Plan of Subdivision or other occurrence of a Development Event, deliver to the Trustee a letter of credit on terms and in form acceptable to the Trustee, or other payment or security acceptable to the Trustee, in an amount equal to such Owner's Proportionate Share, and the Trustee shall be entitled to draw upon such letter of credit as necessary in order to fulfill such Owner's obligations under this Agreement. If the actual cost of constructing the external services should be greater than the amount estimated therefor, each Owner shall pay its Proportionate Share of the difference of any increase and shall be entitled to a reduction in its letter of credit attributable to any over-estimate in the actual cost of construction.

Each of the Owners acknowledges and agrees that the payments made and security deposited by the Owners for External Servicing and Study Costs may include funds for other landowners in the Community who are not participants in this Agreement. Accordingly the Owners covenant and agree to use all reasonable means to recover such costs incurred and to distribute any funds so collected on the same basis and to the same parties who advanced the funds.

4.08 Obligations re: Town Agreements -

- (a) The Owners acknowledge and agree that in order to further the development of the lands within the Community, certain of the Owners were required to enter into the Master Financial Agreement, the Town Kennedy Road Project Agreement and the Town Heart Lake Road Project Agreement, as well as such further and other agreements as may be required from time to time (subject to the approval of the Owners at the time of entering into such agreements, in accordance with Section 5.01 hereof) (collectively the "Town Agreements" and individually a "Town Agreement"), and to agree to provide the works, services, payments and/or securities contemplated therein. Upon approval by the Owners of any Town Agreement to be entered into after the date of this Agreement, each Owner shall execute such Town Agreement within ten (10) days following written request to do so by the Trustee, and, in the event that any Owner fails to execute such Town Agreement as aforesaid, the other Owners may, at their option, direct that such non-executing Owner be removed as a party to such Town Agreement, and such non-executing Owner shall be deemed to have waived, assigned, released and forfeited in favour of the executing Owners, all rights and benefits (including, without limitation, any servicing capacity allocation, if applicable) conferred by the terms of such Town Agreement. For greater certainty, the Owners hereby confirm, accept, ratify and approve the Master Financial Agreement, the Town Kennedy Road Project Agreement and the Town Heart Lake Road Project Agreement, and no further approval shall be required in respect of such agreements.
- (b) Each Owner agrees to bear its share of the costs and/or security arising from or related to the Town Agreements (being its Proportionate Share and/or such other share as may be deemed reasonable and equitable by the Consultant or otherwise agreed to by the Owners or as otherwise expressly set out in the Town Agreements). The Consultant, acting bona fide, shall determine each Owner's share of the costs and/or security related to the Town Agreements in accordance with the foregoing.
- (c) Each Owner shall pay or deliver to the Trustee such Owner's share of the costs and/or security related to the Town Agreements, within thirty (30) days of receipt of a written request therefor from the Trustee, provided that the Trustee shall be entitled to request all or any part of such funds and/or security at any time or times, and the terms of this section shall apply to each such request, mutatis mutandis.
- (d) The parties hereby acknowledge and agree that any payments or reimbursements on account of works, services, costs or securities provided by the Owners pursuant to the Town Agreements, which are paid to or received by the Trustee from time to time pursuant to the Town Agreements (hereinafter referred to as a "Reimbursement"), shall be distributed by the Trustee amongst the Owners based on each Owner's actual

proportionate share of the total costs to which such Reimbursement relates paid to the date of such Reimbursement, up to the amount of such costs actually paid by such Owner to the date of such Reimbursement, and less any previous Reimbursements already paid and/or distributed to the Owners in respect of such costs; provided that the proportionate share of an Owner in default of its obligations under this Agreement shall be dealt with by the Trustee as directed by the approval of the Owners, as set out in Section 5.01 hereof, and may include the set-off and/or application of the share of any Reimbursement owing to such Defaulting Owner against amounts then owed by such Defaulting Owner pursuant to this Agreement. Any Reimbursements on account of the Town Agreements received directly by any Owner shall be held by such Owner in trust for the Group in accordance with the foregoing and shall be paid over to the Trustee forthwith upon receipt.

- (e) Without limiting the foregoing, it is acknowledged and agreed that the Owners who are parties to the Master Financial Agreement were or will be required to pay the sum of one thousand dollars (\$1,000.00) per net acre (as defined in the Master Financial Agreement) for the first five hundred (500) acres which are developed within the Community, which payment was or will be made on behalf of owners within the Community who are not parties to the Master Financial Agreement, as part of the "Financial Mitigation Provisions" contained in Section 1.5 of the Master Financial Agreement (hereinafter called the "Additional Financial Mitigation Payment"). Each Owner who is not a party to the Master Financial Agreement shall pay to the Trustee, as a prior condition to draft plan or site plan approval in respect of any portion of the Lands of such Owner, its share of such Additional Mitigation Payment, in an amount equal to \$1,000.00 per net acre (as defined in the Master Financial Agreement) of lands which are the subject of such draft plan or site plan, which amount shall be reimbursed to those Owners who paid such Additional Financial Mitigation Payment to the Town (provided such Owners are then in good standing under this Agreement), such reimbursement to be made to such Owners on a pro-rata basis based on the amount of Additional Financial Mitigation Payment then paid by such Owner to the Town.

4.09 **Shared Local Road(s)** - The parties agree that all construction costs (including without limitation, road base, pavement, curbs, sub-drain, base sewer and base watermain, one (1) sidewalk, street trees, landscaping, hydro and utility costs, illumination, signage, signalization, sodding of boulevard, noise barriers and associated berm costs including landscaping and land area compensation (based on the Compensation Amount set out in Section 3.02 hereinabove) related to Shared Local Road(s) shall be reimbursed to the Owner(s) who paid for such Shared Local Road(s) by the Owner(s) benefitting from such Shared Local Road(s). Payment shall be made by the benefitting Owner to the Owner who constructed such Shared Local Road(s)) and/or to the Trustee immediately prior to the occurrence of a Development Event in respect of the lands that benefit from such Shared Local Road(s). The Consultant shall determine whether a road constitutes a Shared Local Road(s) and the amount to be paid for the costs arising from the Shared Local Road(s) by such Owner or Owners based on each Owner's Proportionate Share, subject to Section 6.18 hereinbelow, and such determination shall be final and binding on the affected parties save and except in the event of manifest error.

ARTICLE V: ADMINISTRATION

5.01 Group Meetings -

- (a) A Group Meeting shall be held regularly and at least yearly and may be called at any time by any Non-Defaulting Owner or by the Trustee provided that at any Group Meeting the Group may decide whether the next meeting shall be held earlier or later than the month during which the next regularly scheduled Group Meeting would ordinarily be held.
- (b) The purpose of Group Meetings is to update the Owners on the business and affairs of the Community, and to deal with other business which may arise in connection with development by the Owners of the Lands and to make decisions, give notice or direction or give approvals or consents as required pursuant to the provisions of this Agreement.

- (c) Any decision of the Owners shall be made by the approval of those Non-Defaulting Owners (as defined in Section 6.02 hereof) representing no less than seventy (70%) percent of the Proportionate Shares of all the Non-Defaulting Owners, provided that the Owners cannot change the terms of this Agreement unless unanimously approved by all of the Non-Defaulting Owners. Any Owner that is in default of its obligations under this Agreement shall be entitled to attend a Group Meeting but shall not be entitled to vote at any such meeting. Notwithstanding the foregoing, any Released Owner (as defined in Section 5.13 hereof) shall be entitled to attend a Group Meeting but shall not be entitled to vote at any such meeting, unless such Owner is entitled, at the time of such meeting, to a Withdrawal under the terms of this Agreement, in which event such Owner shall be entitled to vote only in respect of any matter or issue which may impact on the timing or amount of such Withdrawal.
- (d) All Group Meetings shall be chaired by a Chairman appointed by the Owners at such meeting. The Chairman shall cause minutes to be made of the proceedings of the Group Meeting. Such minutes shall be distributed to all members of the Group as soon as practicable. The Chairman shall not (unless such Chairman is also the representative of a Non-Defaulting Owner) have a vote at any meeting.
- (e) A meeting of the Group may be called by any Non-Defaulting Owner at any time, provided that a quorum of those Non-Defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of all the Non-Defaulting Owners (excluding the Released Owners), or their delegates, present shall be required to constitute a validly held meeting. Notwithstanding the foregoing, if on the date on which the meeting is called, a quorum is not present within one-half hour after the time fixed for the holding of such meeting, the Chairman shall adjourn the meeting and, in such event, the meeting shall be adjourned to be held at a place and upon a date and at a time determined by such Chairman and to be fixed in the notice of such adjourned meeting which shall be given or caused to be given by such Chairman to the Owners at least three (3) days prior to the scheduled date thereof. The quorum for such adjourned meeting shall consist of the Non-Defaulting Owners then and there present and any business may be transacted at such adjourned meeting as might have been transacted at the meeting as originally called. All decisions, determinations, consents, actions and approvals required to be made, given or taken at such adjourned meeting shall be made by the decision of those Non-defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of the Non-Defaulting Owners present thereat, and all such decisions shall be binding upon the Owners.
- (f) No meeting of the Group shall be held unless and until no less than five (5) days notice thereof has been given to the Group in accordance with the notice provisions hereinafter set forth or unless all Non-Defaulting Owners agree to waive or abridge such notice period. Any notice of a meeting shall specify with reasonable particularity the matters to be dealt with at such meeting. Any meeting of the Group may be held by telephone conference call. Decisions of the Group need not be arrived at in formal meetings, but shall be binding if concurred in, in writing, by all Non-Defaulting Owners.

5.02 Appointment of Trustee - Upon the execution hereof, the Owners hereby appoint the party of the Fifth Part as Trustee to perform the duties of the Trustee hereunder. Such party hereby accepts such appointment and agrees to perform the obligations required of the Trustee pursuant to this Agreement. The Owners hereto hereby confer upon the Trustee the powers and authorities herein expressly mentioned together with such other powers and authorities as the Owners shall confer upon the Trustee from time to time in writing.

5.03 Rights and Duties of Trustee -

- (a) The Trustee shall co-ordinate, supervise and administer the provisions of this Agreement, as required or directed by the Owners from time to time, and perform such other duties as may be required by the Owners from time to time subject to the direction and control of the Owners. The Trustee shall not be required to expend any of its funds in the performance of any duties hereunder.
- (b) In the exercise of the rights and performance of the duties and obligations prescribed or conferred by the terms of this Agreement, the Trustee shall exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

- (c) The Trustee may, in relation to this Agreement act on the opinion or advice of or information obtained from the Consultant, and/or any lawyer, accountant, valuer or other expert selected by it, but shall not be bound to act upon such opinion, advice or information, and may employ such assistance as may be necessary for the proper discharge of its duties and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid.
- (d) Nothing herein contained shall require the Trustee to expend any of its own funds in the performance of any of its duties hereunder. Any amount due and owing to the Trustee hereunder and any amount expended by the Trustee pursuant to its duties under this Agreement shall be a first charge against all funds from time to time held by the Trustee hereunder. If such funds are not sufficient to pay any such amount the Trustee shall, notwithstanding any provision to the contrary contained in this Agreement, not be required to take any action or do anything hereunder until it receives from the Owners sufficient funds to pay such amount. The Owners shall be responsible in their Proportionate Shares for the payment of all amounts payable to the Trustee pursuant to this Agreement except as may be otherwise expressly provided.
- (e) The Trustee shall not be liable for or by reason of any statement of fact or recitals contained in this Agreement nor shall it be required to verify the same.
- (f) Immediately after the Trustee becomes aware of the occurrence of a default by any party hereto under this Agreement the Trustee shall give notice of such default to each Owner. The Trustee shall not be entitled to commence any act, action or proceeding for the purpose of enforcing this Agreement unless directed to do so by the Owners pursuant to Section 6.03 hereof.
- (g) The Trustee shall not be obligated to commence any action or proceeding unless the Owners who voted in favour of such action provide the Trustee with an indemnity reasonably satisfactory to the Trustee protecting the Trustee and holding it harmless against the costs, charges, expenses and liabilities to which the Trustee may reasonably anticipate to be exposed by reason of such act, action or proceeding and also pay the Trustee such amount as may reasonably be requested by the Trustee as a deposit against the expenses of commencing and prosecuting such act action or proceeding.
- (h) The Trustee may resign its trust hereunder and be discharged from all future duties and liabilities under this Agreement by giving to the Owners thirty (30) days' notice in writing or such shorter notice as the Owners may accept as sufficient; provided however, in the event that the Owners direct the Trustee to commence any act, action or proceeding for the purpose of enforcing this Agreement or to do any thing in any way related to this Agreement that the Trustee is unwilling or unable to commence or do, the Trustee may immediately resign its trust and be discharged from all future duties and liabilities as aforesaid by giving to the Owners notice in writing. The Non-Defaulting Owners representing no less than seventy percent (70%) of the Proportionate Shares of all the Non-Defaulting Owners shall have the power at any time on five (5) days written notice to the Trustee, by instrument in writing by such Owners, to remove the Trustee and to appoint a new Trustee. In the event of the Trustee's resignation or removal as aforesaid, the Trustee shall deliver forthwith to the Consultant or as the Owners may otherwise direct, all funds, securities, records, invoices, documents or things in the possession of the Trustee in its capacity as trustee and related to the administration of this Agreement, and the Non-Defaulting Owners representing no less than seventy percent (70%) of the Proportionate Shares of all the Non-Defaulting Owners shall, by instrument executed by such Owners, forthwith appoint a new Trustee and any new Trustee so appointed by such Owners may likewise be subject to removal as aforesaid. On any new appointment by the Owners as aforesaid, the new Trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Trustee and there shall be immediately executed, at the expense of the Owners, all such conveyances or other instruments as may be necessary or desirable for the purpose of assuring the same to the new Trustee. The new Trustee shall indicate its, his, or their acceptance of the appointment by instrument addressed to the Owners collectively whereby it, he, or they agree to perform the obligations required of the Trustee pursuant to this Agreement to the same extent as if it, he, or they had executed this Agreement as a party.

- (i) Subject to any express provision hereof to the contrary, each of the Owners shall be liable for and shall pay its Proportionate Share of such Trustee's fees as the Owners and the Trustee shall agree upon from time to time.
- (j) Each of the Owners hereby consent to the registration of any Plan of Subdivision and to the development of the lands of any other Owner, provided said Plan of Subdivision and the development of the lands is consistent with the Secondary Plan and provided further that such other Owner is not in default of its obligations hereunder. In the event any further instrument is required to evidence such consent, each Owner hereby constitutes the Trustee its true and lawful attorney in its name to execute any such instrument.
- (k) The Trustee shall report annually to each Owner with respect to the state of accounts maintained by it hereunder and shall if required by the Owners provide an accountant's report as to the state of accounts maintained by it. The Trustee shall also report to each Owner with respect to the state of such accounts within thirty (30) days of the end of any month in which a Contribution or Withdrawal is made hereunder.
- (l) Each Owner shall, upon its execution of this Agreement, execute four (4) copies of an irrevocable Power of Attorney in the form attached as Schedule "E" hereto, which Power of Attorney shall entitle the Trustee:
 - i. to register this Agreement by notice, application or the like, against the title of such Owner's lands in the appropriate Land Registry Office (on the form prescribed), in the event that such Owner is in default of its obligations under this Agreement or if the provisions of Section 6.05 have not been complied with.
 - ii. to register (and the Trustee shall so register) a release of this Agreement, notice or application (as the case may be) in respect of the lands of any Owner against which a Plan of Subdivision has been registered or other Development Event has occurred and in respect of which the requirements hereof for payments and the provision of Community Uses have been satisfied.

Pending registration of the release referred to in paragraph (ii) above, each Owner hereby pledges and charges its lands with the payments and obligations hereby undertaken with the intention of creating a lien and charge thereagainst in favour of the Trustee for the benefit of the Owners (other than an Owner in default) and which lien and charge may be registered and enforced by the Trustee on behalf of the Owners, in the same manner as a mortgage in default. The parties acknowledge and agree that a written statement by the Trustee as to an Owner's default under this Agreement shall be sufficient to create such charge and such statement may be registered by the Trustee against the Defaulting Owner's Lands.

5.04 **Functions of Consultant -**

- (a) Without limiting any provision of this Agreement, the functions of the Consultant shall include:
 - i. co-ordinating, supervising and administering the Consultant provisions of this Agreement, as required pursuant to the terms hereof, or as otherwise directed by the Trustee and/or the Owners from time to time, and performing such other duties as may be required by the Owners from time to time subject to the direction and control of the Owners;
 - ii. confirming completion or substantial completion of Community Uses or part of Community Uses when it is either necessary or desirable to do so for the purposes of this Agreement, and in so doing the Consultant may rely on progress certificates and supporting documents provided by an Owner, subject to review and verification by the Consultant and absent manifest error;
 - iii. receiving from the Owners copies of signed contracts for the construction of Community Uses or part thereof, assessing the

reasonableness or otherwise of such costs and certifying to the Trustee in respect thereof;

- iv. where an Owner requests payments on account of the cost of Community Uses, or the cost-shared portion of the cost of Community Uses, examining the progress of the work and confirming and certifying the same to the Owners concerned and the Trustee and calculating an amount which may be required from other Owners, and in so doing the Consultant may rely on progress certificates and supporting documents provided by an Owner, subject to review by the Consultant and absent manifest error;
 - v. determining the estimated and final Costs of Community Uses;
 - vi. preparing preliminary and final calculations as required by the Trustee with respect to all matters relating to the determination of each Owner's Proportionate Share;
 - vii. reviewing and adjusting preliminary calculations from time to time and confirming and certifying any variations to the Trustee for the purposes of adjusting accounts;
 - viii. determining the increase in cost, either by virtue of diameter or depth, arising from any oversizing of any service, and determining which Owners are benefited thereby;
 - ix. reviewing the servicing plans, development plans and plans of subdivision of all Owners in order to ensure consistency and compliance within the Community, the Town's requirements, and this Agreement.
- (b) None of the provisions contained in this Agreement shall require the Consultant to expend or risk its own funds or otherwise incur financial liability and the Owners agree to indemnify in their Proportionate Shares the Consultant and to have the Trustee pay all fees and disbursements in connection with the performance by the Consultant of any of its duties or in the exercise of any of its rights or powers hereunder. It is acknowledged that the Consultant is being required by the Owners to estimate the Cost of Community Uses and other matters pursuant to the terms of this Agreement and the Owners hereby expressly acknowledge and agree that so long as the Consultant is not negligent in making such estimates, the Owners and each of them shall not make any claim or demand against the Consultant in respect of any error or inconsistency arising out of such estimates made by the Consultant pursuant to the terms of this Agreement, from time to time.
- (c) In the exercise of the rights and performance of the duties and obligations prescribed or conferred by the terms of this Agreement, the Consultant shall exercise that degree of care, diligence and skill that a reasonably prudent engineer would exercise in comparable circumstances.
- (d) The Consultant may, in relation to this Agreement act on the opinion or advice of or information obtained from the Trustee and/or any lawyer, accountant, valuer or other expert selected by it, but shall not be bound to act upon such opinion, advice or information, and may employ such assistance as may be necessary for the proper discharge of its duties and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid.
- (e) The Consultant shall be entitled to rely on the accuracy and completeness of all information provided by the Owners' engineers, surveyors and other professional consultants, subject to review by the Consultant and absent manifest error. All submissions by the Owners' engineers, surveyors and other professional consultants shall be signed, sealed and dated and shall be in such form as may be reasonably required by the Consultant.
- (f) The Consultant shall not be liable for or by reason of any statement of fact or recitals contained in this Agreement nor shall it be required to verify the same.

- (g) The Owners shall be responsible in their Proportionate Shares for the payment of all amounts approved and invoiced by the Consultant pursuant to this Agreement except as may be otherwise expressly provided.
- (h) Each Owner shall be liable for its Proportionate Share of the Consultant's fees and disbursements (including persons retained by the Consultant pursuant to its powers under this Agreement). Payment of the Consultant's fees shall be made by the Trustee from the moneys received by the Trustee pursuant to Section 5.05 and 5.15 hereof.
- (i) The Non-Defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of all the Non-Defaulting Owners shall have the power at any time on five (5) days written notice to the Consultant, by instrument in writing by such Owners, to remove the Consultant and to appoint a new Consultant. In the event of the Consultant's removal as aforesaid, the Consultant shall deliver forthwith to such party as the Owners may direct, all files, records, invoices, documents, plans or things in the possession of the Consultant in its capacity as Consultant and related to the administration of this Agreement.
- (j) The parties acknowledge and agree that the Consultant shall be permitted to act as consulting engineer in respect of the lands of any one or more of the Owners, and such dual retainer (i.e. on behalf of the Group and on behalf of such individual Owner) shall not be deemed to be a conflict, provided that the Consultant shall act at all times in the best interests of the Group.

5.05 Operating Fund -

- (a) Each Owner agrees to make a contribution based on its Proportionate Share to establish an Operating Fund for receiving and making all payments due under this Agreement and for the general operation of this Agreement by the Trustee as and when required by the Trustee (unless otherwise agreed by those Non-Defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of all Non-Defaulting Owners). Any cash received by the Trustee from the Owners for the purposes referred to in this Section shall be placed in this Operating Fund.
- (b) In the event the Trustee at any time, or from time to time, determines that additional funds are required for the Operating Fund, the Trustee shall provide up-to-date financial reports relating to the status of the Operating Fund to each Owner together with a notice in writing of the amount requested by the Trustee from each Owner in accordance with their Proportionate Shares to adequately replenish the Operating Fund. Any disagreement as to the appropriateness of the additional amount(s) requested by the Trustee for the Operating Fund shall be determined by those Non-Defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of all Non-Defaulting Owners, and they shall provide notice of their decision to the Trustee in writing. Failure by any Owner to provide to the Trustee the amount requested or otherwise agreed to by the Owners within thirty (30) calendar days of such request shall be deemed to be an act of default under this Agreement.

5.06 Over/Under Contribution with Respect to Community Use Lands to be Offset Against Over/Under Contribution with Respect to Community Construction

Costs - It is recognized that some of the Owners will over contribute with respect to Community Construction Costs, as determined on the basis of each such Owner's Proportionate Share. Similarly, it is anticipated that some Owners will over contribute with respect to Community Use Lands, as determined on the basis of each Owner's Proportionate Share. For the purposes of this Agreement, and unless otherwise agreed to by the Owners, any over contribution in either Community Construction Costs or Community Use Lands shall be offset by any under contribution in either Community Construction Costs or Community Use Lands by the same Owner.

5.07 Contributing Owners - It is understood and agreed that an amount shown as a Contribution in Schedule "C" attached hereto represents an amount of money that an Owner is obliged to pay or transfer on account of its underdedication pursuant to this Agreement in respect of the Costs of Community Uses. Based upon a determination made in respect thereof by the Consultant, any Owner that is indicated in the Schedule(s) attached hereto as being required to make a Contribution, covenants that, prior to the Trustee and/or the Town agreeing to the release of its Plan of Subdivision, such Owner shall pay to the Trustee the Contribution (whether by payment of money or transfer of lands) specified in respect of such Owner in accordance with the calculations required pursuant to this Agreement.

Upon receipt of the Surveyor's Certificate referred to in Section 3.05 hereof and the Consultant's notice referred to in Section 3.06 hereof, together with the Contribution referred to hereinabove, and upon satisfaction of the following conditions:

- (a) the area of the lands in such Owner's Plan of Subdivision allocated to Community Use Lands has been finally determined;
- (b) such Owner has paid or secured to the Trustee its Proportionate Share of the Cost of Community Uses;
- (c) such Owner has transferred the required Community Use Lands to the Town, Trustee or other appropriate authority; and
- (d) such Owner is in good standing under the provisions of this Agreement;

then the Trustee shall notify the Town that, insofar as this Agreement is concerned, the Trustee releases the Plan of Subdivision or other Development Event.

5.08 Withdrawing Owners - It is understood and agreed that an amount shown as a Withdrawal on Schedule "C" attached hereto represents the amount of money that an Owner is entitled to receive on account of its overdedication pursuant to this Agreement in respect of the Costs of Community Uses. Any Owner that is indicated in the Schedule(s) annexed hereto as being entitled to make a Withdrawal shall not be entitled to do so until:

- (a) after final determination of the area of the lands in such Owner's Plan of Subdivision (or other development plan) or conveyance allocated to Community Use Lands;
- (b) after payment or provision for payment to the Trustee of its Proportionate Share of the Cost of Community Uses;
- (c) after transfer of the required Community Use Lands to the Town, Trustee or other appropriate authority;
- (d) after registration by it of a Plan of Subdivision against any of the Lands of such Owner or a conveyance of Community Use Lands by such Owner without registering a Plan of Subdivision with respect thereto; and
- (e) such Owner is in good standing under the provisions of this Agreement.

Subject to Section 5.11, such Owner shall be entitled to withdraw from the funds held by the Trustee that portion of its Withdrawal to which such Owner is then entitled based on the Lands in respect of which such Owner has registered Plan(s) of Subdivision or finalized other Development Event(s), and the Community Use Lands conveyed by such Owner to the date of such Withdrawal or in respect of which such Owner has conveyed Community Use Lands to the appropriate transferee or to the Trustee without registering a Plan of Subdivision, and based on the sum of the Cost of Community Uses actually paid or provided by such Owner to the date of such Withdrawal.

5.09 Contingency Fund - The Owner(s) acknowledge and agree that each Underdedicated Party shall pay to the Trustee, in addition to and at the same time as its Contribution, its Proportionate Share of a sum equal to ten (10%) percent of the Community Construction Costs, to be held by the Trustee in a separate fund (the "Contingency Fund") and to be applied towards such share of the Costs of Community Uses arising after the date that such party registers a Plan of Subdivision against its lands and/or is released from this Agreement pursuant to Section 5.13. Similarly, the Trustee shall and is hereby authorized to withhold the sum equivalent to an Overdedicated Party's Proportionate Share of a sum equal to ten (10%) percent of the overall Community Construction Costs from any Withdrawal payable to an Overdedicated Party pursuant to this Agreement, such sum to be added to and form part of the Contingency Fund and dealt with as part thereof, and to be applied towards such Overdedicated Party's share of the Cost of Community Uses arising after the date that such party registers a Plan of Subdivision against its lands and/or is released from this Agreement pursuant to Section 5.13. The Trustee shall hold such Contingency Fund and apply same in accordance with the foregoing. The Trustee shall distribute the Contingency Fund (or the balance then remaining) amongst the Owners based on their Proportionate Shares, upon the termination of this Agreement or otherwise at such time as the Owners shall determine.

5.10 **Phasing -**

- (a) If the development of the Lands of an Owner is phased, such Owner shall have the option, which option shall be exercised in writing at the time of occurrence of the first Development Event in respect of the lands of such Owner, to elect that compensation to be contributed or received by such Owner pursuant to this Agreement shall be calculated and required only in respect of each phase of development, as determined by the Consultant, payable prior to the occurrence of a Development Event in each such phase, provided that if such Owner is an Underdedicated Party, then such Owner shall be required to pay or contribute the balance of its Contribution in full prior to the occurrence of a Development Event which would result in such Underdedicated Party having registered Plan(s) of Subdivision (or otherwise developed) in respect of seventy-five (75%) percent or more of its Developable Area. There shall be no set-off of contributions/withdrawals in respect of different phases of development within the same Owner's Lands, subject to sub-paragraphs (b) and (c) hereinbelow.
- (b) No Withdrawing Owner shall be required to remit any money or security in an initial phase if such Owner is underdedicated in such initial phase(s) but is projected by the Consultant to be ultimately overdedicated based upon its entire land holdings. Neither shall a Withdrawing Owner ever be entitled to collect from the Trustee more than its estimated total overdedication.
- (c) No Contributing Owner shall be entitled to claim compensation for any amount from the Trustee should its initial phase(s) be in an overdedicated position, however, any overdedication shall be carried forward for application to the underdedication of future phases.

5.11 **Priority of Claims** - The parties acknowledge and agree that the funds received by the Trustee pursuant to this Agreement shall be held by the Trustee and, subject to retention by the Trustee of sufficient funds to satisfy the Group's obligations pursuant to this Agreement, shall be paid out by the Trustee quarter-yearly to the Owners who have qualified for and are entitled to claim Withdrawals pursuant to this Agreement and have submitted written claims therefor to the Trustee (hereinafter sometimes referred to as the "Withdrawing Owners") on a proportionate basis based on the proportion that the Withdrawals to which all of the Withdrawing Owners are entitled at that time.

5.12 **Adjustment to Schedules** - Notwithstanding anything contained in this Agreement to the contrary, it is understood, acknowledged and agreed that the Schedules annexed or to be annexed hereto setting out the Costs of Community Uses and the sharing thereof by the Owners, have been or will be inserted only for the purpose of illustrating the methodology to be employed by the Owners and the Consultant in determining each Owner's Proportionate Share of the Costs of Community Uses. The information contained in these schedules is intended to be replaced when more exact and appropriate information has become available. It is further understood and agreed that the Consultant, acting bona fide, shall designate each Owner's Proportionate Share. Adjustments to the engineering schedules shall occur until all Lands within the Community are subject to registered plans of subdivision or other Development Event, or the termination of this Agreement, whichever is earlier.

5.13 **Release of Owners** - Notwithstanding any other provision contained in this Agreement, the parties acknowledge and agree that the liability and obligations under this Agreement (including, without limitation, the obligation to make any further Contribution) of any Owner (hereinafter referred to in this Section 5.13 as a "**Released Owner**") who has registered Plan(s) of Subdivision or finalized other Development Event(s) in respect of all of its lands in the Community shall, provided such Released Owner is then in good standing of its obligations under this Agreement, automatically cease and terminate on the date of final assumption by the Town of the last Subdivision Plan(s) and final assumption of all services in respect of all of such Released Owner's lands in the Community, provided that such Owner has delivered written notice of such registration and assumption to the Trustee and the Trustee has confirmed receipt of same in writing, and such Released Owner shall thereupon be deemed to be released and discharged from any further liability or obligation hereunder, save and except to the extent of such Released Owner's share of the Contingency Fund (or the balance thereof then remaining), notwithstanding the occurrence thereafter of any Costs of Community Uses and/or the addition thereafter of any additional party to this agreement in accordance with Section 6.09; PROVIDED THAT such Released Owner shall continue to be entitled to receive any Withdrawal or other sum(s) which may be payable to such Released

Owner pursuant to the terms of this Agreement after the date of such release, whether as the result of the addition of an additional party to this agreement, as aforesaid, or otherwise.

5.14 **Part Lot/Block Exchange** - It is acknowledged that the subdivision of the Owners' lands may create part lots and blocks which when adjoined to abutting part lots and blocks will create building lots and blocks which comply in all respects with requirements of all applicable zoning and building by-laws and for each of which a building permit shall be available if the building lots or blocks were serviced by the Owner of the front portion thereof and if usual other municipal requirements were satisfied. Each Owner hereby covenants and agrees to convey and exchange its part lots or blocks if any, to its adjoining Owner substantially in the method and according to the manner set forth in Schedule "H". All part lots and blocks must be released, transferred and conveyed in fee simple clear of any mortgage or other encumbrance or defect of title save and except for this Agreement and the subdivision agreement between the Owner and the City, provided that such Development Agreement is in good standing. The Owners agree to reimburse each other for the development costs (which shall include development charges, local servicing costs and the Cost of Community Uses attributable to such part lots or blocks) paid for the building lots or blocks acquired by the exchange thereof. It is acknowledged and agreed by all parties hereto that the exchange of lands and/or payment of monies pursuant to the foregoing shall be administered directly between the relevant Owners and not by or through the Trustee and shall in no way affect the issuance of the Trustee's confirmation as to the release of an Owner's Subdivision Plan or other Development Event pursuant to Section 6.05 hereof.

5.15 **Professional Fees and Administrative Costs** - Any consultants, advisors or professional personnel to be retained by the Owners or the Trustee in connection with the implementation and administration of this Agreement shall be subject to the approval of the Owners.

5.16 **Termination of Agreement** - Forthwith following the registration and assumption of Plans of Subdivision and the occurrence of Development Events against all the Lands of the Owners, and the final determination by the Consultant of the total Cost of Community Uses, this Agreement shall be terminated and a final accounting shall be made by the Trustee and all funds remaining in the accounts maintained by the Trustee hereunder (including, without limitation, the Contingency Fund held pursuant to Section 5.09 and the balance of the Operating Fund administered pursuant to Section 5.05), shall be distributed amongst the Owners, each Owner to receive its Proportionate Share of such funds, provided it is not in default in any of its obligations under this Agreement. If an Owner is so in default, its Proportionate Share of such funds shall be dealt with by the Trustee as the Non-Defaulting Owners representing no less than seventy (70%) of the Proportionate Shares of all the Non-Defaulting Owners, shall direct. Upon such termination, the Owners agree that they shall execute a certificate, which shall be confirmed and acknowledged by the Consultant and the Trustee, confirming the termination of this Agreement, that all obligations herein have been fulfilled and releasing the Trustee from any further duties and/or liabilities hereunder.

5.17 **Group Agents** - The Owners hereby appoint ELIZABETH SAWICKI and TOM BASKERVILLE (subject to removal and/or replacement by the Owners from time to time in accordance with Section 5.01(c)) (collectively the "Agents") as the authorized agents acting on behalf of all of the Owners to enter into and conduct all discussions and negotiations with the Town and/or Region and/or any other party or authority with respect to the development of the Community, provided that any financial commitment or execution of document(s) on behalf of the Owners is made subject to the approval of the Owners in accordance with Section 5.01(c) of this Agreement. The Owners shall, in their respective Proportionate Shares, indemnify and hold the Agents harmless in respect of all discussions, negotiations, understandings, arrangements and/or agreements entered into by the Agents, acting in good faith and in the best interests of and on behalf of the Owners, in respect of the development of the Community. The Agents shall keep the Owners apprised from time to time of discussions and negotiations with the Town, Region and/or any other party or authority with respect to the development of the Community. The Agents (or any one or more of them) shall be entitled to resign such position under this Agreement by delivery of ten (10) days written notice to the Trustee and the Consultant. The Owners shall pay, in their Proportionate Shares, the reasonable fees and out-of-pocket expenses incurred by the Agents in connection with their work on behalf of the Group as Agents under this Agreement.

ARTICLE VI: GENERAL

6.01 **Expeditious Development** -

- (a) The Owners agree to proceed diligently and in good faith to negotiate and settle the terms of any subdivision agreement with the Town and/or the construction and payment of services with respect to all phases of each Owner's lands in the Community and to do so as expeditiously as possible so as not to delay the development of the lands of any other Owner or Owners in the Community. Each Owner agrees to keep the Consultant, the Trustee and the other Owners reasonably informed on a timely basis on all pertinent and material matters arising with respect to the completion of the covenants and agreements contained in such subdivision agreement.
- (b) Each of the Owners hereby agrees not to object to any rezoning or other development application applicable to the lands of any other Owner and hereby consents to the registration of any Plan of Subdivision and to the development of the lands of any other Owner, provided said Plan of Subdivision and the development of the lands is consistent with the Secondary Plan. In the event any further instrument is required to evidence such consent, each Owner hereby constitutes the Trustee its true and lawful attorney in its name to execute any such instrument.
- (c) Each of the Owners agrees that the phasing of development of the lands owned by the Owners within the Community shall be designed insofar as is practicable, to facilitate the development of the lands owned by the other Owners hereto. In the event that such a design is not feasible, each of the Owners hereto agrees to co-operate with the others to enable each Owner to proceed with the development of its lands within the Community as expeditiously as possible.
- (d) Each of the Owners agrees to the principals of the phasing and to the densities of the Lands as set forth in the Secondary Plan.
- (e)
 - (i) Subject to the following provisions, the Owners covenant to construct upon their respective Developable Area all of the services necessary to permit the development of all of the other Owners' Developable Area where applicable as part of their initial servicing program and in accordance with the provisions of this agreement.
 - (ii) If any Owner or Owners (the "**Front-Ending Owner**") is unable to obtain or provide access and/or services to all of its Developable Area due to an adjoining owner (the "**Non-Developing Owner**") not electing to proceed with construction of roads and/or servicing upon its lands, then, in such event, subject to sub-paragraphs (iii), (iv) and (v) hereinbelow, the Front-Ending Owner may, at its option, deliver written notice (the "Front-Ending Notice") to the Non-Developing Owner that it intends to front-end the reasonable cost of constructing roads and/or other services upon the lands of the Non-Developing Owner to the extent necessary to provide access and servicing to all of the land of the Front-Ending Owner (hereinafter referred to as the "Front-Ending Works"). The Front-Ending Notice shall be delivered to the Non-Developing Owner, the Trustee and the Consultant no less than sixty (60) days prior to the proposed date for commencement of construction of the Front-Ending Works. Prior to commencement of construction of the Front-Ending Works, the Front-Ending Owner shall submit to the Consultant evidence demonstrating that such Front-Ending Works are reasonably necessary in order to proceed with the timely development of the Front-Ending Owner's lands and shall receive from the Consultant its written approval to do so and its written approval of the construction cost to be incurred therein by the Front-Ending Owner on behalf of the Non-Developing Owner, and provided further that any road and services shall be laid out to the greatest extent possible to coincide with the road pattern and services planned for the lands of the Non-Developing Owner.
 - (iii) In order to ensure that any road and/or services installed by the Front-Ending Owner benefit and can be utilized for the lands of the Non-Developing Owner to the greatest extent possible, the Non-Developing Owner shall, within thirty (30) days of receipt of the Front-Ending Notice, provide preliminary plans as to the proposed development on the Non-Developing Owner's lands so that the Front-Ending Owner may plan and install roads and services accordingly, failing which the Front-Ending Owner may submit its own plans to the Non-Developing Owner, and the Non-Developing Owner shall provide its approval and/or comments with respect to such plans within ten (10) days of the date of delivery of such plans by the Front-Ending Owner, failing which the Front-

Ending Owner may submit such plans to the Consultant for its review and/or approval in accordance with sub-paragraph (ii) hereinabove.

- (iv) Upon receipt of the approval of the Non-Developing Owner and/or the Consultant as aforesaid, or upon expiration of the 150 day period referred to in sub-paragraph (v) below, the Front-Ending Owner shall be entitled to enter onto the lands of the Non-Developing Owner in order to construct the Front-Ending Works. The Front-Ending Owner shall indemnify and hold the Non-Developing Owner harmless from and against any and all costs, claims, expenses, damages, losses or liability suffered or incurred by the Non-Developing Owner as a result of such entry by the Front-Ending Owner and for any damage caused by the Front-Ending Owner (or its contractors, employees or authorized agents) to the Non-Developing Owner's lands, as certified by the Consultant. The Front-Ending Owner shall provide such security in respect of its obligations pursuant to this Section 6.01(e) (including without limitation, in respect of damage and restoration of the Non-Developing Owner's lands and indemnification of the Non-Developing Owner) as the Front-Ending Owner and Non-Developing Owner shall agree or, failing such agreement, as determined by the Consultant. The Non-Developing Owner shall be responsible for any damage to the Front-Ending Works caused by the servicing, development or other activities of the Non-Developing Owner (or its contractors, employees or authorized agents).
- (v) Notwithstanding the foregoing, in the event that the Non-Developing Owner is reasonably and diligently proceeding with the development of its lands, and the construction of the Front-Ending Works by the Front-Ending Owner shall unduly prejudice the timing and/or cost of development of the Non-Developing Owner's lands, then the Non-Developing Owner may deliver written notice of such prejudice, together with supporting evidence, to the Front-Ending Owner and the Consultant within thirty (30) days of receipt of the Front-Ending Notice. In the event the Consultant determines that such prejudice claim is reasonable and valid, then the construction of such Front-Ending Works by the Front-Ending Owner shall be delayed until such time as there shall be no undue prejudice to the development of the Non-Developing Owner's lands by reason thereof (as determined by the Consultant); PROVIDED THAT in no event shall such delay exceed 150 days from the date of delivery of the Front-Ending Notice. In the event the Consultant determines that such prejudice claim is not reasonable or valid, then the Front-Ending Owner shall be entitled to proceed with the construction of the Front-Ending Works in accordance with sub-paragraph (iv) hereinabove.
- (vi) The amount to be repaid by the Non-Developing Owner to the Front-Ending Owner shall be either the actual cost incurred in the construction of the local roads and the services therein, or, the cost (including therein all hard and soft costs exclusive of interest on monies borrowed) as if the construction thereof had been undertaken at the time of registration of a Plan of Subdivision or other Development Event in respect of the lands which benefit from such Front-Ended Works, whichever amount is greater, and such amount shall be paid in full prior to the release for registration of the Subdivision Plan or other Development Event of the Non-Developing Owner. The Non-Developing Owner's obligation to repay the construction costs of the road and services shall only be required to the extent that the Non-Developing Owner utilizes such road and services in its Plan of Subdivision or other development, as determined by the Consultant.
- (vii) Notwithstanding the foregoing, the provisions of this Section 6.01 (e) shall in no way operate or be interpreted to require any Owner to proceed with the installation and construction of services upon its lands at any time or times not otherwise agreed to by such Owner, or to detract from the rights of any Owner to prepare and implement such staging or phasing plan in respect of the installation of services upon its lands in order to achieve the most efficient and effective development thereof, as determined by such Owner.
- (viii) The parties further acknowledge and agree that in the event that the construction by the Front-Ending Owner of the Front-Ending Works on the lands of the Non-Developing Owner, in accordance with the foregoing, results in an increase in realty taxes payable by the Non-Developing Owner in respect of its lands, such increase shall be borne and paid for by the Front-Ending Owner until such time (as determined by the Consultant) as the Non-

Developing Owner commences the development of its lands. The Front-Ending Owner shall also be responsible for the maintenance of the Front-Ending Works constructed by said Front-Ending Owner on the Non-Developing Owner's lands until such time (as determined by the Consultant) as the Non-Developing Owner commences to develop its lands and utilize such services therein.

- (ix) The parties further acknowledge and agree that in the event the Non-Developing Owner is required to relocate any works or services installed by the Front-Ending Owner as a result of a change initiated by such Non-Developing Owner to its Plan of Subdivision (or other development, as the case may be), the Non-Developing Owner shall bear all costs in relation to such relocation. However, if such works or services are required to be moved as a requirement of the Town, then the Front-Ending Owner shall pay all costs in relation to such relocation.
- (x) In the event the Non-Developing Owner encounters extraordinary additional costs in the development and/or servicing of its lands and/or construction thereon as a result of such Front-Ending Works installed by the Front-Ending Owner (including, without limitation, increased costs for constructing lateral or local connections to the Front-Ending Works), then the Front-Ending Owner shall pay such costs and security for payment of such potential costs by the Non-Developing Owner will be delivered (by way of letter of credit in an amount determined by the Consultant) prior to servicing through the lands of the Non-Developing Owner by the Front-Ending Owner. In the alternative, the Non-Developing Owner may set off said extraordinary costs against the costs to be reimbursed by the Non-Developing Owner to the Front-Ending Owner in respect of such works front-ended through the Non-Developing Owner's lands pursuant to sub-paragraph (vi) hereinabove. Notwithstanding the foregoing, in the event such extraordinary additional costs arise as the result of the Non-Developing Owner's unreasonable or wilful failure to provide development plans, servicing plans and/or other information when it reasonably could have done so, in accordance with the provisions hereof, then such extraordinary additional costs shall be borne by the Non-Developing Owner.
- (f) The Owners further covenant that with respect to the servicing of Community Use Lands, if an Owner (the "Delaying Owner") fails to commence and to diligently complete in a continuous manner the construction of its portion of the servicing of Community Use Lands, when, in the opinion of the Consultant and the Trustee, the Delaying Owner is in a position to do so, or such servicing is required by any other Owners, the other Owners (the "Other Owners"), acting through the Trustee and with the Consultant's approval, may cause a contract to be let for the construction thereof on the Delaying Owner's Land and such Other Owners shall be reimbursed by the Delaying Owner, immediately prior to registration of the Plan of Subdivision of the Delaying Owner. The amount to be repaid by the Delaying Owner to the Other Owners shall be either the actual cost incurred in the construction of such services or the cost (including therein all hard and soft costs exclusive of interest on monies borrowed) as if construction thereof had been undertaken at the time that the Delaying Owner registers its Subdivision Plan, whichever amount is greater. If payment is not made as aforesaid within the time specified, the Delaying Owner shall be deemed to be a Defaulting Owner within the meaning of Section 6.02 hereof and the rate of interest shall be the rate therein specified and a lien and charge against the Delaying Owner's lands shall be in effect and may be enforced in the same manner as a mortgage in default.
- (g) No Owner, however, shall be responsible for any delay or failure to perform when such delay or failure is due to a strike or any other cause directly or indirectly beyond the reasonable control of the non-performing Owner, but excluding such non-performing Owner's failure to arrange financing or refinancing.
- (h) Each Owner covenants to provide within twenty (20) days of demand by the Trustee any grants of easement or rights of way or other dedications as may reasonably be required by the Trustee (or as it may otherwise direct) in order to implement any of the provisions of this Agreement and if an Owner shall fail to do so, the other Owners may direct the Trustee to do so as attorney and agent for the Defaulting Owner and each Owner hereby irrevocably authorizes, instructs and directs the Trustee to execute all documents required to be executed and to do all acts that may be necessary or advisable in order to implement the foregoing, it being expressly understood and

intended by each of the Owners that the grant of the foregoing powers is irrevocable and coupled with an interest to do so.

- (i) With respect to subsections (e), (f) and (h) hereof if the Non-Developing Owner or the Delaying Owner, as the case may be, shall, in the opinion of the Trustee, fail to act in a timely manner in granting any required conveyance and/or easement, and/or obtaining and registering a Plan of Reference for lands or easements required to be granted to the Trustee, the Municipality or any other Owner(s) or in obtaining partial discharges so as to provide clear title thereto, the Trustee, in the course of doing all that is required in order to implement the provisions of subsections (e),(f) and (h) hereof shall have the right to apply for, obtain and register a plan of reference for the said lands and to obtain and pay for partial discharges required in respect thereof and to grant easements, rights of way and dedications as may reasonably be required by the Front-Ending Owner or by the other Owners as the case may be, as attorney for the Non-Developing Owner or the Delaying Owner including therein the right to grant easements or rights of way over the lands of the Non-Developing Owner or the Delaying Owner so as to permit access to an uninterrupted ingress and egress thereupon, and all costs incurred in doing so shall be reimbursed by the Non-Developing Owner or the Delaying Owner within the times and upon the basis herein provided.
- (j) Each Owner agrees to use its best efforts to ensure that other landowners in the Community who may benefit from the Community Uses shall become signatories to this Agreement. In addition, the Owners agree to seek the assistance of the Town to ensure that all Plans of Subdivision or site plans for lands within the Community shall include a draft plan condition requiring the owner of such lands to be a party in good standing under this Agreement.

6.02 **Default/Remedy** - If at any time or from time to time an Owner does not advance its Letters of Credit or its share of monies required pursuant to any provision of this Agreement that calls for the advance of monies or Letters of Credit, such Owner is hereinafter referred to as a "**Defaulting Owner**" and the other Owners as "**Non-Defaulting Owners**". In the event of default as aforesaid and should such default continue for five (5) days after written notice thereof is given to the Defaulting Owner by the Trustee, each Non-Defaulting Owner shall, if required by the Trustee, and within thirty (30) days of receipt of notice from the Trustee, advance the Defaulting Owner's share of monies and/or Letters of Credit (as the case may be) required as aforesaid, in accordance with its Proportionate Share or estimated Proportionate Share. The amounts so advanced by the Non-Defaulting Owners shall be owing and repaid forthwith by the Defaulting Owner, together with the costs (including without limitation, any bank charges) related to any Letters of Credit delivered by the Non-Defaulting Owners pursuant to the foregoing, and, until repaid, shall bear interest at a rate per annum as is from time to time equal to the prime commercial lending rate charged by The Toronto-Dominion Bank plus 10% (or such greater rate of interest as may be authorized by the Owners at any time or from time to time) and, until so repaid, such amounts together with interest thereon as aforesaid shall, to the extent thereof, be and constitute a first lien and charge on and against the lands of the Defaulting Owner and the proceeds derivable from the sale of land by the Trustee to which the Defaulting Owner would otherwise be entitled, it being the intent of the parties hereto that a security interest, lien or other encumbrance would thereby be created or imposed upon the Defaulting Owner's interest therein and the Non-Defaulting Owners shall have all the rights and remedies of a secured party under the Personal Property Security Act, R.S.O. 1990, and the Mortgages Act, R.S.O. 1990, as from time to time amended, and the Trustee is hereby irrevocably appointed and shall execute, as attorney for the Defaulting Owner, such further assurances for such purposes or charge as may be necessary to protect the interest of the Non-Defaulting Owners, including therein the execution and registration, if necessary, of a security agreement. The Trustee shall register such charge against the title of the lands of the Defaulting Owner. In addition to and without limiting the generality of the foregoing, the Trustee is hereby irrevocably and unconditionally authorized and directed to register this Agreement against title to the lands of any Defaulting Owner.

6.03 **Default Proceedings** - Any Owner may (without prejudice to any other right it may have to take proceedings on its own behalf) upon receiving notice from the Trustee of the occurrence of a default under this Agreement, by notice to the Owners, convene a meeting of the Owners to be held at the place in the Greater Toronto Area specified in the notice on a date between 10 and 20 days following the date of delivery of or posting of such notice to consider the question of whether or not the Trustee should be directed by the Owners to commence any act, action or proceeding against the Defaulting Owner to remedy or to cause such Defaulting Owner to remedy such default or take such other action as they

may deem necessary or advisable. A quorum for any such meeting shall be a majority of the Non-Defaulting Owners and each Non-Defaulting Owner shall be entitled to cast one vote. Any decision made at such meeting shall require the approval of those Non-Defaulting Owners representing no less than seventy (70%) percent of the Proportionate Shares of all Non-Defaulting Owners.

6.04 **Easements** - Each Owner agrees, from time to time at the request of any other Owner, subject to compliance with the Planning Act or any applicable successor legislation, to grant to such other Owner or to the Town or any utility and conveyance of, and/or any easement in, to or across any part of the first mentioned Owner's lands in the Community (except those parts thereof on which any building has been constructed or which is designated for the construction of a building or where a driveway, parking area or the like is proposed unless such easement permits such use), which is required for the installation or maintenance of roads, electric current, water, gas and other public and private utilities including telephone and television cables, storm and sanitary sewers and any other services or grading requirements necessary for the development of the second mentioned Owner's lands. Each Owner agrees that any damage to improvements occasioned by any such installation or maintenance made for it or on its behalf shall be repaired and made good as expeditiously as possible. An application for any statutory consent required for any grant of easement shall be made by and at the expense of the Owner requesting such grant of easement and the other Owners shall provide such authorizations as may be necessary with respect thereto.

6.05 **Release of Subdivision Plan/Development Event** - Each of the Owners agrees to a condition being inserted into its Subdivision Agreement or other development approval with the Town precluding the release by the Town of its Subdivision Plan (or any phase thereof) for registration or finalization of any other development approval, or the final release of the letter(s) of credit held by the Town with respect to the installation of municipal services on, in or under the lands of such Owner within the Community, unless an acknowledgement is first given to the Town by the Trustee that such Owner is a party in good standing with respect to its participation in this Agreement and its obligations hereunder (provided that nothing in this Agreement shall preclude reductions in the amount(s) secured by such letter(s) of credit as may be permitted by the Town from time to time in the due and ordinary course of development of each Owner's lands). The Trustee shall provide notice of such pending release to the other Owners and shall provide a reasonable period of time for the other Owners to review same and to provide any valid written comments and/or objections thereto. The Owners shall provide, prior to the issuance of such release letter by the Trustee, such information and/or documentation as the Trustee may reasonably require in order to ensure compliance by such Owner with the terms of this Agreement.

6.06 **Arbitration** - Notwithstanding other provisions contained herein, if any claim or dispute shall arise with respect to any of the provisions herein or their proper interpretation, the performance or non-performance by any of the Owners of the provisions hereof, or any decision of the Consultant or the Trustee, any Owner, by service of notice in writing to the other Owners, has the right to require that such claim or dispute be submitted to and settled by an independent consultant appointed by the Trustee, whose decision shall be conclusive and binding upon all of the parties hereto without recourse to the courts, and judgment may be rendered thereon provided however that the Owners shall continue their performance of the terms and conditions of this Agreement and shall continue to make payments in accordance therewith before and during any such proceeding and, without limiting the generality of the foregoing, it is agreed that under no circumstances shall the subdivision plan of an Owner in default be registered until such Owner has made the payments and delivered the security called for by the terms of this Agreement nor shall the Trustee be disentitled to draw from a letter of credit an amount which an Owner has failed to advance for any reason including the right of the Defaulting Owner to arbitrate the matter. There shall be appointed by the Trustee an independent consultant within ten (10) days after receipt of the notice from the Owner or Owners seeking such appointment failing which a single arbitrator shall be appointed by a Judge of the Superior Court of Justice pursuant to the Arbitration Act of Ontario upon application by any of such Owners and the said Judge of the Ontario Superior Court of Justice shall be entitled to act as such arbitrator if he so desires.

6.07 **Co-operative Effort** - The Owners hereby covenant not to object to one another's zoning and/or development applications and to make reasonable efforts to facilitate the development of all of the Owners' Lands, provided such development is consistent with the Secondary Plan.

6.08 **Disposition of Lands** - Any Owner may convey all or any part of its lands as herein described prior to the registration of a Plan of Subdivision in respect of the lands

intended to be conveyed and the fulfilment by the Owner of its obligations pursuant to this Agreement in respect of such lands provided the Owner wishing to convey the lands and the person acquiring such lands (the "Transferee") enter into an agreement in registrable form with the other Owners on the terms of Schedule "F" attached hereto and provided further that such Transferee delivers such letters of credit or other security as the Trustee may require in order to secure such Transferee's obligations under this Agreement. Any conveyance in contravention of this provision shall be null and void.

6.09 Additional Parties - Whenever a person who owns land in the Community is agreeable to becoming, or has agreed to become, a party to this Agreement or is required by the Town to become a party to this Agreement, the parties hereto shall consent to such person becoming a party to this Agreement provided that:

- (i) such person shall execute a covenant in the form attached hereto as Schedule "F" whereupon such person and the lands in the Community owned by such person shall be bound by all terms and provisions of this Agreement as fully as if such person had been originally named as a party to this Agreement;
- (ii) such person shall pay and deliver to the Trustee its share, as determined by the Consultant, of the Secondary Plan Costs, External Servicing and Study Costs, and other costs related to the administration of this Agreement paid to date;
- (iii) such person shall pay and deliver to the Trustee the amount, as determined by the Consultant, of any adverse or additional cost incurred or to be incurred in the Cost of Community Uses and/or other services and/or the administration of this Agreement as a result of the addition of such additional party herein;
- (iv) such person shall execute a covenant in the form attached hereto as Schedule "F" whereupon such person and the lands in the Community owned by such person shall be bound by all terms and provisions of the Secondary Plan Agreement(s) as fully as if such person had been originally named as a party to such Secondary Plan Agreement(s);
- (v) such person shall pay and deliver to the Trustee its share, as determined by the Consultant, of all costs related to the Secondary Plan Agreement(s) paid to date (provided that such amount to be paid by such additional party shall be based upon either the actual costs incurred, or such costs as if same had been incurred at the time that such person becomes a party to the Agreement, whichever is greater); and
- (vi) the addition of such party shall not cause any delay in the construction and completion of the Community Uses or other services for the benefit of and/or the development of, the lands of the Owners who are then parties to this Agreement (the "Existing Owners"), and the installation of such Community Uses and/or other services as may benefit the additional party's lands shall, if deemed necessary or advisable by the Existing Owners, be delayed until such time as same can be completed on a time and cost efficient basis, so as to avoid and/or minimize any delay or detriment to the development of the lands of the Existing Owners.

In the event any Owner develops additional lands not included within the boundaries of the Lands as outlined in red on Schedule "A" hereto appropriate adjustments/additions shall be made to the Schedules hereto annexed and to the relevant provisions of this Agreement required thereby.

6.10 Notices and Communications - All payments and communications which may be or are required to be given by any party to another herein, shall be in writing and shall be delivered or sent by prepaid registered mail to the parties at their addresses set forth in Schedule "G" hereto or by facsimile transmission using the facsimile telephone number designated in Schedule "G". If any such payment or communication is sent by prepaid registered mail, it shall, subject to the following sentence, be conclusively deemed to have been received on the third business day following the mailing thereof and if delivered it shall be conclusively deemed to have been received at the time of delivery. Notwithstanding the foregoing provisions with respect to mailing, in the event that it may be reasonably anticipated that due to any strike, lockout or similar event involving an interruption in postal services any payment or communication will not be received by the addressee by no later than the third (3rd) business day following the mailing thereof, then the mailing of any such payment or

communication as aforesaid shall not be an effective means of sending the same but rather any payment or communication must then be sent by an alternative means by which it may reasonably be anticipated will cause the payment or communication to be received reasonably expeditiously by the addressee. A party may from time to time change its address hereinbefore set forth by notice to the other of them in accordance with this clause.

6.11 **Waiver** - The failure of any party to this Agreement to enforce at any time any of the provisions of this Agreement or any of its rights in respect thereto or to insist upon strict adherence to any term of this Agreement shall not be considered to be a waiver of such provision, right or term or in any way to affect the validity of this Agreement or deprive the applicable party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. The exercise of any right under this Agreement shall not preclude or prejudice such party from exercising any other right it may have under this Agreement, irrespective of any previous action or proceeding taken by it hereunder. Any waiver by any party hereto of the performance of any of the provisions of this Agreement shall be effective only if it is in writing and signed by a duly authorized representative of such party.

6.12 **Remedies Cumulative** - No remedy herein conferred upon or reserved in favour of any party hereto shall exclude any other remedy herein or existing at law or in equity or by statute, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing.

6.13 **Further Assurances** - The parties hereto agree to execute such other instruments as may from time to time be necessary or desirable to give effect to the provisions of this Agreement.

6.14 **Time is of the Essence** - Time shall be of the essence of this Agreement and each of its provisions.

6.15 **Agreement Binding** - This Agreement and all of the terms, covenants, conditions and other provisions contained herein and all of the obligations under or pursuant to this Agreement shall run with the lands described herein and shall be binding upon and shall enure to the benefit of the parties hereto and their respective estates, heirs, executors, administrators, successors and assigns. In the event any party hereto is a trustee or nominee of the lands of such party (whether disclosed or undisclosed) for a beneficiary or principal, such beneficiary or principal shall have no liability hereunder and recourse after default by any such party shall be limited only against such party and the lands of such party which are subject to the provisions of this Agreement and not against any beneficiary or principal of such party.

6.16 **Planning Act** - This Agreement is conditional upon compliance with the provisions of the Planning Act (Ontario), as amended.

6.17 **Development Charges Act** -

- (a) Except as otherwise expressly included in this Agreement (including without limitation, the inclusion of any item in the description of Community Use Lands and/or Community Construction Costs and/or External Servicing and Study Costs contained herein), the parties hereto hereby state their intention not to cost share any costs which are included in any by-law which relates to the Community now or hereafter enacted in final form by the Town or Region pursuant to the Development Charges Act (the "DC By-Law"), unless otherwise expressly included in this Agreement as aforesaid, and the parties hereto hereby covenant and agree to instruct the Consultant to revise the schedules annexed hereto, from time to time, to reflect the provisions of any such by-law and such amended schedules shall thereafter be binding upon the parties hereto as if the same had been in full force and effect as of the date of execution of this Agreement.
- (b) With respect to those lands, works or services which are included in the DC By-Law and which are also included as lands, works or services to be shared by the Owners pursuant to this Agreement and/or the Schedules attached hereto (hereinafter called the "DC Works"), the Owners confirm, acknowledge and agree that it is their intention to share such DC Works in accordance with the terms of this Agreement and to collectively await receipt of the applicable Reimbursement (as hereinafter defined) (if any) in respect of such DC Works from the Town, Region or other applicable authority.
- (c) The parties hereby acknowledge and agree that any payments or reimbursements on account of DC Works located within the Lands, which are paid to or received by the

Trustee from time to time from the City, Region or other applicable authority (hereinafter referred to as a "Reimbursement"), shall be distributed by the Trustee amongst the Owners based on each Owner's actual proportionate share of the total costs in respect of the DC Works to which such Reimbursement relates paid to the date of such Reimbursement, up to the amount of such costs actually paid by such Owner to the date of such Reimbursement, less any previous Reimbursements already paid and/or distributed to the Owners in respect of such DC Works; provided that the proportionate share of an Owner in default of its obligations under this Agreement shall be dealt with by the Trustee as directed by the Non-Defaulting Owners in accordance with the approval requirements set out in Section 5.01(c), and may include the set-off and/or application of the share of any Reimbursement owing to such Defaulting Owner against amounts then owed by such Defaulting Owner pursuant to this Agreement. Any Reimbursements received directly by any Owner shall be held by such Owner in trust for the Owners in accordance with the foregoing and shall be paid over to the Trustee forthwith upon receipt. The Owners hereby unconditionally and irrevocably authorize and direct the Town, the Region and any other applicable authority, to pay such Reimbursements to the Trustee. In the event that an Owner shall receive any Reimbursements (including, without limitation, development charge credits) in respect of DC Works which were paid for by the Group, such Owner shall pay an amount equal to the amount of such Reimbursements to the Trustee for distribution amongst the Owners who are then in good standing under this Agreement, in accordance with this Section 6.17(c).

- (d) Except as aforesaid, the Owners shall be solely responsible for the construction and delivery of any works on their respective lands which may be included in the applicable development charges by-law(s), and shall be solely responsible for entering into appropriate arrangements with the applicable authority for the construction and delivery of such works and the receipt of development charge credits or other reimbursements with respect thereto. The Owners shall promptly advise the Trustee in writing of any arrangements entered into with the Town or other applicable authority in respect of development charge credits or similar arrangements. The parties acknowledge and agree that any credits, recoveries, reimbursements or other contributions (financial or otherwise) from the Municipality, which any Owner is entitled to receive in respect of lands, works or services which are shared by the Owners pursuant to this Agreement shall be assigned, paid and delivered to the Trustee and shall be distributed and/or credited to the Owners on the same basis as such lands, works or services were shared by the Owners in accordance with the terms of this Agreement.
- (e) The Owners agree to use their collective and individual best efforts to have the Cost of Community Uses included, to the maximum extent possible, in the DC By-Law as DC Works, and to maximize the Reimbursement(s) in respect thereof.

6.18 Calculation of Costs - In determining the amount to be paid by any party to another pursuant to the terms of this Agreement (other than in respect of compensation for Community Use Lands, which shall be calculated based on the Compensation Amount), and including, without limitation, payments by additional parties pursuant to Section 6.09 hereof, the Consultant shall calculate the amount payable based on either the actual cost incurred, or the cost thereof if undertaken at the time that such payment is required to be made by the paying party (i.e. original costs plus indexing based on the Statistics Canada Construction Index applicable to the Lands), whichever amount is greater.

6.19 Entire Agreement - This Agreement sets forth the entire agreement between the parties hereto and supersedes all prior understandings and communication among the parties hereto or any of them, oral or written, with respect to the subject matter of this Agreement. Each party hereto acknowledges and represents that this Agreement is entered into after full investigation and that no party is relying upon any statement or representation made by any other party which is not embodied in this Agreement. Each party hereto acknowledges that it shall have no right to rely upon any amendment, promise, modification, statement or representation made or occurring subsequent to the execution of this Agreement unless the same is in writing and executed by each of the parties hereto.

6.20 Interpretation - Words importing the singular number only shall include the plural, and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa; and words importing persons shall include firms and corporations and vice versa; and words such as "hereunder", "hereto", "hereof" and other words commencing with "here" shall, unless the context clearly indicates to the contrary, refer to the whole of this Agreement not to any particular article or paragraph thereof.

6.21 **Counterpart Execution** - This Agreement may be executed in any number of counterparts and all such counterparts shall for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

6.22 **Headings** - The headings in this Agreement, and in the Schedules hereto are solely for convenience or reference and shall not affect the interpretation thereof nor be deemed to define, limit or construe the contents of any provision of this Agreement.

6.23 **Form of Payment** - The parties acknowledge and agree that, unless otherwise provided herein, all payments required to be made by any Owner pursuant to this Agreement shall be made by way of certified cheque or irrevocable and unconditional letter of credit drawn on a Canadian Chartered Bank on terms satisfactory to the Trustee, and the Trustee is hereby irrevocably and unconditionally authorized and directed to draw upon such letter of credit as necessary in order to fulfill such Owner's obligations under this Agreement.

6.24 **Severability** - If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be separately valid or enforceable to the fullest extent permitted by law.


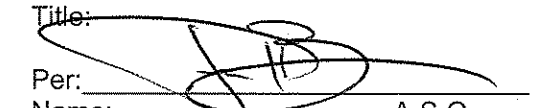
6.25 **Limited Recourse** - The rights, remedies and recourses of the parties to this Agreement (and whether arising in contract or tort) are limited solely to the named parties to this Agreement, notwithstanding that they may be, or be deemed to be by law, acting as an agent or otherwise on behalf of some other person, firm, entity or corporation and each party to this Agreement agrees that with respect to this Agreement, it shall not have any right, remedies or recourses against such other person, firm, entity or corporation, at law or otherwise.

6.26 **Indemnity** - Each Owner covenants and agrees to indemnify and save each of the other Owners harmless from and against any liability, damage, cost, claim, suit, action or cause of action brought by or on behalf of any person or persons, corporation or corporations, governmental authority or other entity against an Owner arising by reason of the breach of this Agreement by an Owner, its employees, contractors or agents provided that such breach or default did not arise by virtue of circumstances beyond the Owner's reasonable control. Upon any party hereto becoming aware of any such claim, suit or action, it shall forthwith give notice thereof to the party thought to be liable in accordance with the provisions of this paragraph and such party shall be given the opportunity of disputing such claim or defending such suit or action at its own expense.

6.27 **Agreement Binding on Signatories** - Notwithstanding the parties named hereinabove and the definition of "Owners" set out in Section 1.01, and notwithstanding that all parties who are named herein may not have executed this Agreement, it is acknowledged and agreed that this Agreement shall be binding upon those parties who have executed this Agreement hereinbelow (hereinafter called the "Original Signatories"), as well as any additional parties who join this Agreement pursuant to Section 6.09 hereof. In the event that a party named in this Agreement but who is not one of the Original Signatories subsequently elects to execute this Agreement, then such party shall execute this Agreement and thereupon such party and the lands in the Community owned by such party shall be bound by all terms and provisions of this Agreement as fully as if such person had originally executed this Agreement, and the Schedules attached hereto (including without limitation, the Owners' Proportionate Shares set out therein) shall be amended accordingly.



IN WITNESS WHEREOF the parties hereto have signed this Agreement as of the date hereinabove first set out.

SOUTH FIELDS COMMUNITY INC.

Per: 
Name: _____ A.S.O.
Title: _____
Per: 
Name: _____ A.S.O.
Title: _____



I/We have the authority to bind the corporation.

SOUTH FIELDS II COMMUNITY INC.

Per: 
Name: _____ A.S.O.
Title: _____
Per: 
Name: _____ A.S.O.
Title: _____

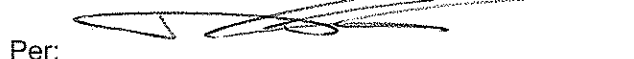
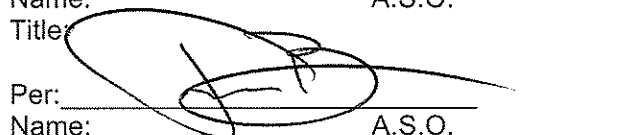
I/We have the authority to bind the corporation.

MOSCOP III DEVELOPMENT INC.

Per: 
Name: _____ A.S.O.
Title: _____
Per: 
Name: _____ A.S.O.
Title: _____


I/We have the authority to bind the corporation.

MOSCOP VII DEVELOPMENT INC.

Per: 
Name: _____ A.S.O.
Title: _____
Per: 
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: 
Name: Andrew Orr A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

- 37 -

DAVID SCHAEFFER ENGINEERING LIMITED

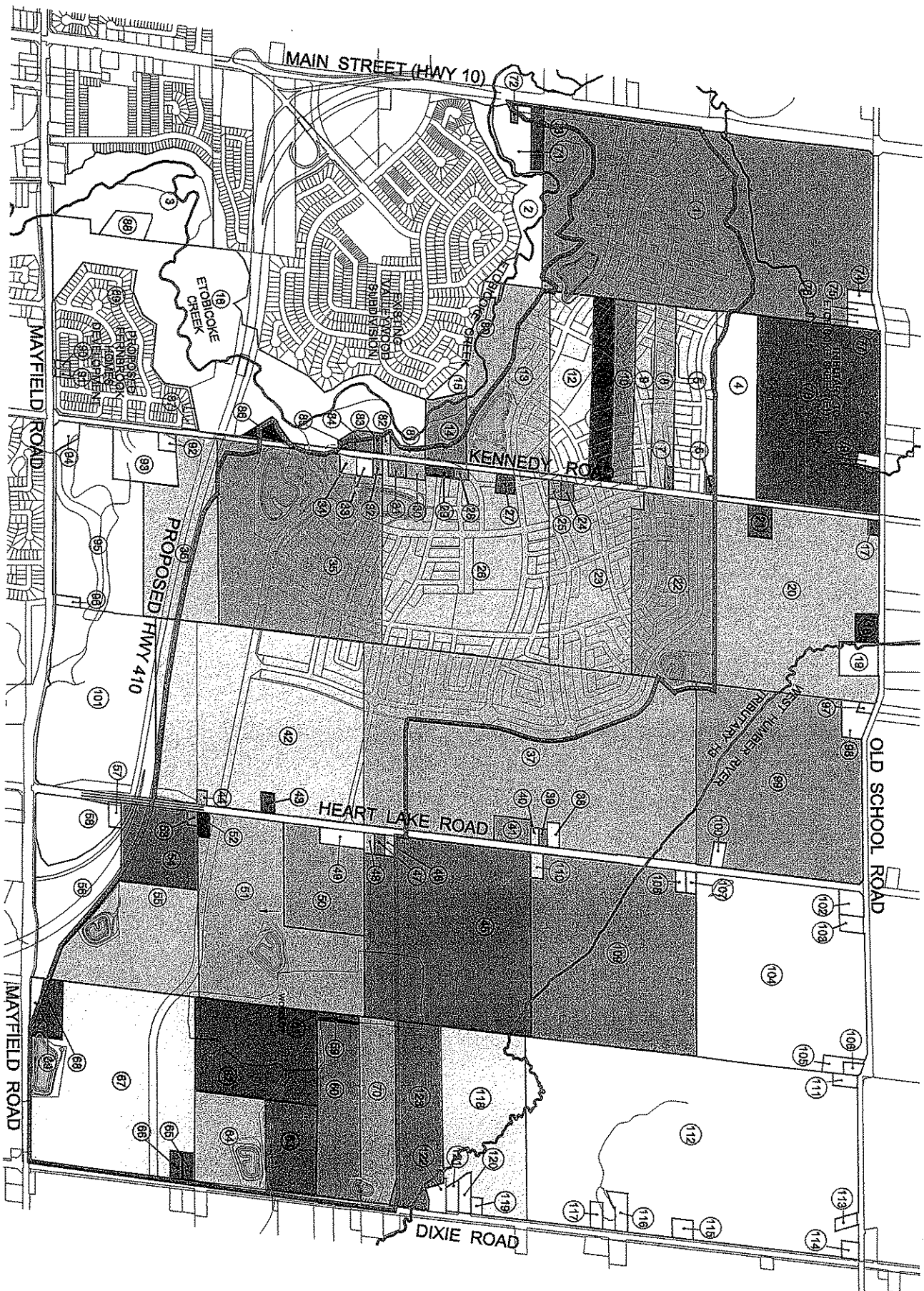
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Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

SCHEDULE "A"

PLAN OF LANDS



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND
—— ROPA LIMIT/ STUDY LIMIT
④ PARCEL NUMBER



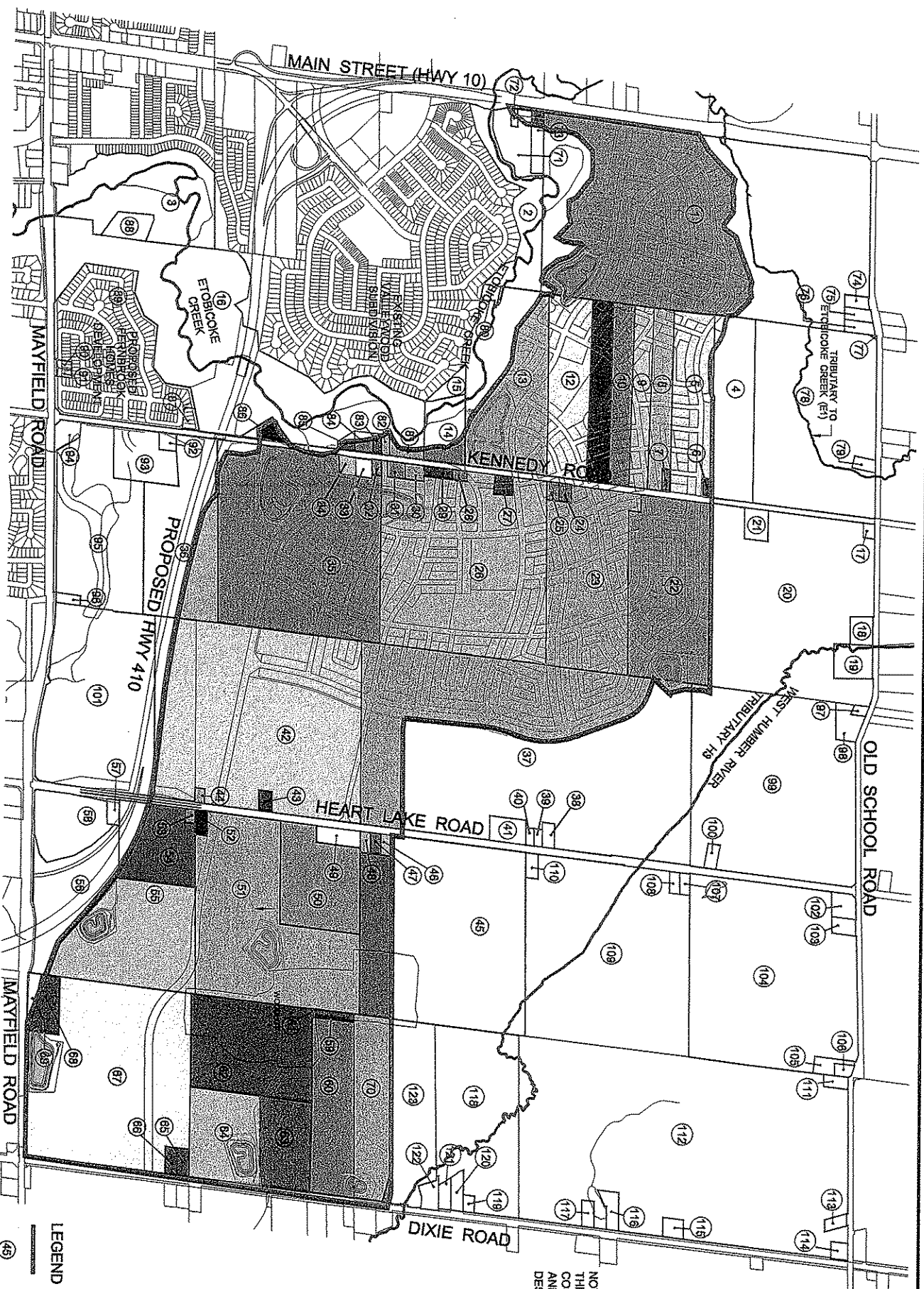
Monarch
by Taylor Woodrow



800 ALDEN ROAD,
SUITE 500
MARGHAM, ONTARIO,
L9R 0E7
(905) 476-3080

MAYFIELD WEST COMMUNITY
OWNERSHIP PLAN
TOWN OF CALEDON

DATE:	MAY 2008
SCALE:	1:15000
PROJECT No.:	05-286
FIGURE	1



OWNER NAME

- 1 KENNESSEE, L.S. & M.
- 2 KENNESSEE, L.S. & M.
- 3 KENNESSEE, L.S. & M.
- 4 KENNESSEE, L.S. & M.
- 5 WHITE ROCK SCOTIA HOLDINGS INC.
- 6 SOVA, R.L.
- 7 KLINE, E.H. & H.
- 8 KORTHSTAR INVESTMENT INC.
- 9 KORTHSTAR INVESTMENT INC.
- 10 SINGH, D.K. & S. C.
- 11 KORTHSTAR INVESTMENT INC.
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- 124 KORTHSTAR INVESTMENT INC.

NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND
 ROPA LIMIT/STUDY LIMIT
 PARCEL NUMBER



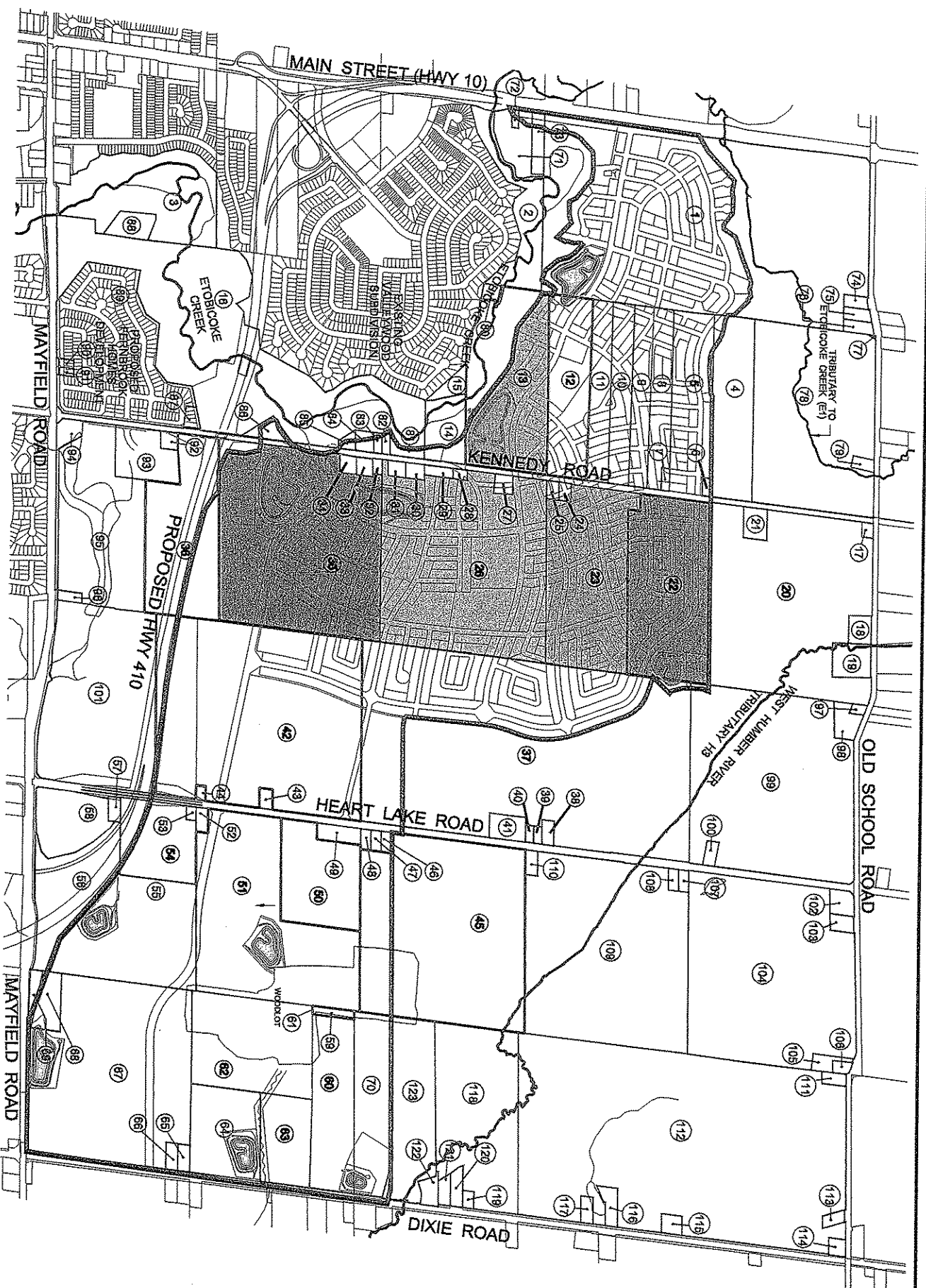
Monarch
by Taylor Woodrow

DS&J
david schaeffer engineering ltd
SMART SUBDIVISIONS™

600 ALDEN ROAD,
SUITE 600
MARGHAM, ONTARIO,
L9R 0E7
(905) 475-3880

MAYFIELD WEST COMMUNITY
OWNERSHIP PLAN
TOWN OF CALEDON

DATE: MAY 2008
SCALE: 1:15000
PROJECT No.: 05-286
FIGURE 1A



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

OWNER No.	OWNER NAME
13	MOSCOP VIL DEVELOPMENT INC.
22	SOUTH FIELDS COMMUNITY INC.
23	MOSCOP II DEVELOPMENT INC.
26	SOUTH FIELDS II COMMUNITY INC.
35	SOUTH FIELDS COMMUNITY INC.

LEGEND

— RCPA LIMIT/STUDY LIMIT

④5 PARCEL NUMBER



Monarch
by Taylor Woodrow

DSI
david schaeffer engineering ltd
SMART SOLUTIONS™

600 ALDEN ROAD,
SUITE 600
MARRHAM, ONTARIO,
L3R 0E7
(905) 476-3000

**MAYFIELD WEST COMMUNITY
PARTICIPATING OWNERSHIP PLAN
TOWN OF CALEDON**

DATE: MAY 2008
SCALE: 1:15000
PROJECT No.: 05-266
FIGURE 1B

SCHEDULE "B"

LEGAL DESCRIPTIONS OF OWNERS' LANDS

South Fields Community Inc.

Party of the First Part

P.I.N. - 14235-1740 (LT)

Part Lot 19, Concession 2 East of Hurontario Street (Chinguacousy), designated as Parts 1 and 2 on Plan 43R32113, Town of Caledon, Regional Municipality of Peel

P.I.N. - 14235-1742 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 1 on Plan 43R32115, Town of Caledon, Regional Municipality of Peel

South Fields II Community Inc.

Party of the Second Part

P.I.N. - 14235-0637 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 3 on Plan 43R18045, Town of Caledon, Regional Municipality of Peel

MoscCorp III Development Inc.

Party of the Third Part

P.I.N. - 14235-1743 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 1 on Plan 43R32116, Town of Caledon, Regional Municipality of Peel

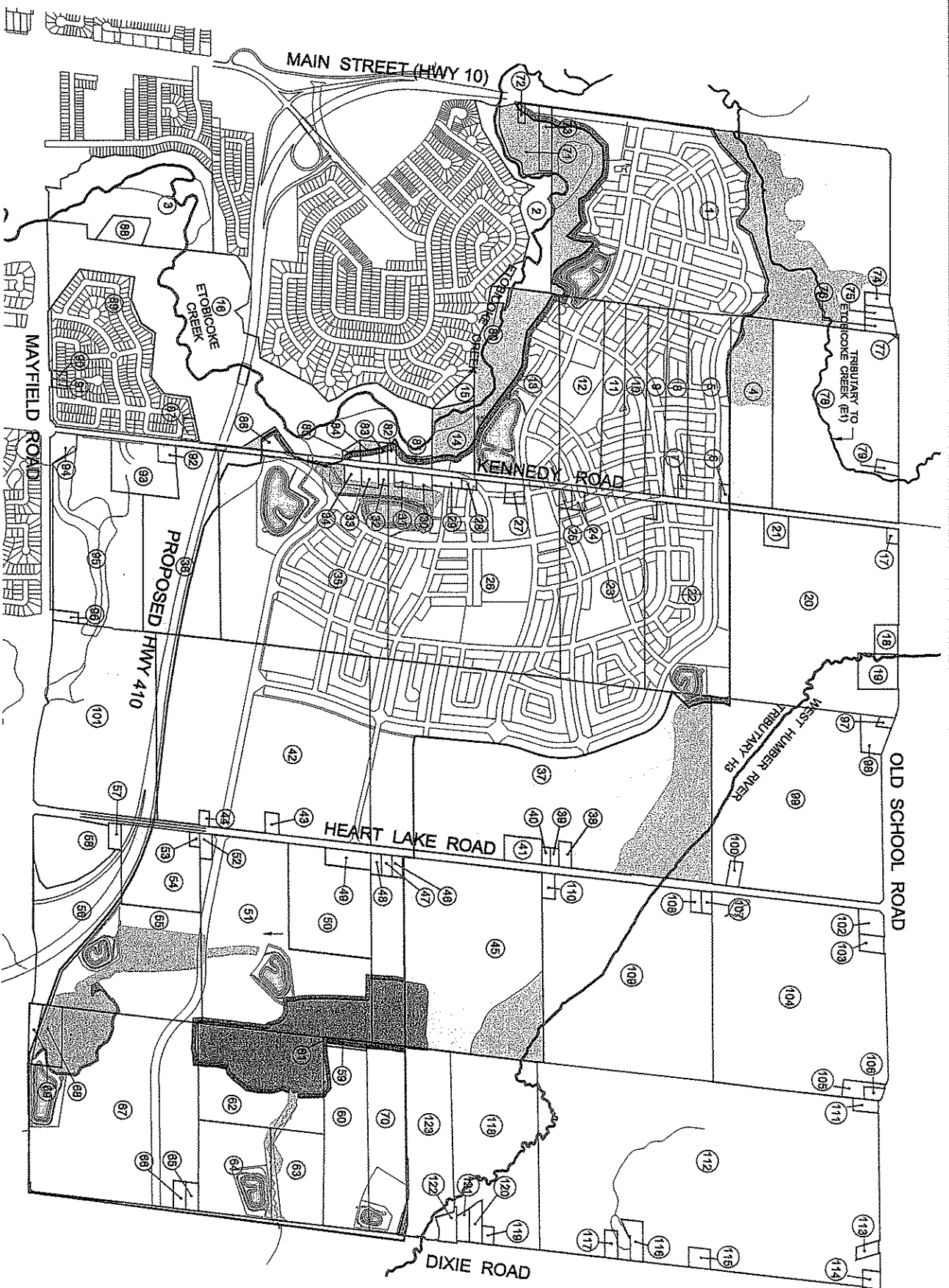
MoscCorp VII Development Inc.

Party of the Fourth Part

P.I.N. - 14235-0844 (LT)

Part Lot 20, Concession 1 East of Hurontario Street (Chinguacousy), as in RO481509 save and except Part 1 on Plan 43R-16924 and Part 1 on Plan 43R-21684, Town of Caledon, Regional Municipality of Peel

SCHEDULE "C"
COST SHARING FIGURES



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

- LEGEND**
- EXTERNAL AREA
 - WOODLOT
 - VALLEY
 - CHANNEL
 - WOODLOT BUFFER
 - VALLEY BUFFER
 - CHANNEL BUFFER
 - ROPA LIMIT/ STUDY LIMIT
 - PARCEL NUMBER



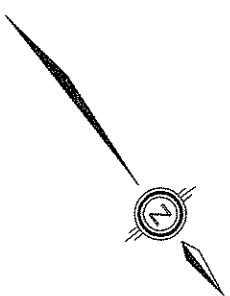
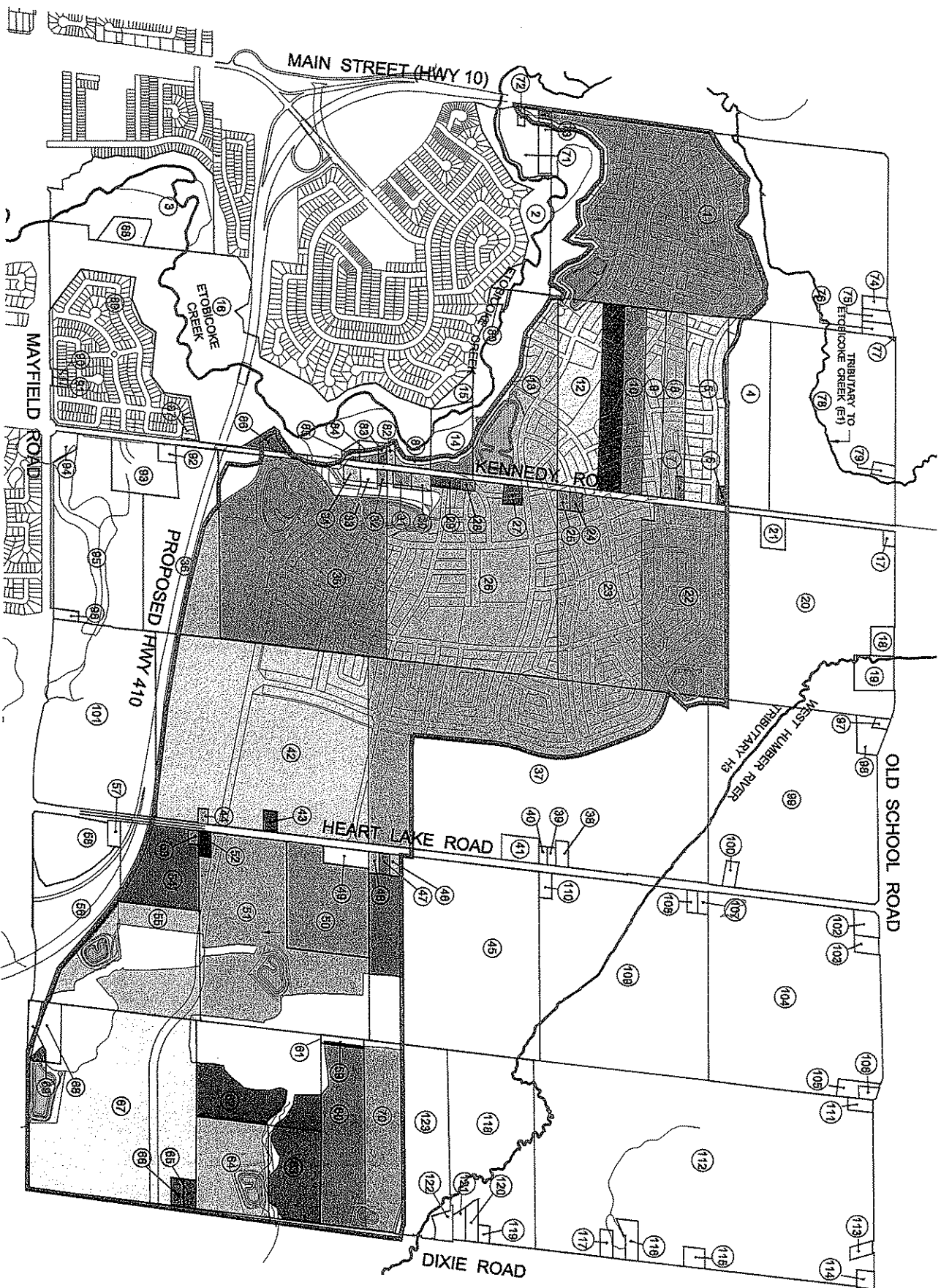
Monarch
by Taylor Woodrow

DS&I
david schaeffer engineering ltd
SMART SUBDIVISIONS™

800 ALDEN ROAD,
SUITE 800
MARGHAM, ONTARIO,
L9R 0E7
(905) 476-3080

**MAYFIELD WEST COMMUNITY
NON DEVELOPABLE AREAS
TOWN OF CALEDON**

DATE:
MAY 2008
SCALE: 1:15000
PROJECT No.:
05-266
FIGURE
2



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND

- ROPALIMIT/STUDY LIMIT
- PARCEL NUMBER



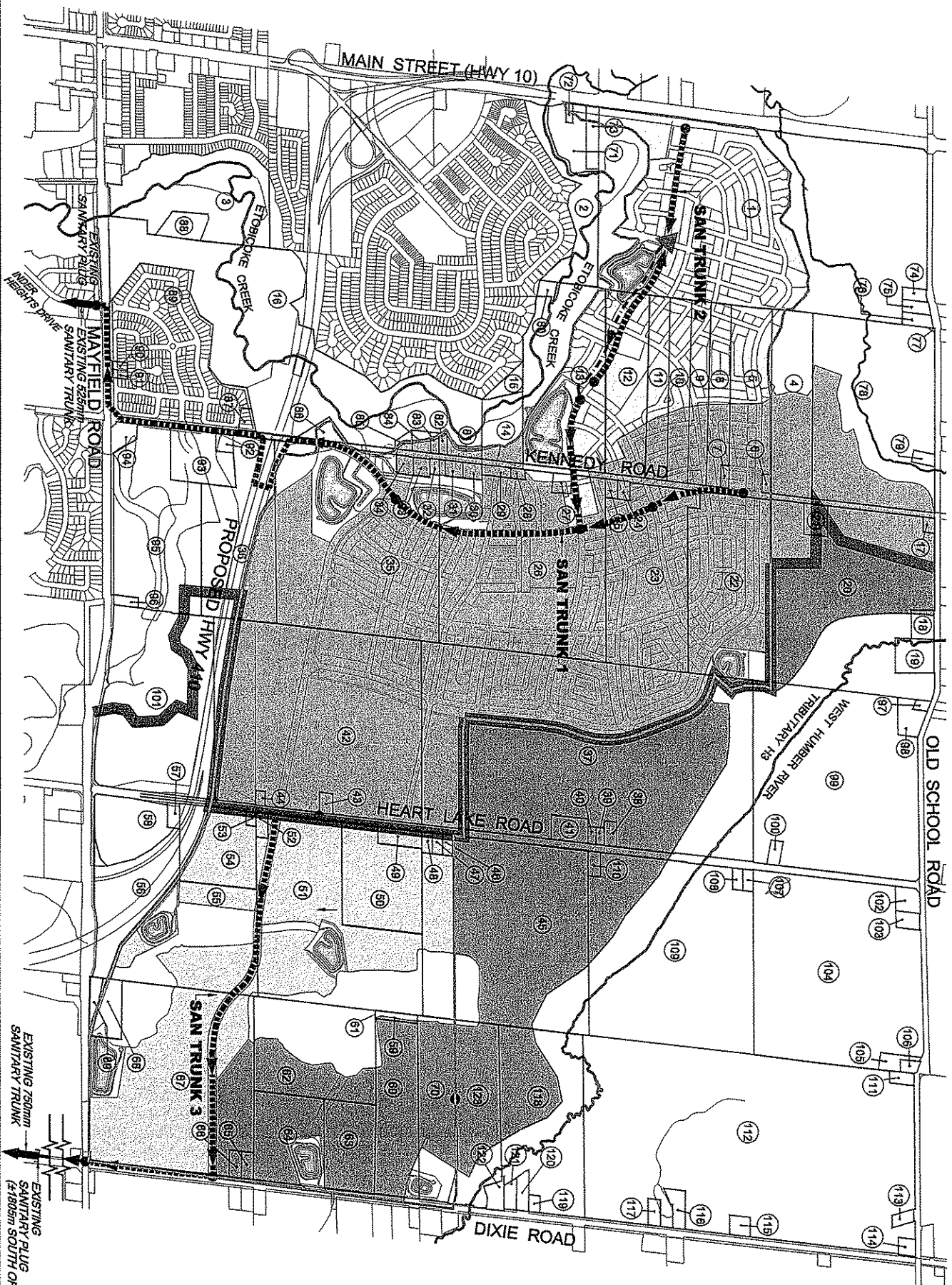
Monarch
by Taylor Woodrow



600 ALDEN ROAD,
SUITE 600
MARGHAM, ONTARIO,
L3R 0E7
(905) 476-9080

MAYFIELD WEST COMMUNITY
NET DEVELOPABLE AREAS
TOWN OF CALEDON

DATE:	MAY 2008
SCALE:	1:15000
PROJECT No.:	05-288
FIGURE	3



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND

- TRUNK 1
- TRIBUTARY AREA
- TRUNK 2
- TRIBUTARY AREA
- TRUNK 3
- TRIBUTARY AREA
- TRUNK 4
- TRIBUTARY AREA
- SANITARY TRUNK
- SANITARY FORCEMAIN
- PROPOSED PUMP STATION
- DRAINAGE DIVIDE BETWEEN
INDER HEIGHTS AND DIXIE SEWERS
- INDER HEIGHTS AND DIXIE SEWERS
- ROPA LIMIT
- PARCEL NUMBER

EXISTING 750mm
SANITARY TRUNK
EXISTING 625mm
SANITARY TRUNK
EXISTING 750mm
SANITARY PLUG
(4.185m SOUTH OF MAYFIELD ROAD)

MAYFIELD WEST COMMUNITY
OVERSIZED SANITARY SEWERS
TOWN OF CALEDON

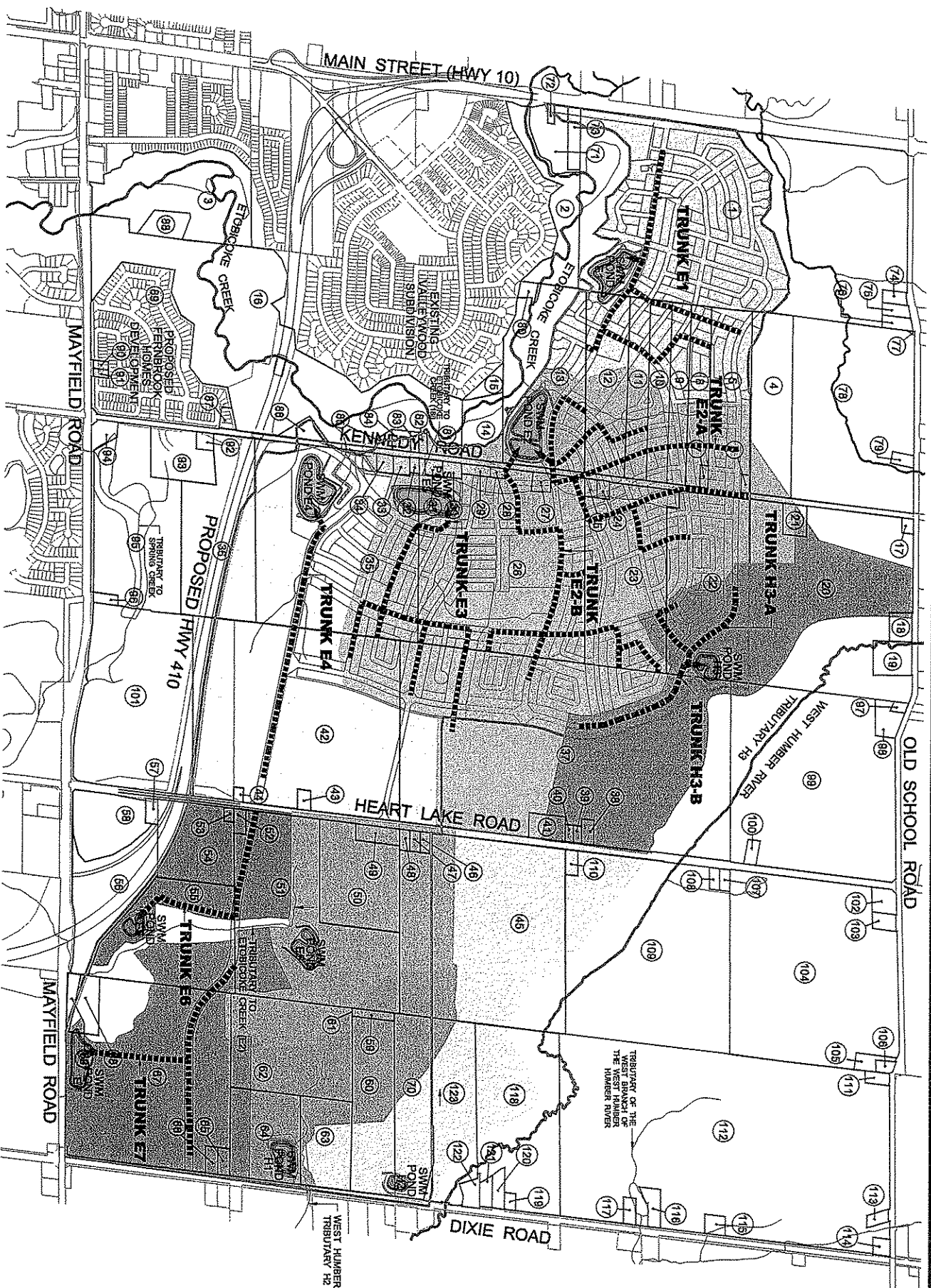
890 ALDEN ROAD,
SUITE 600
MARKHAM, ONTARIO,
L3R 0E7
(905) 476-5080

David Schaeffer Engineering Ltd
SMART SUBDIVISIONS™

Monarch
by Taylor Woodrow



DATE: MAY 2008
SCALE: 1:15000
PROJECT No.: 05-286
FIGURE 4



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND

- ☐ TRUNK E1
- ☐ TRIBUTARY AREA
- ☐ TRUNK E2
- ☐ TRIBUTARY AREA
- ☐ TRUNK E3
- ☐ TRIBUTARY AREA
- ☐ TRUNK E4
- ☐ TRIBUTARY AREA
- ☐ TRUNK E5
- ☐ TRIBUTARY AREA
- ☐ TRUNK E6
- ☐ TRIBUTARY AREA
- ☐ TRUNK E7
- ☐ TRIBUTARY AREA
- ☐ TRUNK H1
- ☐ TRIBUTARY AREA
- ☐ TRUNK H2
- ☐ TRIBUTARY AREA
- ☐ TRUNK H3
- ☐ TRIBUTARY AREA
- ☐ STORM TRUNK
- ☐ ROPA LIMIT
- ☐ PARCEL NUMBER

coscop
Master Planner

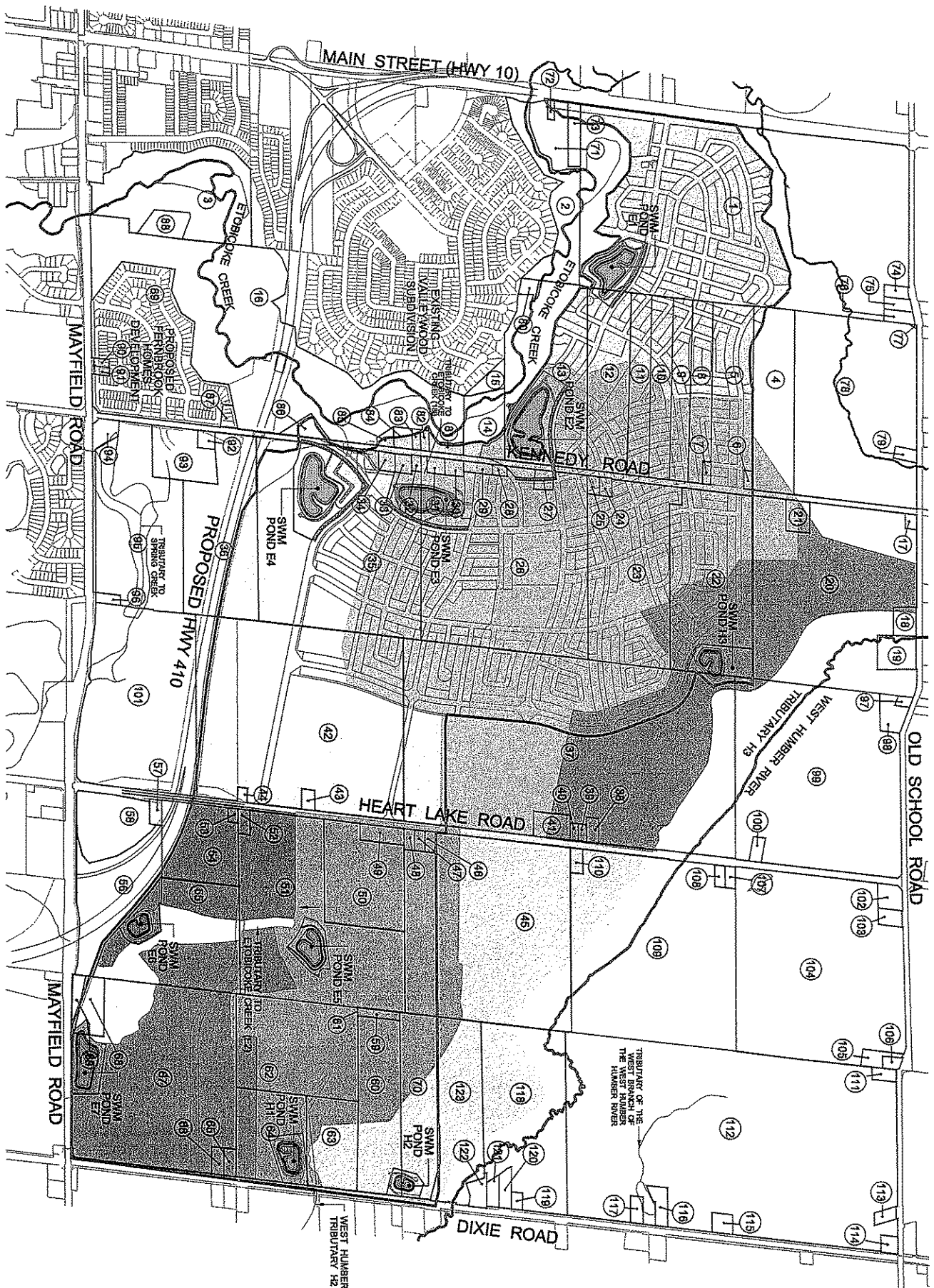
Monarch
by Taylor Woodrow

DS&I
David Schaeffer engineering ltd
SMART SOLUTIONS™

800 ALDEN ROAD,
SUITE 600
MARGHAM, ONTARIO,
L8R 0E7
(905) 476-3080

MAYFIELD WEST COMMUNITY
OVERSIZED STORM SEWERS
TOWN OF CALEDON

DATE: MAY 2008
SCALE: 1:15000
PROJECT No.: 05-286
FIGURE 5



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

- LEGEND
- SWM POND E1 TRIBUTARY AREA
 - SWM POND E2 TRIBUTARY AREA
 - SWM POND E3 TRIBUTARY AREA
 - SWM POND E4 TRIBUTARY AREA
 - SWM POND E5 TRIBUTARY AREA
 - SWM POND E6 TRIBUTARY AREA
 - SWM POND E7 TRIBUTARY AREA
 - SWM POND H1 TRIBUTARY AREA
 - SWM POND H2 TRIBUTARY AREA
 - SWM POND H3 TRIBUTARY AREA
 - 50% OF ROADS WHICH ABUT SWM POND
 - ROPA LIMIT
 - PARCEL NUMBER



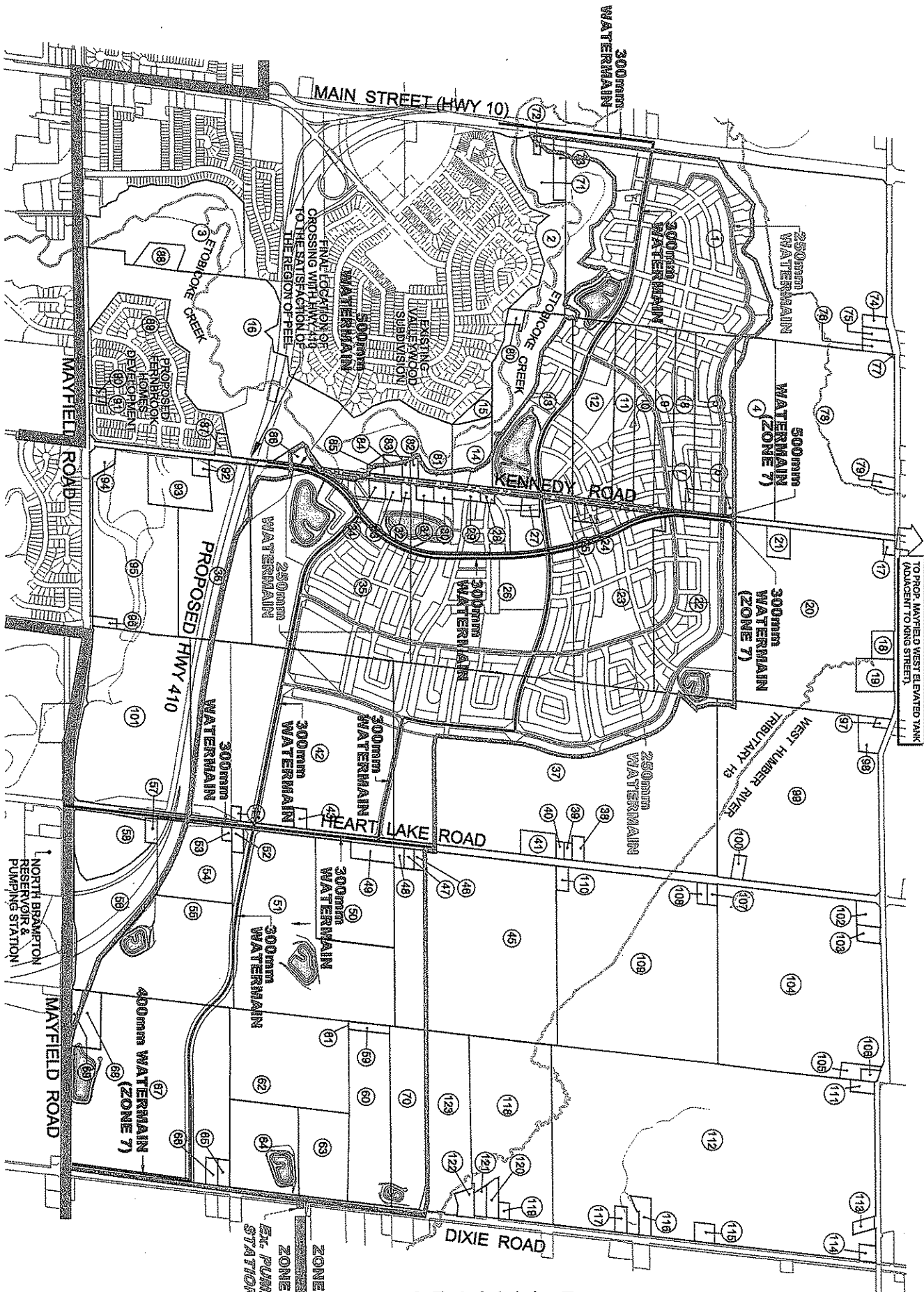
Monarch
by Taylor Woodrow



900 ALDEN ROAD,
SUITE 600
MAYFIELD, ONTARIO,
L3R 0E7
(905) 476-3080

MAYFIELD WEST COMMUNITY
POND LOCATIONS AND DRAINAGE AREAS
TOWN OF CALEDON

DATE:	MAY 2008
SCALE:	1"=1500'
PROJECT NO.:	05-286
FIGURE	6



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND

- 250mm WATERMAIN (MAYFIELD WEST)
- 300mm WATERMAIN (MAYFIELD WEST)
- 400mm WATERMAIN (MAYFIELD WEST)
- 500mm WATERMAIN (MAYFIELD WEST)
- ALTERNATE WATERMAIN
- BOUNDARY FOR PRESSURE ZONE 6/7
- ROPAL LIMIT STUDY LIMIT
- PARCEL NUMBER



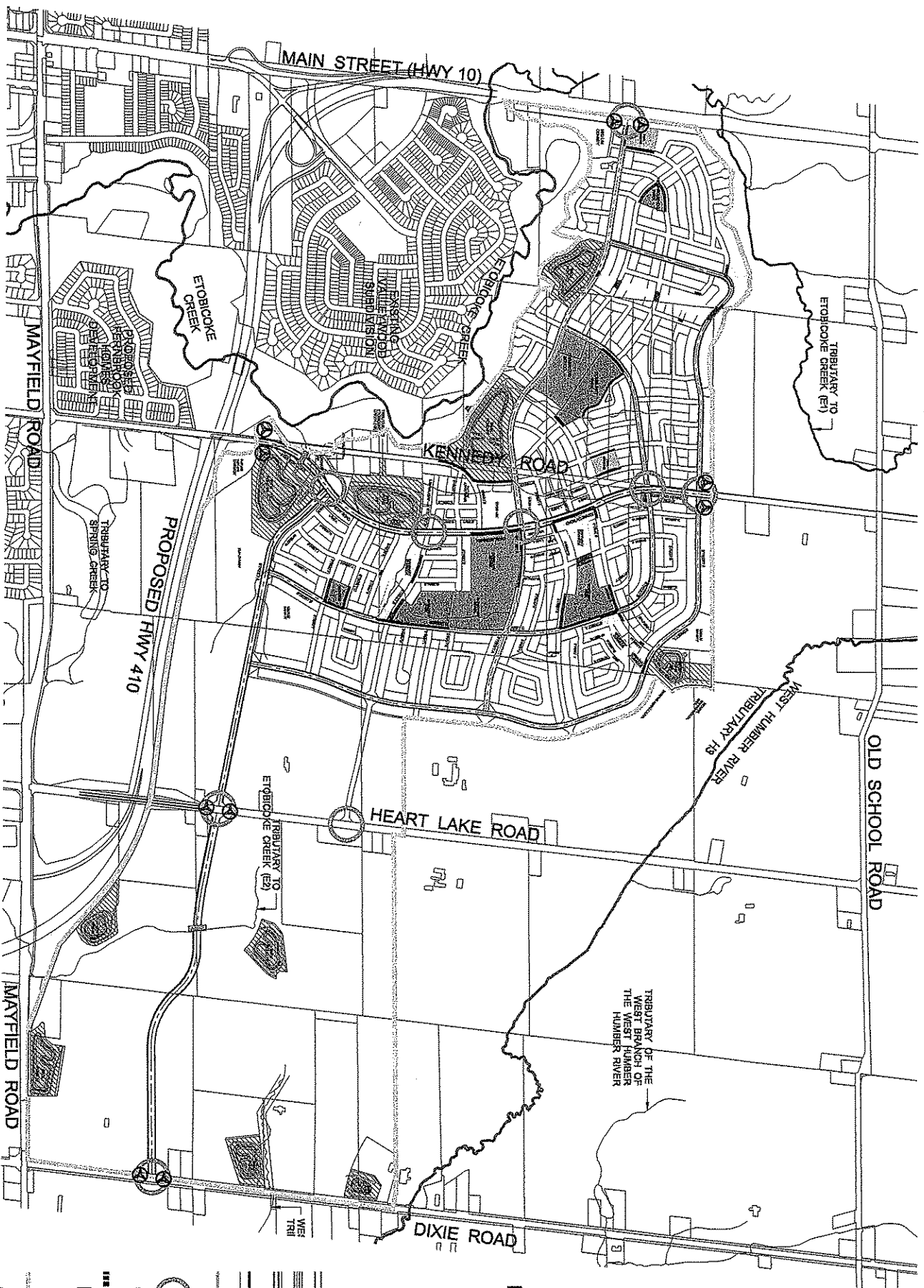
Monarch
by Taylor Woodrow

DS&I
david schaeffer engineering ltd
SMART SUBDIVISIONS™

800 ALDEN ROAD,
SUITE 600
MARIQUAM, ONTARIO,
L3R 0E7
(905) 478-3080

**MAYFIELD WEST COMMUNITY
OVERSIZED WATERMAINS
TOWN OF CALEDON**

DATE:
MAY 2008
SCALE: 1:15000
PROJECT NO.:
05-285
FIGURE
7



NOTE:
THIS FIGURE IS ONLY FOR
COST SHARING PURPOSES
AND IS NOT INTENDED FOR
DESIGN PURPOSES.

LEGEND

- COMMUNITY CENTRE (PARKS)
- PEEL SENIORS
- ELEMENTARY SCHOOL
- COMMUNITY PARKS
- GREENWAY CORRIDOR
- SWM POND
- OVERSIZED 26m ROADS
- OVERSIZED 22m ROADS
- OVERSIZED 20m ROADS
- 50% OF ROADS WHICH ABUT COMMUNITY USE LANDS
- 50% COMMUNITY ROAD ADJACENT TO SCHOOL
- INTERSECTIONS
- CREEK CROSSING
- HYDRO TRUNK
- HYDRO TRANSFORMER
- ENTRANCE FEATURES
- ROPA LIMIT STUDY LIMIT
- PARCEL NUMBER



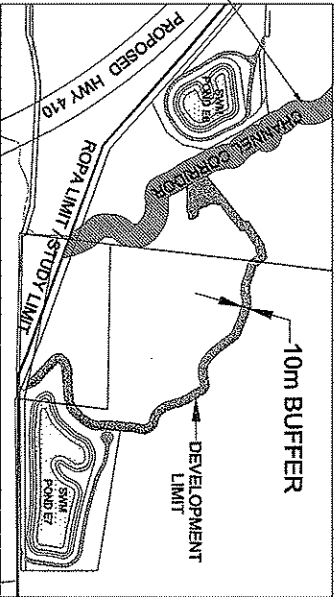
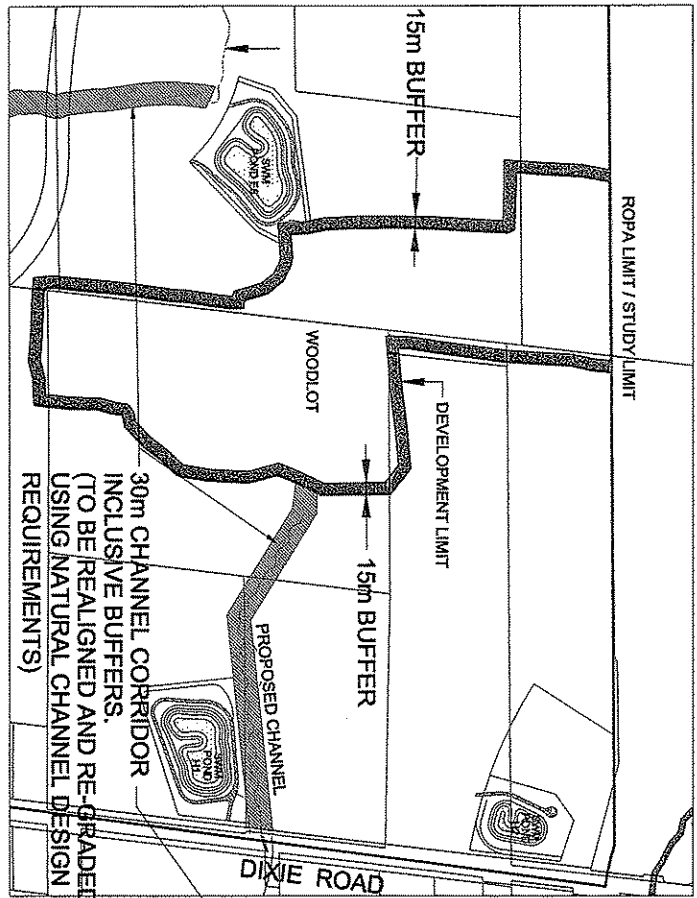
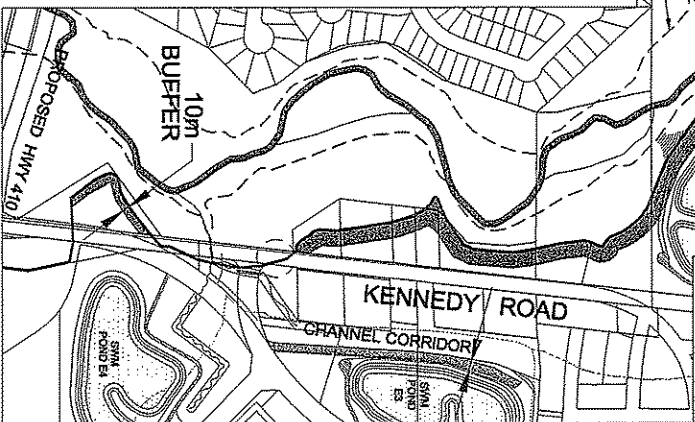
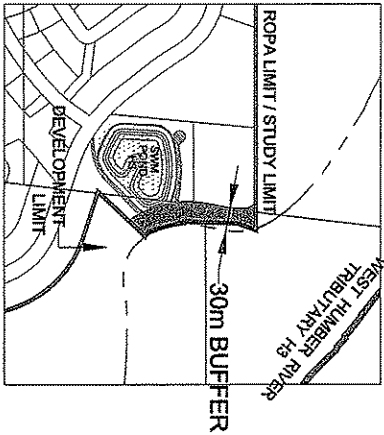
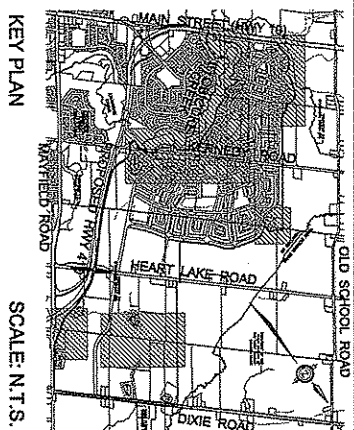
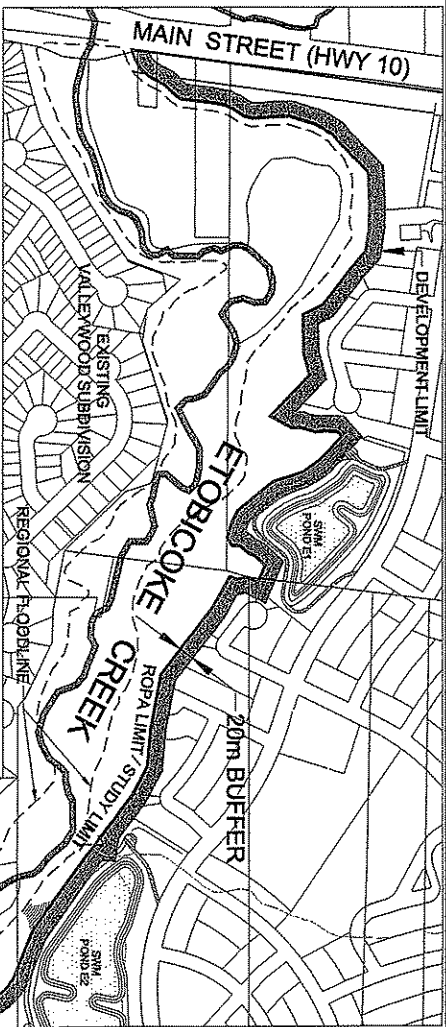
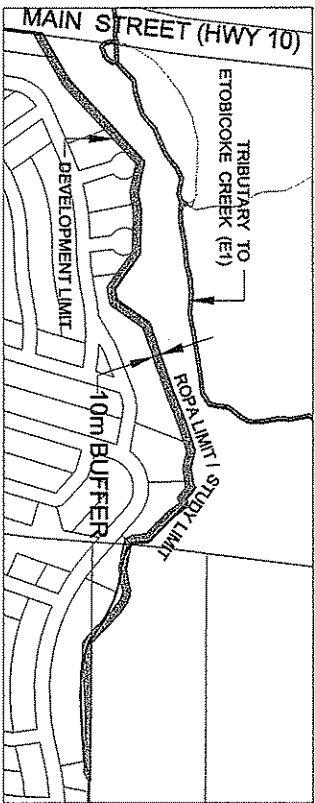
Monarch
by Taylor Woodrow



800 ALDEN ROAD,
SUITE 600
MARKHAM, ONTARIO,
L3R 0E7
(905) 476-9080

MAYFIELD WEST COMMUNITY
COMMUNITY SERVICE LANDS
TOWN OF CALEDON

DATE: MAY 2008
SCALE: 1:15000
PROJECT NO.: 05-286
FIGURE 8



- LEGEND**
- WOODLOT BUFFER
 - VALLEY BUFFER
 - CHANNEL BUFFER
 - ROPA LIMIT / STUDY LIMIT

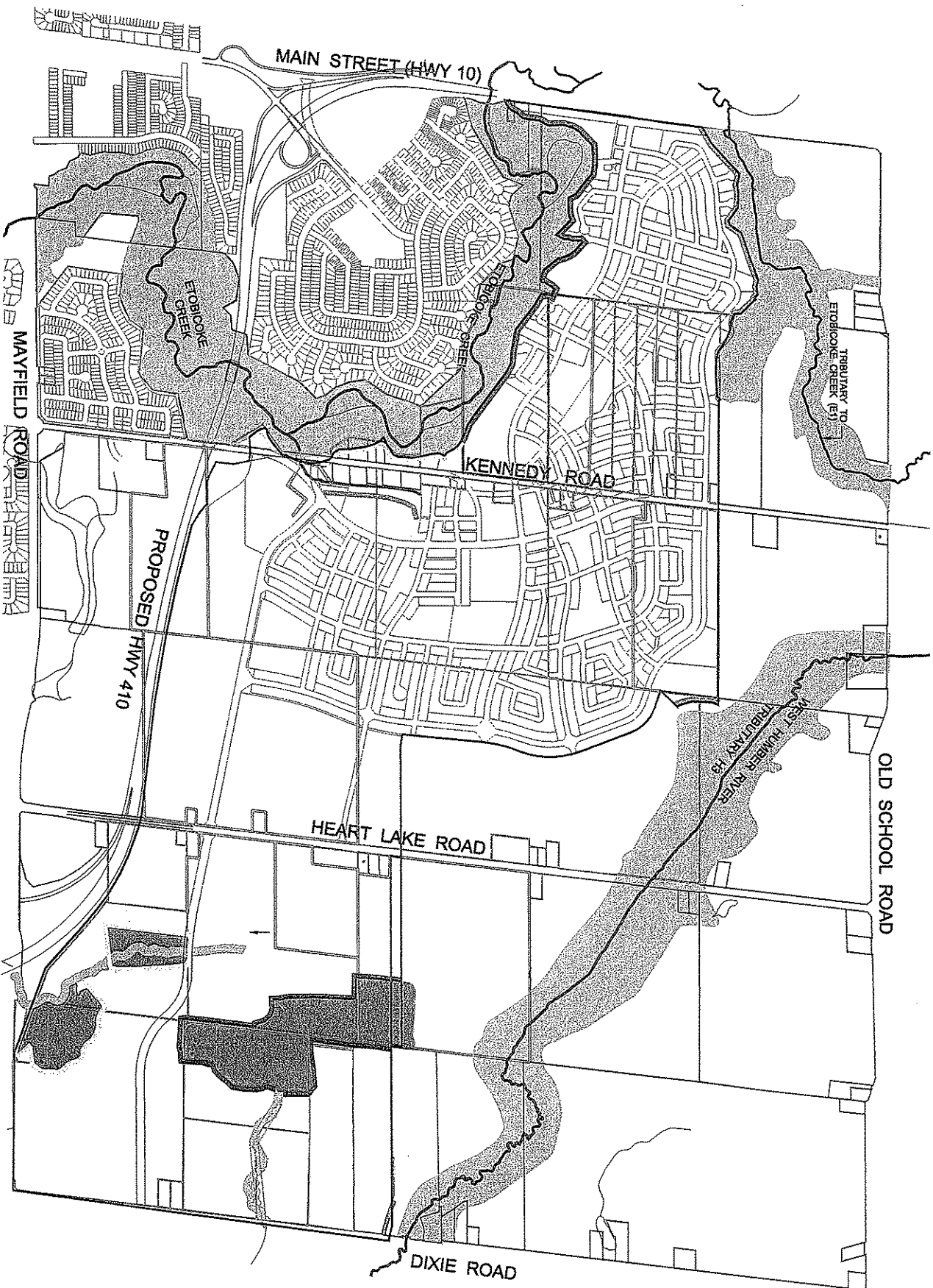


Monarch
by Taylor Woodrow

DSEI
david sehaeffler engineering ltd
SMART SUBMISSIONS™
800 ALDEN ROAD,
SUITE 600
MARGHAM, ONTARIO,
L8H 0E7
(905) 476-3080

MAYFIELD WEST COMMUNITY
BUFFERS
TOWN OF CALEDON

DATE:	MAY 2008
SCALE:	1:7500
PROJECT No.:	05-288
FIGURE	9



LEGEND

WOODLOT

VALLEY

10m BUFFER (MINIMUM)

15m BUFFER

20m BUFFER

30m BUFFER

BUFFER TO BE DETERMINED

(NOTE: ENVIRONMENTAL AREAS ARE PRELIMINARY AND SHOWN AS CONCEPTUAL. AREAS NOT STUDIED THROUGH MESP PROCESS & SUBJECT TO FUTURE CONSIDERATION PRIOR TO DRAFT PLAN APPROVAL.

30m CHANNEL (INCLUSIVE OF BUFFER)

ROPA LIMIT

NOTE: AREAS OUTSIDE SECONDARY PLAN AREA NOT DEFINED THROUGH MESP AND WILL BE SUBJECT TO AN INDEPENDENT PROCESS.



david schaeffer engineering ltd

600 ALDEN ROAD,
SUITE 500
MARKHAM, ONTARIO,
L3R 0E7
(905) 475-3080

MAYFIELD WEST COMMUNITY ENVIRONMENTAL BUFFERS TOWN OF CALEDON

DATE: SEPT. 2007

SCALE: 1:15000

PROJECT No.: 05-266

FIGURE 9A

SCHEDULE "D"

FORM OF SURVEYOR'S CERTIFICATE

The undersigned hereby certifies the Developable Area of the lands of
(Owner) as follows:

Developable Area - hectares

DATED this day of , .

Ontario Land Surveyor -

POWER OF ATTORNEY

TO: MAYFIELD WEST DEVELOPERS GROUP INC.

WHEREAS, the undersigned are parties to an Agreement (the "Agreement") dated the 10th day of April, 2008;

WHEREAS Schedule "A" to this Power of Attorney contains the legal description of the lands of the undersigned which are subject to the Agreement.

The undersigned, DO HEREBY NOMINATE, CONSTITUTE AND APPOINT MAYFIELD WEST DEVELOPERS GROUP INC., as their respective Attorney for them and in their respective names, to execute for them and on their behalf as fully and effectively as they could do personally, the necessary documents to effect the following:


(i) To register a Notice of the Agreement or the Agreement itself against the title to the lands of the undersigned;

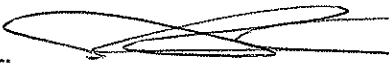
(ii) To execute and register a Notice of Release pursuant to Section 5.03(l)(ii) of the Agreement against the lands or of any one or more of the undersigned.

The within Power of Attorney is hereby by each of the undersigned, declared to be irrevocable.

DATED the 10th day of April, 2008.

SOUTH FIELDS COMMUNITY INC.

Per: 
Name: Peter Costigan
Position: PRESIDENT

Per: 
Name: DAVID A. GEORGE
Position: AUTHORIZED SIGNING OFFICER

I/We have authority to bind the corporation.

SCHEDULE "A"

P.I.N. - 14235-1740 (LT)

Part Lot 19, Concession 2 East of Hurontario Street (Chinguacousy), designated as Parts 1 and 2 on Plan 43R32113, Town of Caledon, Regional Municipality of Peel

P.I.N. - 14235-1742 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 1 on Plan 43R32115, Town of Caledon, Regional Municipality of Peel

POWER OF ATTORNEY

TO: MAYFIELD WEST DEVELOPERS GROUP INC.

WHEREAS, the undersigned are parties to an Agreement (the "Agreement") dated the 10th day of April, 2008;

WHEREAS Schedule "A" to this Power of Attorney contains the legal description of the lands of the undersigned which are subject to the Agreement.

The undersigned, DO HEREBY NOMINATE, CONSTITUTE AND APPOINT MAYFIELD WEST DEVELOPERS GROUP INC., as their respective Attorney for them and in their respective names, to execute for them and on their behalf as fully and effectively as they could do personally, the necessary documents to effect the following:

(i) To register a Notice of the Agreement or the Agreement itself against the title to the lands of the undersigned;

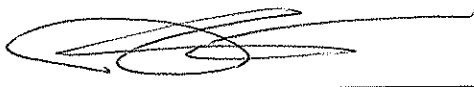
(ii) To execute and register a Notice of Release pursuant to Section 5.03(l)(ii) of the Agreement against the lands or of any one or more of the undersigned.

The within Power of Attorney is hereby by each of the undersigned, declared to be irrevocable.

DATED the 10th day of April, 2008.

SOUTH FIELDS II COMMUNITY INC.

Per: 
Name: PETER COLEMAN
Position: PRESIDENT

Per: 
Name: DAVID A. GEORGE
Position: SECRETARY-TREASURER

I/We have authority to bind the corporation.

SCHEDULE "A"

P.I.N. - 14235-0637 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 3 on Plan 43R18045, Town of Caledon, Regional Municipality of Peel

POWER OF ATTORNEY

TO: MAYFIELD WEST DEVELOPERS GROUP INC.

WHEREAS, the undersigned are parties to an Agreement (the "Agreement") dated the 10th day of April, 2008;

WHEREAS Schedule "A" to this Power of Attorney contains the legal description of the lands of the undersigned which are subject to the Agreement.

The undersigned, DO HEREBY NOMINATE, CONSTITUTE AND APPOINT MAYFIELD WEST DEVELOPERS GROUP INC., as their respective Attorney for them and in their respective names, to execute for them and on their behalf as fully and effectively as they could do personally, the necessary documents to effect the following:


(i) To register a Notice of the Agreement or the Agreement itself against the title to the lands of the undersigned;

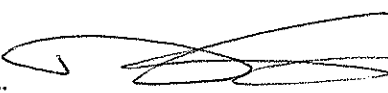
(ii) To execute and register a Notice of Release pursuant to Section 5.03(I)(ii) of the Agreement against the lands or of any one or more of the undersigned.

The within Power of Attorney is hereby by each of the undersigned, declared to be irrevocable.

DATED the 10th day of April, 2008.

MOSCOP III DEVELOPMENT INC.

Per: 
Name: PETER CORRIGAN
Position: PRESIDENT

Per: 
Name: DAVID A. GEORGE
Position: SECRETARY - TREASURER

I/We have authority to bind the corporation.

SCHEDULE "A"

8

P.I.N. - 14235-1743 (LT)

Part Lot 21, Concession 2 East of Hurontario Street (Chinguacousy), designated as Part 1 on Plan 43R32116, Town of Caledon, Regional Municipality of Peel

POWER OF ATTORNEY

TO: MAYFIELD WEST DEVELOPERS GROUP INC.

WHEREAS, the undersigned are parties to an Agreement (the "Agreement") dated the 10th day of April, 2008;

WHEREAS Schedule "A" to this Power of Attorney contains the legal description of the lands of the undersigned which are subject to the Agreement.

The undersigned, DO HEREBY NOMINATE, CONSTITUTE AND APPOINT MAYFIELD WEST DEVELOPERS GROUP INC., as their respective Attorney for them and in their respective names, to execute for them and on their behalf as fully and effectively as they could do personally, the necessary documents to effect the following:


(i) To register a Notice of the Agreement or the Agreement itself against the title to the lands of the undersigned;

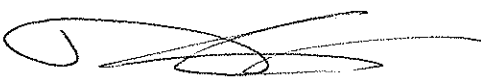
(ii) To execute and register a Notice of Release pursuant to Section 5.03(I)(ii) of the Agreement against the lands or of any one or more of the undersigned.

The within Power of Attorney is hereby by each of the undersigned, declared to be irrevocable.

DATED the 10th day of April, 2008.

MOSCORP VII DEVELOPMENT INC.

Per: 
Name: Peter Rosigan
Position: PRESIDENT

Per: 
Name: DAVID A. GEORGE
Position: SECRETARY

I/We have authority to bind the corporation.

SCHEDULE "A"

P.I.N. - 14235-0844 (LT)

Part Lot 20, Concession 1 East of Hurontario Street (Chinguacousy), as in RO481509 save and except Part 1 on Plan 43R-16924 and Part 1 on Plan 43R-21684, Town of Caledon, Regional Municipality of Peel

ADDITIONAL PARTY ACKNOWLEDGEMENT
(Form of Agreement)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby covenants and agrees with all persons who are parties to a cost sharing agreement (hereinafter referred to as the **"Agreement"**) dated the 10th day of April, 2008, 2008, relating to the equitable sharing of costs in connection with the development of the community known as the Mayfield West Community Area in the Town of Caledon, Regional Municipality of Peel, Province of Ontario, as follows:

1. The undersigned is the registered owner of the lands described in Schedule "A" hereto and the undersigned has full power and authority to bind such lands and to enter into these presents.

2. The undersigned, hereby covenants and agrees to comply with all provisions of the Agreement as fully as if the undersigned had originally been named a party thereto.

3. The undersigned understands and agrees that the Agreement shall be deemed to be amended to reflect the fact that the undersigned has become a party to the Agreement and in particular the Schedules attached or to be attached to the Agreement will be amended to reflect the adjusted Proportionate Share of all Owners in the said community, after including the lands of the undersigned, referred to in Schedule "A" hereto.

4. This Agreement shall enure to the benefit of all parties to this Agreement and be binding upon the undersigned, its administrators, successors and assigns and shall run with and be binding upon the lands described in Schedule "A" hereto.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Agreement this day of , .

Per: _____
A.S.O.

Per: _____
A.S.O.

I/We have the authority to bind the corporation.

SCHEDULE "G"

NOTICES AND COMMUNICATIONS

NAME OF OWNERS	ADDRESS(ES)
SOUTH FIELDS COMMUNITY INC. SOUTH FIELDS II COMMUNITY INC. MOSCOP III DEVELOPMENT INC. MOSCOP VII DEVELOPMENT INC.	Monarch Corporation 2550 Victoria Park Avenue, Suite 200 Toronto, Ontario M2J 5A9 Attention: Elizabeth Sawicki Tel: (416) 491-7446 Fax: (416) 640-1574
MAYFIELD WEST DEVELOPERS GROUP INC. (Trustee)	30 Madras Place, Brampton, Ontario L6S 2Z2 Attention: Andrew Orr Tel: (905) 792-3864 Fax: (905) 458-9480
DAVID SCHAEFFER ENGINEERING LIMITED	600 Alden Road, Suite 500 Markham, Ontario L3R 0E7 Attention: Vince Palermo Tel. No. 905-475-3080 Fax No. 905-475-3081

SCHEDULE "H"

METHOD AND MANNER OF CONVEYING PART LOTS/BLOCKS

The Owners hereby acknowledge that located within any of their respective Plans of Subdivision may be located certain blocks that cannot be utilized as building lots unless a corresponding block on another Owner's Plan of Subdivision is purchased by either Owner (such blocks are hereinafter referred to as "Part Lots"). Such Part Lots, when consolidated will form a building lot.

For the purpose of this Schedule the "Purchasing Owner" shall be determined as follows:

1. The Owner who constructs on its Lands the Public Road fronting such Part Lots, when consolidated, shall be the Purchasing Owner.
2. Should two (2) Owners construct on their respective Lands the Public Road fronting such Part Lots, when consolidated, then the Owner whose Part Lot has the greatest frontage on the Public Road fronting such Part Lots, when consolidated, shall be the Purchasing Owner.
3. In the event the Part Lots, when consolidated, have frontage on two (2) Public Roads, frontage on a Public Road shall be determined by that Public Road which has the least linear length.

For the purpose of this Schedule the "Selling Owner" shall be the Owner of the Part Lots which is not determined to be the Purchasing Owner.

The Purchasing Owner shall be required to purchase and must purchase from the Selling Owner the Part Lots, at the time and in the manner hereinafter set forth.

Upon the registration of the second Plan of Subdivision for the Part Lots, in order for the Part Lots to be consolidated into building lots, the Consultant shall determine which of the Part Lots are to be purchased and sold and shall obtain an acreage certificate for such Part Lots from the Ontario Land Surveyor who registered the Plans of Subdivision containing such Part Lots and provide written notice to the Purchasing Owner and the Selling Owner setting out the Part Lots and the acreage of the Part Lots. Within sixty (60) days of the date of such written notice, the purchase and sale transaction for such Part Lots shall be completed on the following basis:

- a) The Purchasing Owner and Selling Owner shall together agree upon the per acreage sale price, which sale price shall be determined within twenty-one (21) days of the written Notice and failing such agreement, each of the Purchasing Owner, Selling Owner and the Consultant shall obtain an appraisal prepared by a qualified appraiser of real estate in the Province of Ontario. The sale price shall be the average of all three (3) appraisals. Each of the Purchasing Owner and Selling Owner shall pay for their own appraisals and the Purchasing Owner and Selling Owner shall each pay one-half (1/2) of the cost of the Consultant's appraisal. The sale price determined through such appraisal shall be final and binding on the Purchasing Owner and the Selling Owner with no right of appeal whatsoever; and
- b) The Purchasing Owner shall pay the Selling Owner the total amount determined based upon the per acre price on the date of closing, by certified cheque, subject to the usual adjustments; and
- c) The Selling Owner shall deliver to the Purchasing Owner separate transfers for each Part Lot drawn in favour of the Purchasing Owner or as the Purchasing Owner may direct; and

- d) Title to such Part Lots shall be free and clear of all mortgages, liens or encumbrances save and except for any Subdivision Agreement(s) and building restrictions, provided same have been complied with, and any minor utility Easements that do not affect the siting of dwellings to be located on the Part Lots. Any 0.3 metre reserves related to free and uninterrupted access to the Part Lots will on said date be lifted, any Inhibiting Order registered by the Authorities related to the Part Lots will be released and all restrictions as to the transfer of the Part Lots as imposed by the Authorities will be complied with by the Selling Owner.

The Purchasing Owner and Selling Owner hereby acknowledge that the Purchasing Owner shall be responsible to pay the City all development charges for such Part Lots or reimburse the Selling Owner for any development charges paid by it and the Selling Owner shall not be responsible for the same.

SCHEDULE "I"

**GENERAL SUBMISSION REQUIREMENTS IN ADVANCE OF CONSULTANT'S
CERTIFICATE RELEASE**

Mayfield West Community
General Submission Requirements in Advance of Engineer's Certificate Release

1. General

In order to ensure that the Engineer's Certificates are processed in a timely manner, the following summary of submission requirements has been prepared. Conformance with the submission requirements as set out in this document should result in a timely review and issuance of the Engineer's Certificate.

The submission requirements have been designed to conform with the format of the schedules, thereby simplifying the entry of information.

In order to ensure that an owner's registration is not delayed, we recommend that a complete submission be submitted no later than two weeks in advance of the required date for the Engineer's Certificate. Please note that information will not be accepted unless it is a complete submission.

Where more than one owner has requested an Engineer's Certificate at the same time, the material will be processed in sequence based on the earlier date on which the first complete certification package was received.

2. Submission Requirements

A complete submission shall include the following:

Design Drawings and Information

1. One complete full size bound copy of the approved engineering drawings.
2. One complete copy of the approved storm and sanitary sewer design sheets.
3. One complete full size bound copy of the approved landscape drawings.
4. One complete full size bound copy of the approved electrical drawings.

Construction Documentation

5. One copy of the executed construction contract (earthworks, servicing and roads)
6. One copy of the executed landscape contract.
7. One copy of the executed hydro contract.

Confirmation of Payment for Community Services

8. Proof of Payment.
9. Copies of Progress Certificates including release of Statutory Holdbacks.
10. Certificate of Substantial Performance as published in the Daily Commercial News
11. Statutory Declaration provided by the Owner regarding recoveries.

Land Areas and Calculations

12. One copy of the M-plan to be registered
13. One copy of the O.L.S. Certificate for the entire M-plan.
14. One copy of the O.L.S. Certificate with respect to Community Use Land
15. One certified copy of a drawing prepared by the O.L.S. which illustrates the Community Use Lands. Please refer to Appendix A for a sample O.L.S. drawing and Certificate for Community Use Land.

Oversizing Information and Calculations

16. One additional copy of the General Plan, marked-up to indicate the oversized services, oversized watermains and external watermains.
17. One additional copy of the internal and external Tributary Area Plans for oversized sewers, sanitary sewers, foundation drain collector systems, marked-up to indicate the tributary area to each oversized sewer leg.
18. An electronic copy of the Tributary Area Plans for the purpose of up-dating the cost sharing figures.
19. A leg by leg analysis of the oversized sewers, oversized watermains and external watermains, including all external benefiting lands, completed on a standardized excel spreadsheet, provided by our office. Additional details related to the oversizing calculations and the spreadsheet are presented in Appendix B.
20. A summary of all items, including cost summaries, which qualify for compensation under the agreement, including specific references to the appropriate contract item.

Stormwater Management Pond Calculations

21. One additional copy of the internal and external Storm Tributary Area Plans, marked-up to indicate the tributary area to each pond.
22. A summary of the total drainage area, including the pond block area, presented on a benefiting owner basis.
23. An electronic copy of the Tributary Area Plans for the purpose of up-dating the cost sharing figures.
24. A copy of the earthworks contract which summarizes the pond earthworks, including topsoil stripping, standard fill, engineered fill, etc.

25. A summary of all items, including cost summaries, which qualify for compensation under the agreement, including specific references to the appropriate contract item.

Community Services

26. One additional copy of the General Plan, marked-up to indicate the location of community services.
27. A summary of all items, including cost summaries, which qualify for compensation under the agreement, including specific references to the appropriate contract item.

APPENDIX A

SAMPLE O.L.S. CERTIFICATE AND CERTIFIED DRAWING

MAYFIELD WEST COMMUNITY COST SHARING
COMMUNITY USE LANDS
SURVEYOR’S CERTIFICATE

ABC Subdivision
ABC Developments Inc.
Town of Caledon, Region of Peel

This is to certify that, with respect to a proposed Plan of Subdivision of Part of Lot __, Concession __, New Survey, (Geographic Township of _____), Town of Caledon, Regional Municipality of Peel prepared by ABC Surveying Ltd., a copy of which is hereto attached, the following tables are correct.

Oversize Roads	Base Width (m)	Actual Width (m)	Oversize Area (m ²)
ABC Drive	20.00	23.00	800.81
ABC Drive	20.00	23.00	846.30
XYZ Avenue	20.00	23.00	230.89
XYZ Avenue	20.00	26.00	159.22
Subtotal:			2,037.22

Roads Fronting Community Lands	Base Width (m)	Actual Width (m)	Community Area (m ²)
ABC Drive (Block 247)	20.00	23.00	1,684.48
ABC Drive (Block 248)	20.00	23.00	2,003.61
XYZ Avenue	20.00	23.00	1,231.26
DEF Crescent (Block 230)	16.00	16.00	215.84
DEF Crescent (Block 253)	16.00	16.00	44.00
DEF Crescent (Block 245)	16.00	16.00	196.61
DEF Crescent (Block 222)	16.00	16.00	498.64
DEF Crescent (Block 245	16.00	16.00	341.00
GHI Crescent (Block 245)	16.00	16.00	704.95
Subtotal:			6,920.39

Community Lands	Block Area (m ²)
Village Square (Block 222)	1,620.58
Village Square (Block 230)	835.40
Village Square (Block 245)	5,945.49
School (Block 247)	23,135.48
Servicing (Block 253)	143.00
Neighbourhood Park (Block 248)	38,025.19
Subtotal:	69,705.14

Total Community Use Land	78,662.75
---------------------------------	------------------

Dated: _____, 2007

ABC Surveying Ltd.

ABC
Ontario Land Surveyor

APPENDIX B

OVERSIZE SEWER CALCULATION WORKSHEET

SCHEDULE "J"

TOTAL SECONDARY PLAN COSTS - SUMMARY

SCHEDULE "K"

SECONDARY PLAN COSTS - SUMMARY OF OWNERS

SCHEDULE "L"

MASTER FINANCIAL AGREEMENT

MASTER FINANCIAL AGREEMENT – GENERAL PRINCIPLES AGREEMENT

This Agreement is made as of the 26th day of September, 2006,

BETWEEN:

MOSCOP I DEVELOPMENT INC.,
MOSCOP II DEVELOPMENT INC., and
COSCOP INC., in Trust for a Company to be Incorporated
(hereinafter collectively and individually (as the context requires) called the "Developers")

- and -

THE CORPORATION OF THE TOWN OF CALEDON
(hereinafter called the "Town")

- and -

MONARCH CORPORATION, and
COSCOP INC.
(hereinafter called the "Guarantors")

WHEREAS the Developers are the members of the Kennedy-Heart Lake Developers' Group;

AND WHEREAS the Region of Peel Official Plan Amendment No. 17 designates the lands in Schedule A as the Mayfield West Rural Service Centre Area for urban development (hereinafter referred to as the "Community");

AND WHEREAS the Developers intend to develop lands within the Community as shown on Schedule B (hereinafter referred to as the "Developers Lands");

AND WHEREAS the Developers are not yet the registered owners of the Developers Lands and as such the Guarantors have agreed to guarantee the obligations of the Developers pursuant to this Agreement until such time as the Developers are the registered owners of all of the Developers Lands or the registered owners of all of the Developers Lands are parties to this Agreement;

AND WHEREAS the Developers and the Town are committed to development of the Community for residential and non-residential uses substantially as set out in Official Plan Amendment No. 208 to the Official Plan of the Town of Caledon (hereinafter referred to as "OPA 208");

AND WHEREAS the provision of high quality, accessible and available employment lands is vital to achieve the desired business, employment and live/work opportunities in the Town and OPA 208 provides for employment lands (hereinafter referred to as the "Employment Lands");

AND WHEREAS the Village Centre (as defined in OPA 208) is expected to be a key component of the Community, and early development of the Village Centre will establish a sense of place and set urban design themes that will attract residents and businesses to the Community;

AND WHEREAS the provision of social housing, including a seniors residence and affordable housing is an important objective in OPA 208;

AND WHEREAS the development of the Community will require the timely construction of public infrastructure both inside and outside the Community;

AND WHEREAS the public infrastructure includes, without limitation, the items listed on Schedule C;

AND WHEREAS the Town has completed a Fiscal Impact Study for the Community which shows that, although the development of the Community is expected, in time, to be fiscally positive, the Town will require contributions from the Developers to meet periodic shortfalls in tax funding for Capital Works;

AND WHEREAS the Community represents the development of a significant new community and the construction of certain services will be required in advance of development, and in some cases through front-ending of costs by the Developers, earlier in the development process;

NOW THEREFORE this Agreement witnesses that in consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Developers and the Town hereby agree as follows:

ARTICLE ONE –DEVELOPERS’ COMMITMENTS

1.1 Employment Lands

The Developers shall, concurrently with the first phase of any development of the Developer’s Lands within the Community and throughout the course of any future phases of development:

- a. Ensure that roads and services have been extended into one or more of the employment lands areas, as shown in the Community Design Plan;
- b. Include in the first application for draft plan approval for the development of any of the Developers Lands a minimum of 20 acres of land to be draft plan approved for employment uses; and
- c. With the cooperation of the Town, pre-zone a supply of employment land.

Provided that the foregoing requirements have been complied with, no further or other controls will link build out of employment lands to build out of residential lands.

1.2 Marketing Campaign

The Developers shall provide \$300,000 to be used by the Town for the purposes of a marketing campaign to raise the profile of Caledon generally and of Mayfield West in particular which shall be

payable in six annual installments of \$50,000 each commencing upon the registration of the first plan of subdivision, condominium plan or site plan approval in respect of the Community.

1.3 Commercial Lands

The Developers shall provide roads and services in a phased manner to the Village Centre commercial lands commencing no later than concurrently with the development of the residential neighborhood containing the 1000th residential unit within the Community, from and after which time a supply of serviced land designated for commercial uses will be maintained at all times in the build-out of the residential neighborhoods.

Provided that the foregoing requirements have been complied with, no further or other controls will link build-out of commercial lands to build out of residential lands.

1.4 Social Housing

The Developers shall, at the time of registration of the plan of subdivision within which such lands are located, convey, or cause the applicable owners to convey, to Peel Living and/or the applicable agency, in accordance with the provisions of OPA 208, the lands generally described in section 7.12.10 of OPA 208, in the form approved by Town Council on July 4, 2006.

1.5 Financial Impact Mitigation

The Town has completed a Fiscal Impact Study for the Community which shows that, although the development of the Community is expected, in time, to be fiscally positive, the Town will require contributions from the developer/owners within the Community to meet periodic shortfalls in tax funding for Capital Works. Each developer/owner within the Community shall pay to the Town, pursuant to the Town's Fiscal Impact Study, \$3,000.00 per net acre of such developer's/owner's land, for the first 500 acres developed in the Community, upon draft plan or site plan approval. For purposes

of this Agreement, net acres shall mean the gross area of a developer's/owner's lands located in the Community less any part of such lands which are located within environmentally protected areas in the Community. In addition to the foregoing, and in order to achieve earlier funding as required by the Town, the developers (or owners of such lands, as the case may be) will also pay to the Town an additional sum of \$1,000.00 per net acre for the first 500 acres developed in the Community upon draft plan or site plan approval. For the balance of the lands within the Community, the developers (or owners of such lands, as the case may be), shall pay to the Town the sum of \$2,000.00 per net acre upon draft plan or site plan approval.

The Town acknowledges that the Developers propose to enter into a cost sharing agreement (the "Cost Sharing Agreement") amongst themselves and thereafter with any other landowners and/or developers in the Community, in order to share the costs, benefits and burdens of various development and Community costs and infrastructure which may be required in connection with the development of the lands in the Community including, without limitation, those matters set out in this Agreement.

The Cost Sharing Agreement will provide that the said additional payment of \$1,000 per net acre paid for the first 500 acres will be recovered from those developers/owners who pay only \$2,000 per net acre in accordance with the foregoing.

The following is provided as a summary of the foregoing provisions of this Section 1.5:

- 1) \$3,000 + \$1,000 per acre payable for first 500 acres.
- 2) All other lands in excess of first 500 acres shall pay \$2,000 per acre.
- 3) Cost Sharing Agreement to provide that additional payment of \$1,000 per acre paid for by the first 500 acres to be recovered from developers/owners who pay only \$2,000 per acre as per #2 above.

1.6 Apartments

Developers in the Community shall forego the discount on the DC rate currently available in the Town

for small and large apartments in buildings with 10 or more apartment dwellings and shall pay the non-discounted development charge rates for apartments in this Community. The current non-discounted development charge rates for apartments are \$8,484.77 per unit for units with more than 70 sq. m. and \$4,903.72 per unit for units with less than or equal to 70 sq. m. (adjusted annually in accordance with the indexing provision of the Town's then current Development Charges By-law) for each apartment dwelling unit. Timing of the payment is in accordance with the requirements of the Town's development charges by-law.

1.7 Public Infrastructure

A. Highway 410 Bridge Over sizing at Heart Lake Road and Kennedy Road

The parties intend to facilitate the timely design and construction of the bridge widenings of both Kennedy Road and Heart Lake Road, such that they can be constructed as a four-lane bridge and two-lane expandable superstructure with five-lane substructure (respectively) as part of the MTO's original construction (the "Widenings"). The Town is responsible for the bridge deck design and land acquisition (if required) and the MTO is responsible for the construction of the bridges.

The Developers will front-end the costs of design and property acquisition for the Widenings and the cost of oversizing the Widenings in excess of 2 lanes (to a maximum of four and five lanes respectively).

The Developers will enter into agreements with the Town and the Town will use its best efforts to enter into agreements with the MTO in order to achieve such timely bridge construction and to expand upon the foregoing. If at any time the provisions of the preceding sentence are or become invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby to the fullest extent possible by law.

As provided in, and subject to section 2.4, the Town will use its best efforts to amend the Town's Development Charge By-Law to include the costs of design and property acquisition for the Widenings and the cost of oversizing the Widenings. If such costs are so included, the Developers shall be reimbursed for such front-ended works by means of credits against development charges otherwise payable by them.

The Cost Sharing Agreement will provide that the costs of design and property acquisition for the Widenings and the cost of oversizing the Widenings as aforesaid will be shared among the Developers and all other developers/owners within the Community to the extent not reimbursed by development charge credits.

In the event that the MTO does not proceed with the Widenings as aforesaid as part of the MTO's initial construction (for example in the event of a Part Two Order with respect to the EA) the provisions of this Section 1.7A will need to be amended. In this event, the developers within the Community, prior to registration of ~~my~~ ^{their} plans of subdivision, shall enter into an agreement with the Town, to the satisfaction of the Town, to establish the trigger date for, and front-end funding of, the Widenings. The developers shall be responsible for any required front ending of the Widenings.

B. Kennedy Road Partial Interchange

OPA 208 makes a provision for a partial interchange at HWY 410 and Kennedy Road (the "Partial Interchange"). Upon registration of the first plan of subdivision, condominium plan or site plan approval in the Community, the Developers shall convey to the Town, free of encumbrances and at no cost to the Town, the lands owned by the Developers and identified in OPA208 for the Partial Interchange, save and except for any part of such lands which have been expropriated by the Ministry of Transportation of the Province of Ontario.

It is proposed that the Partial Interchange will be funded through the development charge process. As provided in, and subject to section 2.4, the Town will, at the time that it is decided that the Partial Interchange will be constructed, use its best efforts to amend the Town's Development Charge By-Law to include the costs related to the Partial Interchange or, if the Partial Interchange is to be a Regional facility, to request that the Region of Peel so amend its development charges by-law. If such costs are included in the Town's Development Charge By-Law, the Developers shall, at that time, be reimbursed for lands so conveyed for the Partial Interchange by means of credits against development charges otherwise payable by them with respect to the Community. Save and except for development charges payable by the Developers pursuant to the present or any future development charge by-law, but subject to the foregoing provision for credits against such development charges, the Developers shall not be required to make any further payment or contribution toward the Partial Interchange (including, without limitation, any plans, studies, assessments, reports, design, engineering, construction, maintenance, and/or land acquisition in respect thereof).

C. Noise Attenuation Measures

The Developers will indemnify the Town for the Town's share of the cost of noise attenuation measures for the Highway 410 frontage; provided, however, that the Town will first request that Peel Region pay for the cost of the said noise attenuation measures. In any event, such contribution by the Developers is limited to a maximum of \$500,000.00.

D. Greenway Corridors

The Developers shall construct and convey to the Town, free of charge and free of encumbrances, the Greenway Corridors (as described in OPA 208) within the registered plans within which they are located, to a maximum aggregate area of 6.0 hectares. These Greenway Corridors shall not form part of parkland dedication.

E. Trails

Upon the registration of a plan of subdivision or condominium plan in respect of the Community within which a trail access point is located, the developer shall, at its cost, construct in their entirety the trail(s) to be accessed from such plan and the footbridges appurtenant thereto to cross the Etobicoke Creek. There shall be two (2) trails and two (2) footbridges appurtenant thereto to cross the Etobicoke Creek as described in OPA 208.

The Cost Sharing Agreement will provide that the costs of the said trails and footbridges will be shared among the Developers and all other developers/owners within the Community to the extent not reimbursed by development charge credits.

F. Realignment of Kennedy Road

The Developers shall convey to the Town free of cost and free of encumbrances, all lands within the Developers Lands as may be required for the realignment of Kennedy Road and the Town agrees to close up those parts of Kennedy Road which are no longer required (i.e. "old" Kennedy Road) and to convey same to the Developers who conveyed lands for the new realignment of Kennedy Road as aforesaid, free of cost and free of encumbrances.

1.8 Town Development Charges By-Law

The Developers shall support any amendment or replacement of the Town's Development Charges By-law with respect to the infrastructure described in Schedule "C" attached hereto required for the development of the Community provided same does not unreasonably, adversely affect the Developers (financially or otherwise).

1.9 Front Ending of Infrastructure

The Developers shall front-end those items of public infrastructure listed in Part A of Schedule C.

The cost of studies and supporting documents that support OPA 208 and a Community Design Plan shall be paid by the Developers.

As provided in, and subject to section 2.4, the Town will use its best efforts to amend the Town's Development Charge By-Law to include the works front-ended by the Developers in accordance with this Agreement. If such costs are so included, the Developers shall be reimbursed for such front-ended works by means of credits against development charges otherwise payable by them.

The Cost Sharing Agreement will provide that the costs of such public infrastructure (including, without limitation, said studies and supporting documents) will be shared among the Developers and all other developers/owners within the Community to the extent not reimbursed by development charge credits.

1.10 Cost Sharing Agreement

The cost of funding, providing or delivering any or all of the items which the Developers are required to fund, provide or deliver pursuant to this Agreement including, without limitation:

- (a) the marketing costs in 1.2;
 - (b) the social housing in 1.4;
 - (c) the financial impact mitigation in 1.5; and
 - (d) the public infrastructure in 1.7 and 1.9;
- including, without limitation, costs and land compensation related thereto,

will be shared amongst the Developers and all other developers within the Community through the Cost Sharing Agreement(s) to be enforced by the Town to the extent provided in Section 2.7 of this Agreement.

The Developers shall also appoint an individual, firm or corporation to act as trustee pursuant to the Cost Sharing Agreement (the "Developers= Trustee").

The Developers= Trustee shall be required to confirm to the Town that a developer seeking an approval for plan registration (or other development of its lands) is in good standing under the Cost Sharing Agreement.

1.11 Town's Costs

The Developers shall indemnify the Town for reasonable costs incurred in connection with approval of OPA 208, whether in court or at the Ontario Municipal Board, and for defending and implementing this Agreement, including the provisions for developer cost sharing, up to the amount of \$250,000; provided, however, that the foregoing shall not apply in the event and to the extent that the Developers object to the Town's position in such matters. If and when such costs reach (or are anticipated to reach) \$250,000, the Town will meet with the Developers to discuss mutually agreeable methods to limit and recover the costs in excess of \$250,000. Such methods may include the creation of a charge under the *Development Charges Act* for the recovery of such costs or the adjustment to current development application fees in order to create a mechanism for the recovery of such costs. Based on such discussions as aforesaid, the Town and the Developers shall enter into mutually agreeable (with each party acting reasonably) arrangements for the recovery of all such costs in excess of \$250,000, which arrangements shall be implemented by and through the Town. In the alternative, or in the event that the Town and the Developers do not enter into mutually agreeable arrangements for the recovery of such costs in excess of \$250,000, the Developers may, at their sole option, elect to continue to fund such costs, or, at any time after such costs exceed the sum of \$250,000, to advise the Town that they no longer wish to fund such costs, and the Town shall thereafter be under no obligation to continue to seek approval for OPA 208 or to defend and implement this Agreement. The failure of the Town and the Developers to enter into arrangements for the recovery of costs in excess of \$250,000 shall not,

however, in any way reduce or diminish the obligation of the Developers to indemnify the Town for costs incurred up to \$250,000 as aforesaid.

ARTICLE TWO – TOWN COMMITMENTS

Without fettering the discretion of Council (but subject to compliance with and enforcement of the provisions of OPA 208), the Town shall:

- 2.1 provide civic uses within or adjacent to the proposed Village Centre, in accordance with OPA 208;
- 2.2 use its best efforts to negotiate agreements with the Ministry of Transportation for the timely construction of bridges at Heart Lake Road and Kennedy Road, and for the partial interchange at Kennedy Road and Highway 410;
- 2.3 INTENTIONALLY DELETED.
- 2.4 use its best efforts to amend the Town's Development Charge By-Law, and to request the Region to amend the Region's Development Charge By-Law, to include the cost of public infrastructure required for the development of the Community, and provide credits and/or reimbursements to the Developers for the items listed in Part A of Schedule C and any other eligible public infrastructure front-ended by the Developers at the Town's request and required for the development of the Community. In the event that any of the works covered by this agreement or otherwise funded or front-ended by the Developers are included in the Town's existing or future Development Charges By-Law, the Developers shall be entitled to credits and/or reimbursements in respect of such costs so funded or front-ended by the Developers. If the amendment or replacement of the Development Charges By-Law is not approved, the Developers shall fund the total cost of such infrastructure.

The Cost Sharing Agreement will provide that the costs of such public infrastructure (including,

without limitation, studies and supporting documents and land compensation) will be shared among the Developers and all other developers/owners within the Community to the extent not reimbursed by development charge credits.

- 2.5 undertake a campaign to raise the profile of Caledon generally and the Community in particular generally to assist in the marketing of the Employment Lands;
- 2.6 upon the issuance of the building permit which includes the 2,000th residential unit in the Community, commence the construction of the recreation centre in the Village Centre;
- 2.7 as a condition of approval of the development or redevelopment of any lands within the Community, require the owner of such lands to agree to comply with the terms of this Agreement (as applicable), to enter into the Cost Sharing Agreement and to provide the Town with a certificate from the Developers' Trustee confirming to the Town that the owner/developer seeking development approval within the Community is in good standing under the Cost Sharing Agreement;
- 2.8 should servicing capacity (water and sewage/wastewater) become constrained in availability during development of the Community, use its best efforts with the Region of Peel to allocate same to the Developers Lands, to accommodate the Developers' proposed development of the Developers Lands; and
- 2.9 construct the recreation centre and the addition to the fire hall from development charges collected from the Community.

ARTICLE THREE – MISCELLANEOUS

- 3.1 The Town and the Developers agree that, in addition to this Agreement, other agreements will be needed to complete the development of the Community. The Town and the Developers

further agree to negotiate such agreements acting reasonably and in good faith.

- 3.2 Notwithstanding any other provisions of this Agreement but subject to compliance with and enforcement of the provisions of OPA 208, the Parties hereto agree that none of the provisions of this Agreement (including any provision stating the Parties' intentions) is intended to operate, nor shall have the effect of operating, in any way to fetter the discretion of the municipal council of the Town in its determinations.
- 3.2 The obligations of the Developers hereunder shall be on a several basis and each Developer shall be responsible for its proportionate share thereof based upon the percentage which the Developer's net acres (as defined in section 1.5) bears to the total acreage of the Community net of environmentally protected areas located therein.
- If any Developer (a "Defaulting Owner") does not comply with any or all of its obligations under this Agreement, the Town shall give notice of such default to each of the Developers. Within 30 business days following the date of the Town's notice, any Developer who is not a Defaulting Owner, may at its option, fulfill the Defaulting Owner's obligations which are in default and shall be entitled to development charge credits (if applicable) for the cost thereof.
- 3.3 Schedules A, B, and C shall form and be a part of this Agreement.
- 3.4 The Developers and the Town agree that the recitals are true and correct and form a part of this Agreement.
- 3.5 This Agreement shall be binding upon and enure to the benefit of the undersigned and their respective successors and assigns.
- 3.6 The parties acknowledge and agree that this Agreement sets out the general principles agreed to by the Town and the Developers, and that, subject to the terms of this Agreement, further agreement(s) between the Town and the Developers may be required in order to expand upon

certain of the items set out herein (by way of example, and without limitation, Development Charge Credit Agreements may be entered into in order to elaborate on the funding and/or front-ending of public infrastructure by the Developers and credits and/or reimbursements to the Developers in respect thereof); provided that, unless expressly agreed to by the parties, such further agreement(s) shall not amend the terms of this Agreement or alter the obligations hereunder. The Town and the Developers further agree, acting reasonably and in good faith, to negotiate arrangements in respect of the foregoing on such terms and conditions as may be agreed to by the Town and the Developers. If at any time any of the provisions of this section 3.6 are or become invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby to the fullest extent possible by law.

- 3.7 This Agreement is conditional until such time as OPA 208 in the form adopted by Council on July 4, 2006 (subject to minor clerical amendments or other non-substantial amendments which do not adversely affect the Developers Lands) is in full force and effect and all appeal periods have expired.
- 3.8 The parties agree that all buildings within the Community shall adhere in design, construction and operation to a minimum standard of Energy Star certification.
- 3.9 The parties acknowledge and agree that the Developers shall only be required to construct, pay for, front-end and/or otherwise provide, pursuant to this Agreement or otherwise, such public infrastructure as may be required for the development of the Community.
- 3.10 This Agreement or notice thereof may be registered upon the title of the Developers Lands upon the acquisition thereof by the Developers.
- 3.11 Subject as hereinafter and heretofore provided, each of the Guarantors hereby guarantee the obligations of the Developers pursuant to this Agreement and hereby jointly and severally

covenant and agree with the Town that the Developers will duly pay and satisfy all amounts pursuant to this Agreement when due and duly perform and observe all the covenants, agreements and provisos in this Agreement to be performed and observed by the Developers, and acknowledge that the Guarantors shall be considered as primarily liable to the Town on a joint and several basis for the due payment and satisfaction of such moneys and for the performance and observance of such covenants, agreements and provisos. The parties acknowledge and agree that, notwithstanding the foregoing, the obligations and liabilities of the Guarantors pursuant to this Agreement shall automatically terminate and be released and discharged when the Developers are the registered owners of all of the Developers Lands or the registered owners of all of the Developers Lands are parties to this Agreement.

- 3.12 This Agreement may be executed in any number of counterparts and by different parties in separate counterparts and each of such counterparts shall be deemed to be an original document and such counterparts, taken together, shall constitute one and the same document. To evidence the fact that it has executed this Agreement, a party hereto may send a copy of its executed counterpart to all other parties hereto by facsimile transmission. Such party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile transmission. In such event, such party shall forthwith deliver to the other parties hereto an original counterpart (copy) of this Agreement executed by such party.

And in witness whereof the parties have executed this Agreement.

AUTHORIZATION RESOLUTION No. 60-278-2006
 PASSED BY TOWN OF CALEDON COUNCIL
 ON THE 4th DAY OF July 2006

AUTHORIZATION BY-LAW No. 2006-106
 PASSED BY TOWN OF CALEDON COUNCIL
 ON THE 4th DAY OF July 2006

THE CORPORATION OF THE TOWN OF
 CALEDON

Per: Marolyn Morrison
 Marolyn Morrison, Mayor

Per: Cheri Cowan
 Cheri Cowan, Clerk

I/We have authority to bind the Town.

MOSCOP I DEVELOPMENT INC.

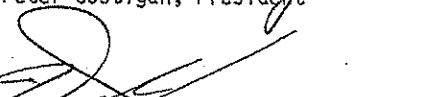
Per: Peter Costigan
 Peter Costigan, President

Per: Brad Carr
 Brad Carr, Sr. Vice-President

I/We have authority to bind the Corporation.


MOSCOP II DEVELOPMENT INC.

Per: 
Peter Costigan, President

Per: 
Brad Carr, Sr. Vice-President

I/We have authority to bind the Corporation.

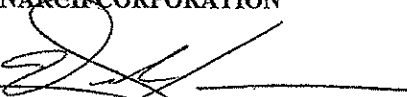
**COSCOP INC., in trust for a company to be
incorporated**


Per: 
Peter Costigan, President

Per: _____

I/We have authority to bind the Corporation.

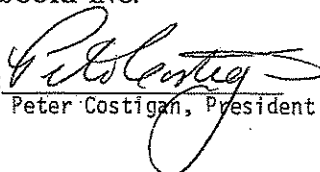
MONARCH CORPORATION

Per: 
Brad Carr, Sr. Vice-President

Per: 
D.A. George, Sr. Vice-President

I/We have authority to bind the Corporation.

COSCORP INC.

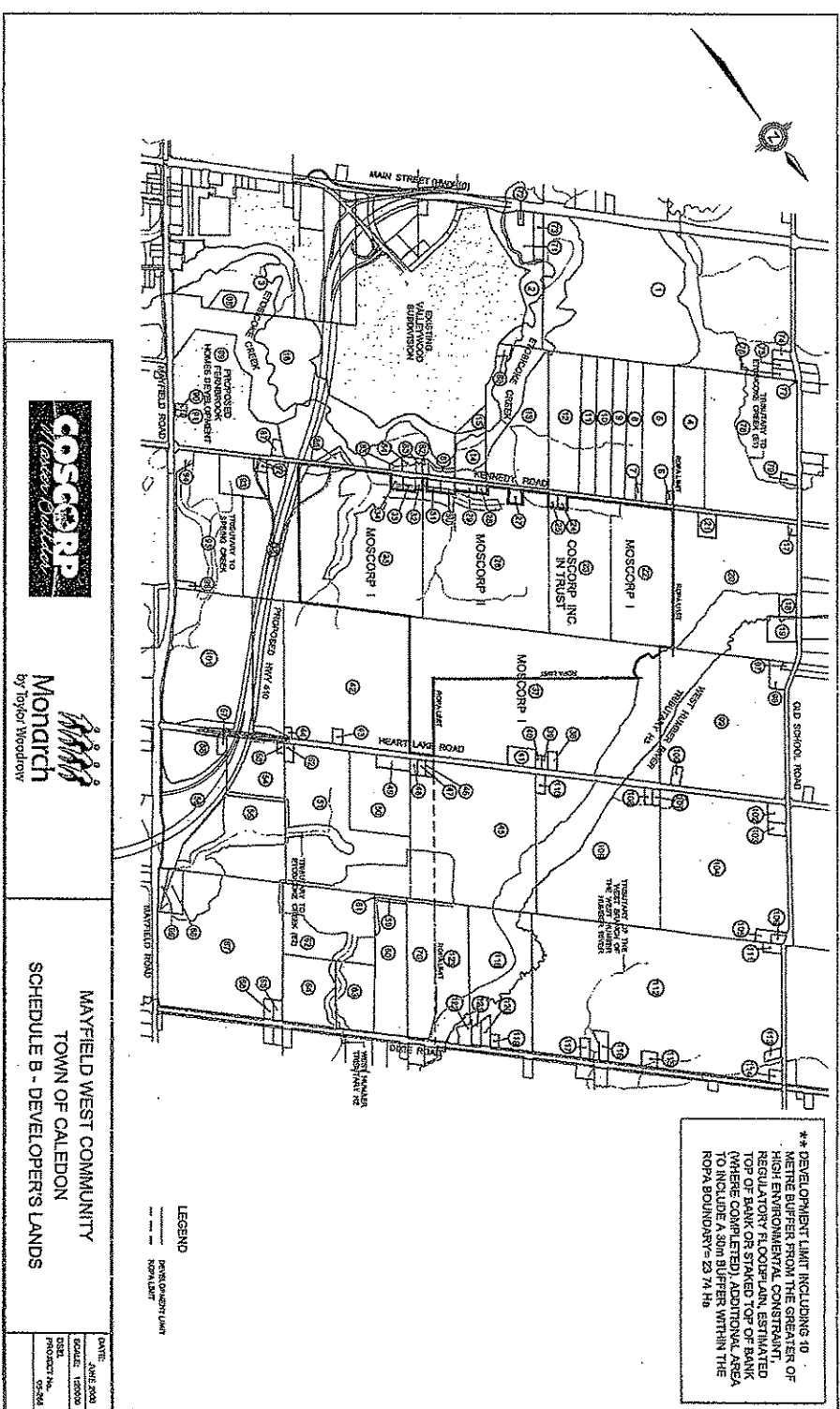
Per: 
Peter Costigan, President

Per: _____

I/We have authority to bind the Corporation.

SCHEDULE "A"

The Community consists of approximately 444 hectares (1,100 acres) of land generally bounded to the west by Highway 10 and the Etobicoke Creek, to the north by the southern portion of Lot 22, Concession 1 E.H.S., the West Half of Lot 21, Concession 2 E.H.S., and the southerly part of Lot 20, Concession 2 and 3 E.H.S., to the east by Dixie Road, and to the south by Mayfield Road and the Highway 410 extension.



SCHEDULE "C"
PUBLIC INFRASTRUCTURE

PART A

PUBLIC INFRASTRUCTURE TO BE FRONT-END FINANCED BY THE DEVELOPERS THAT IS EITHER INCLUDED IN THE CURRENT DEVELOPMENT CHARGE BY-LAW OR IS PROPOSED TO BE ADDED TO THE TOWN'S DRAFT DEVELOPMENT CHARGE BACKGROUND STUDY UPDATE

1. **Kennedy Road Widening and Reconstruction from Mayfield Road to Old School Road**
2. **Heart Lake Road Widening and Reconstruction from Mayfield Road to the north limit of the Secondary Plan**
3. **Old School Road Reconstruction from Highway 10 to Kennedy Road**
4. **Collector Roadways**
East/West Residential Collector Oversizing (Highway 10 to East Limit of Secondary Plan)
East/West Industrial Collector Oversizing (Kennedy Rd to Dixie Rd)
East/West Collector Easterly Extension to Heart Lake Road – Future New Link
5. **Sidewalks & Trails**
Highway 10 - Snell's Crest to Street 'A'
Dixie Road - Mayfield Road to North Limit of Secondary Plan
Mayfield Road - Dixie Road to West Limit of Secondary Plan
6. **Intersections**
3 Sets of Intersection Signals on Kennedy Road
2 Sets of Intersection Signals on Heart Lake Road
3 Sets of Intersection Signals on Old School Road
1 Set of Intersection Signals on E/W Collector at Highway 10
7. **Park Development**
Public parks within the Community

8. Bridges

Kennedy Road Bridge widening (two-lane to four-lane structure) @ Hwy 410

Heart Lake Road Bridge widening (two-lane to two-lane expandable superstructure and a five-lane substructure) @ Hwy 410

PART B

PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED BY THE TOWN AND FUNDED THROUGH THE TOWN'S DEVELOPMENT CHARGES.

1. Fire Hall Addition
2. Recreation Centre

PART C

PUBLIC INFRASTRUCTURE TO BE FUNDED BY THE DEVELOPERS

1. Bridge structure on the realigned section of Kennedy Road that may be required to cross the existing valley spur that extends from the Etobicoke Creek in proximity to the proposed east-west industrial collector road.
2. Trails - Etobicoke Creek Trails & Pedestrian Bridges

SCHEDULE "M"

TOWN KENNEDY ROAD PROJECT AGREEMENT

THIS AGREEMENT made as of the 9th day of May 2007

B E T W E E N:

THE CORPORATION OF THE TOWN OF CALEDON
(hereinafter referred to as the "Town")

PARTY OF THE FIRST PART

and

MOSCOP I DEVELOPMENT INC.
MOSCOP II DEVELOPMENT INC.
MOSCOP III DEVELOPMENT INC.

(hereinafter collectively and individually (as the context requires) referred to as the "Developers")

PARTY OF THE SECOND PART

WHEREAS the Region of Peel Official Plan Amendment No. 17 designates the lands in Schedule A as the Mayfield West Rural Service Centre Area for urban development (hereinafter referred to as the "Mayfield West Community");

AND WHEREAS the Ministry of Transportation of Ontario (hereinafter referred to as the "Ministry") proposes to construct a two-lane bridge over King's Highway Number 410 at Kennedy Road and to extend Highway 410 under the bridge in accordance with Schedule B attached (hereinafter referred to as the "Ministry's 410 Project");

AND WHEREAS King's Highway Number 410 is a public highway under the jurisdiction and control of the Ministry;

AND WHEREAS the bridge carrying Kennedy Road over King's Highway Number 410 will be under the jurisdiction and control of the Ministry;

AND WHEREAS Kennedy Road is a public highway under the jurisdiction of the Town;

AND WHEREAS Entra Consultants has completed a Traffic Impact Analysis Report dated June 2006 that recommends that improvements to Kennedy Road are required within the limits of the Mayfield West Community;

AND WHEREAS Philips Engineering Ltd. has completed a Class Environmental Assessment for the Kennedy Road Improvements (from Mayfield Road, northerly approximately 800 metres), dated 20 October 2006 that recommends that improvements to Kennedy Road are required within the study limits;

AND WHEREAS in accordance with the Class Environmental Assessment completed by Philips Engineering Ltd, Giffels Associates Limited (hereinafter referred to as "Giffels") has completed a design for a four-lane underpass bridge and four-lanes of Kennedy Road within the limits of the Ministry's right-of-way to carry Kennedy Road over King's Highway Number 410 which is shown on Schedule C attached (hereinafter referred to as the "Town's Kennedy Road Project");

AND WHEREAS the Ministry and the Town will enter in to an agreement that sets out the terms and conditions upon which the Ministry and the Town agree that the Ministry will construct the Town's Kennedy Road Project, and such agreement will establish the estimated costs for the construction of the Town's Kennedy Road Project and the proportion of these costs that the Town will be responsible for (hereinafter referred to as the "Town's Costs");

AND WHEREAS pursuant to the master financial agreement dated 26 September 2006 between Moscorp I Development Inc., Moscorp II Development Inc., Coscorp Inc., in trust for a company to be incorporated, and the Town of Caledon, and Coscorp and Monarch as guarantors, the Developers shall front-end the Town's Costs of the design and construction for the Town's Kennedy Road Project (hereinafter referred to as the "Design and Construction Costs", as hereinafter defined);

AND WHEREAS the purpose of this agreement is to implement, in part, the provisions of paragraphs 1.7 A, 1.9, 2.2, 2.4, 2.7, 3.1 and Schedule "C" of the master financial agreement dated 26 September 2006 between Moscorp I Development Inc., Moscorp II Development Inc., Coscorp Inc., in trust for a company to be incorporated, and the Town of Caledon, and Coscorp and Monarch as guarantors, in regard to the Town's Kennedy Road Project;

AND WHEREAS the Ministry has indicated that the Ministry intends to tender the Highway 410, Phase 3 construction work, which includes the Ministry's 410 Project, in summer 2007 and that the Ministry will not delay the tender for this construction work should the design for the Town's Kennedy Road Project not be completed by that time;

AND WHEREAS it is imperative that the engineering work for the design of the Town's Kennedy Road Project be commenced and completed in time so that the Town's Kennedy Road Project can be tendered by the Ministry in summer 2007;

AND WHEREAS it is imperative that the design and construction of the Towns' Kennedy Road Project be commenced and completed notwithstanding that the appropriate approvals for the Mayfield West Community under the *Planning Act* have not yet been obtained;

AND WHEREAS on 10 October 2006, by Resolution No. W-406-2006, the Council of the Corporation of the Town of Caledon authorized, among other matters, the retainer of Giffels to prepare the design of the Town's Kennedy Road Project.

NOW THEREFORE THE DEVELOPERS AND THE TOWN AGREE AS FOLLOWS.

DEFINITIONS

1. In this Agreement,

"Design and Construction Costs" means the costs related to the design, engineering and construction of the Town's Kennedy Road Project, as set out in the following chart:

Work	Estimate of Fees and Disbursements, exclusive of GST
1. Engineering work to design the Town's Kennedy Road Project.	\$ 164,000
2. Town's Costs towards the construction costs of the Town's Kennedy Road Project.	\$1,250,399
3. Surcharges applicable to the Town's Kennedy Road Project (12%) (applies to 2. only).	\$ 150,047
Sub Total:	\$1,564,446
Contingency (15%) (applies to 2. & 3. only).	\$ 210,066
Total:	\$1,774,512

For greater clarity, the Design and Construction Costs shall only include those costs related to the design, engineering and construction of the Town's Kennedy Road Project, as aforesaid, and shall not include, without limitation, the following costs, which shall be the sole responsibility of the Town without contribution or reimbursement by the Owners:

- (i) Costs related to the maintenance of the Town's Kennedy Road Project;
- (ii) Rectification of deficiencies in the Town's Kennedy Road Project, whether arising from design or construction thereof, or otherwise.

"Master Financial Agreement" means the agreement dated 26 September 2006, between Moscorp I Development Inc., Moscorp II Development Inc., and Coscorp Inc., in Trust for a Company to be Incorporated, and The Corporation of the Town of Caledon and entitled "Master Financial Agreement—General Principles Agreement".

"Ministry's 410 Project" means the design and construction of a two-lane underpass bridge and two lanes of Kennedy Road within the limits of the Ministry's right-of-way to carry Kennedy Road over King's Highway Number 410, in accordance with Schedule B attached.

"Town's Kennedy Road Project" means the construction of a four-lane underpass bridge and four-lanes of Kennedy Road within the limits of the Ministry's right-of-way to carry Kennedy Road over King's Highway Number 410 in accordance with the Class Environmental Assessment prepared by Philips Engineering Ltd. dated 20 October 2006 and in accordance with the design prepared by Giffels and as shown in Schedule C attached.

FINANCIAL CONTRIBUTIONS AND PAYMENTS

2. The Town will execute an agreement with Giffels to complete by 26 January 2007 the engineering work to design the Town's Kennedy Road Project immediately upon receipt from the Developers of letter(s) of credit and/or certified funds (or a combination of both) in the amount of \$1,774,512 to fund the Design and Construction Costs of the Town's Kennedy Road Project.
3. The Developers agree to provide letter(s) of credit and/or certified funds (or a combination of both) in the amount of \$1,774,512, which letter of credit (if applicable) shall be issued by a Schedule 1 Canadian chartered bank and in the form attached as Schedule D.
4. The Developers and the Town agree that the procedures regarding the funding and payment of the Design and Construction Costs, and the draw-down of any letter(s) of credit or other funds provided by the Owners, will be as follows.
 - (a) All consultants retained by the Town, will act solely on behalf of the Town, will only take instructions from the Town and will provide services, advice and recommendations to the Town based solely on the Town's best interests.
 - (b) The Town shall be entitled to draw upon the letter of credit and/or other funds at such times and in such amounts as the Town in its absolute discretion considers appropriate to pay for the work contemplated in the chart set out above, subject to the provisions of this Agreement, including without limitation, paragraph 4(c) hereinbelow.
 - (c) Prior to making any draw on the letter of credit or other funds, the Town shall, no less than 14 days prior to the draw, provide the representative of the Developers with a description of the payments to be made from such draw, together with a copy of supporting documentation in respect thereof and the Town's certification that the amount to be drawn is to be utilized and applied towards the Design and Construction Costs for the Town's Kennedy Road Project.
 - (d) If and when the Design and Construction Costs as set out in the chart above reaches 80% of the amount of the letter of credit and funds provided by the Owners, and if it then appears that the cost of the work will exceed the amount of the letter of credit and funds held by the Town, the Developers agree that the Developers will, within thirty (30) days of written request by the Town, increase the amount of the letter of credit and/or pay an additional amount by certified funds (or a combination of both) by the amount of the excess required to pay for all of the work set out in the chart above. The Town will meet with the representative of the Developers to discuss the additional amount to be provided by the Developers.
 - (e) In the event that the cost of the work is less than the amount of the letter of credit and funds provided by the Developers, the Town will release the remaining balance of the letter of credit and pay the remaining funds to the representative of the Developers within thirty (30) days following confirmation of the final cost of the work by MTO. In addition to the foregoing, the Town will meet with the representative of the Developers upon acceptance by the Town of the Ministry's 410 Project, and on a monthly basis thereafter, in order to review and discuss the status of the completion of the work, the finalization of the costs related thereto, and the return and release of the funds and security provided by the Developers as aforesaid.
 - (f) Upon conclusion of the work and confirmation by MTO of the final costs related thereto, the Town will provide to the representative of the Developers a final accounting, accompanied by supporting documentation, of the draws made on the letter of credit and funds held by the Town.

5. The Town will use its best efforts to enter into agreements with the Province of Ontario in order to achieve the construction of the Town's Kennedy Road Project through the Highway 410 Phase 3 construction tender by the Ministry in summer 2007
6. The Town will use its reasonable efforts with the Regional Municipality of Peel (hereinafter referred to as the "Region") to have included in the Ministry's Highway 410 Phase 3 construction tender in summer 2007 the watermains and sanitary sewer, or a sleeve to facilitate the sanitary sewer, which are required to accommodate the proposed development on the lands owned by the Developers, and these facilities will be at the Region's cost
7. The Developers and the Town agree that the design of the Town's Kennedy Road Project has been completed by Giffels. The Developers and the Town further acknowledge and agree that the Town's Kennedy Road Project shall not require the acquisition of any lands which are not currently within the ownership of the Town.
8. The Developers agree they will fund the Design and Construction Costs notwithstanding that the design and construction of the Town's Kennedy Road Project is proceeding in advance of the appropriate approvals for the Mayfield West Community under the *Planning Act*.
9. The obligations of the Developers under this Agreement shall be on a several basis and each Developer shall be responsible for its proportionate share thereof based upon the percentage which the Developer's net acres (as defined in the Master Financial Agreement) bears to the total acreage of the Community net of environmentally protected areas located therein.
10. (a) The Town and the Developers agree that the Developers will be entitled to reimbursement from the Town for their payment of the Design and Construction Costs by way of: (i) credits against Town development charges which would be payable by the Developers in respect of their lands within the Mayfield West Community; and (ii) reimbursement of development charges paid by other landowners within the Town, as hereinafter set out.
 - (b) The Town will use its best efforts to amend the Town's Development Charges By-law to include all the estimated costs of the design and construction of the Town's Kennedy Road Project by December 31, 2007, subject to extension by mutual agreement of the parties, acting reasonably. If such costs are so included, then:
 - (i) the Developers shall be entitled to credits against Town development charges which would be payable by the Developers in respect of their lands within the Mayfield West Community, in an amount equal to the Design and Construction Costs paid by the Developers; and
 - (ii) in the event that owners of lands within the Town (and for greater clarity this shall mean all lands within the Town, and not limited to the Mayfield West Community) who are not parties to this Agreement ("Non-Participating Owners") register plans of subdivision, or otherwise develop their lands for residential or non-residential purposes, the Town shall pay and reimburse to the representative of the Developers the amount of the roads component of the Town's development charge which is attributable to the Town Kennedy Road Project, out of the development charges paid by any Non-Participating Owner, within thirty (30) days following receipt of such development charges by the Town, and the mechanism for this reimbursement will be the subject of an agreement negotiated between the Town and the Developers within 60 days after the date of final approval of the amending development charges by-law relevant to the Town's Kennedy Road Project.
 - (c) The development charge credits referred to in this Section 10 shall be applied against the roads component of the Town's development charge and shall be calculated at the time the charge is payable under the Town's Development Charge By-

Law in respect of the development of a Developer's lands (or any portion thereof, as the case may be), in an amount equal to the rate in effect at the time of payment. The amount of the Town development charge credits will be documented and set out as part of the development approvals for the Developers' lands in the Mayfield West Community.

- (d) The parties acknowledge and agree that the entitlement to a credit shall accrue to a successor in title to a Developer if title to a Developer's lands is transferred prior to entitlement to all or part of the credit.
 - (e) If the Design and Construction Costs are not included in the amendment to the Town's Development Charges By-law as aforesaid, the Developers shall fund and pay the actual costs of the Design and Construction Costs of the Town's Kennedy Road Project, subject to the provisions of the Master Financial Agreement.
 - (f) Notwithstanding sub-paragraph (e) hereinabove, or any other provision herein, nothing in this agreement shall relieve the Town of its obligation in the Master Financial Agreement to require that, as a condition of the approval of the development or redevelopment of any lands within the Mayfield West Community, the owners of such lands:
 - (i) enter into a cost sharing agreement with the Developers as required in the Master Financial Agreement, and
 - (ii) provide the Town with a certificate from the Developers' Trustee confirming to the Town that the owner/developer seeking development approval within the Mayfield West Community is in good standing under the said cost sharing agreement.
 - (g) The Developers agree that subject to the arrangement regarding development charges credits and reimbursements, and enforcement of cost-sharing as set out above, they each release and forever discharge the Town, its officers, servants and employees, agents, successors and assigns, and waive any and all manner of claims, demands, losses, costs, charges, actions and other proceedings whatsoever, in respect of the reimbursement of the Design and Construction Costs by the Town of the Design and Construction Costs paid by the Developers pursuant to this Agreement.
11. The Town and the Developers agree that in the event that the Ministry does not proceed with the Town's Kennedy Road Project as part of the construction of Highway 410, Phase 3, then:
- (a) the Developers shall pay and fund the Design and Construction Costs up to the amount incurred prior to the date of the termination or cancellation or delay on the part of the Ministry, and
 - (b) the Developers will only seek compensation for such costs from the Town by way of development charges credits and reimbursement of development charges from Non-Participating Owners, or other reimbursements, as set out in this Agreement, and in accordance with the Master Financial Agreement.
12. Notwithstanding anything contained in this Agreement, the Developers shall not be responsible in any way for any damages, delays, expenses, claims, actions or causes of actions, suits or demands of any nature or kind whatsoever to the extent that they arise directly or indirectly out of the negligent acts or omissions of the Town, its agents, employees or contractors, or any others for whom it is responsible in law.

NOTICE

13. (a) Any notice herein required or permitted to be given under this agreement shall be in writing and shall be sufficiently given or made if:
- (i) delivered personally during normal business hours on a business day;

- (ii) sent by prepaid first-class mail; and
- (iii) sent by any electronic means of sending messages which produces a paper record during normal business hours on a business day and confirmed by prepaid first-class mail.

to the following persons at the following addresses

Coscorp Inc., in trust
Unit 58 – 6625 Kitimat Road
Mississauga, ON L5N 6J1

Attention: Tom Baskerville, Vice President

Monarch Corporation
Heron's Hill, 2025 Sheppard Avenue East
Toronto, ON M2J 1V7

Attention: Elizabeth Sawicki, Vice President, Planning & Development

The Corporation of the Town of Caledon
6311 Old Church Road
Caledon, Ontario, L7C 1J6.

Attention: Director of Public Works and Engineering

- (b) Either party hereto may at any time give notice under this paragraph to the other of a change of address and thereafter such changed address shall be substituted for the previous address set out in subparagraph (a) hereof.

REPORTING

- 14. (a) During the construction of the Town's Kennedy Road Project and the term of this Agreement, the Town shall provide to the Developers quarterly statements setting out the status of construction of the Town's Kennedy Road Project, payment of costs related thereto, and estimated costs of completion of the Town's Kennedy Road Project. In addition to the foregoing, and throughout the term of this Agreement, the Town will, if requested to do so by the Developers, meet with the representative of the Developers on a monthly basis in order to review and discuss the status of the completion of the work, the costs incurred and anticipated to be incurred with respect thereto, the status of funds and security provided by the Developers, and the amount and status of development charges paid, credited and/or reimbursed pursuant to this Agreement.
- (b) During the construction of the Town's Kennedy Road Project and the term of this Agreement, the Town shall provide to the Developers, on a quarter-yearly basis, a statement setting out the following:
 - (i) the amount of Town development charges payable by each Developer during the preceding three-month period;
 - (ii) the amount of development charge credits granted by the Town to the Developers during the preceding three-month period;
 - (iii) the amount of development charges collected by the Town throughout the Town during the preceding three-month period;
 - (iv) the amount of development charges reimbursed by the Town to the Developers' representative during the preceding three-month period.

FURTHER ASSURANCES

- 15. The Town and the Developers agree that each shall do such acts and shall execute such further documents and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other part may, in writing, at any time and from time to time reasonably request be done and/or executed in order to give full effect to the provisions of the agreement.

JOINT VENTURE

16. Nothing in this agreement shall constitute a partnership or joint venture between the Parties.

FETTERING OF DISCRETION

17. Nothing contained in this agreement shall be construed or interpreted in any manner to require the Town or the Town Council to grant any consent, authorization or approval or so as to fetter the absolute regulatory discretion of the Town or Town Council under any applicable legislation, regulations, policies or procedures with respect to any matters relating to this agreement including, the application by the Town of any planning or engineering standards, requirements and specifications or the design and installation of engineering services or any other related matters.

INTERPRETATION

18. Words importing the masculine gender shall include the feminine and neuter, and the singular shall include the plural where the meaning or context so required.

COMPLETE AGREEMENT

19. (a) This agreement and the Master Financial Agreement constitute the complete and exclusive statements of the agreements between the parties.
- (b) If one or more of the phrases, sentences, clauses or paragraphs contained in this agreement shall be declared invalid by the final and unappealable order, decree of judgment of any court of competent jurisdiction, this agreement shall be construed as if such phrase(s), sentence(s), clause(s) or paragraph(s), had not been inserted.
- (c) This agreement may be changed only by a written amendment signed and sealed by authorized representatives of all parties, or by a court order pursuant to subparagraph (b) hereof.

SUCCESSORS AND ASSIGNS

20. (a) This agreement shall enure to the benefit of and be binding upon the Developers, their successors and assigns.
- (b) No Developer shall transfer title to all or any part of the lands described in Schedule "A", unless the purchaser of such lands agrees to assume the obligations of that Developer pursuant to this Agreement. Following such assumption by any assignee, the transferring Developer shall be released of any further obligations and liability under this Agreement.
- (c) This agreement shall enure to the benefit of and be binding upon the Town, its successors and assigns.

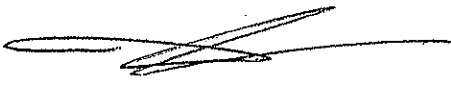
TIME IS OF THE ESSENCE

21. Time shall be of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this agreement by the hands of their respective officers duly authorized in that behalf.

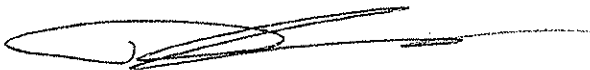
MOSCORP I DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation

Per:  _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation


MOSCORP II DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation

Per:  _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation


MOSCORP III DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation


Per:  _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

THE CORPORATION OF THE TOWN OF CALEDON

AUTHORIZATION BY-LAW No. 2006-106
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 4th DAY OF July 2006

Per:  _____
Marilyn Morrison, Mayor
I have the authority to bind the corporation

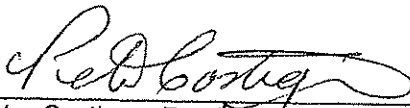
AUTHORIZATION RESOLUTION No. W-278-2006
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 4th DAY OF July 2006

Per:  _____
Cheryl Cowan, Clerk
I have the authority to bind the corporation

LOC Agreement Kennedy Road: May 9, 2007

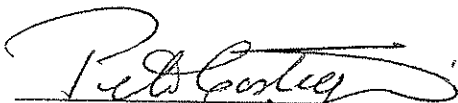
IN WITNESS WHEREOF the parties have executed this agreement by the hands of their respective officers duly authorized in that behalf.

MOSCORP I DEVELOPMENT INC.

Per: 
Peter Costigan, President
I have the authority to bind the corporation


Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

MOSCORP II DEVELOPMENT INC.

Per: 
Peter Costigan, President
I have the authority to bind the corporation

Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation


MOSCORP III DEVELOPMENT INC.

Per: 
Peter Costigan, President
I have the authority to bind the corporation


Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

THE CORPORATION OF THE TOWN OF CALEDON

AUTHORIZATION BY-LAW No. 2006-106
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 4th DAY OF July 2006

Per: 
Marilyn Morrison, Mayor
I have the authority to bind the corporation

AUTHORIZATION RESOLUTION No. W-278-2006
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 4th DAY OF July 2006

Per: 
Cheryl Cowan, Clerk
I have the authority to bind the corporation

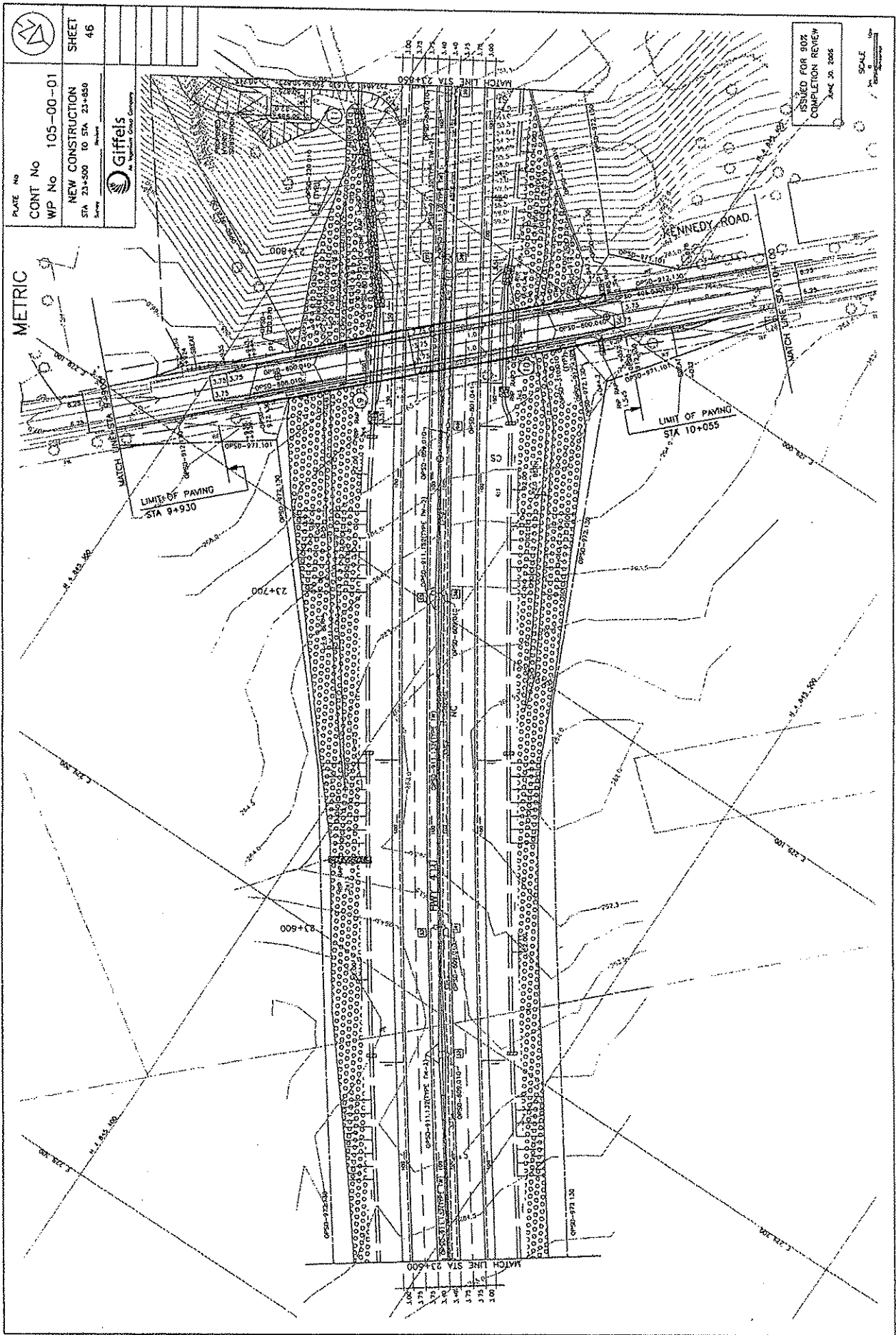
SCHEDULE A

MAYFIELD WEST COMMUNITY

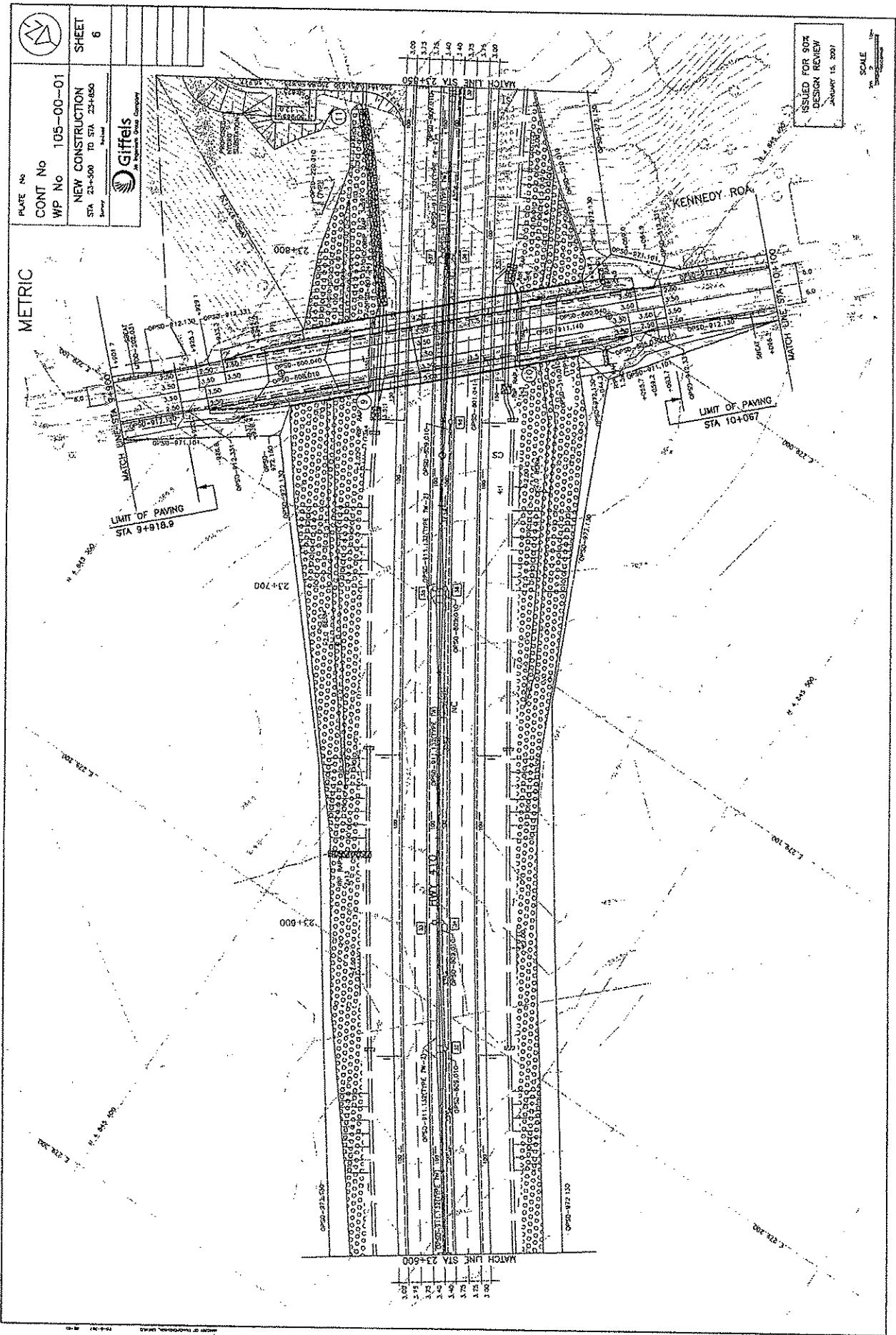
The Mayfield West Community consists of approximately 444 hectares (1,100 acres) of land generally bounded to the west by Highway 10 and the Etobicoke Creek, to the north by the southern portion of Lot 22, Concession 1 E.H.S., the west half of Lot 21, Concession 2 E.H.S. and the southerly part of Lot 20, Concessions 2 and 3 E.H.S., to the east by Dixie Road, and to the south by Mayfield Road and the Highway 410 extension.

SCHEDULE B

THE MINISTRY'S 410 PROJECT



SCHEDULE C
THE TOWN'S KENNEDY ROAD PROJECT



SCHEDULE D

FORM OF LETTER OF CREDIT

LETTERHEAD OF BANK OR OTHER FINANCIAL INSTITUTION

ADDRESS OF FINANCIAL INSTITUTION

DATE

TO: THE CORPORATION OF THE TOWN OF CALEDON
6311 OLD CHURCH ROAD
CALEDON, ONTARIO
L7C 1J6

ATTENTION: MANAGER OF DEVELOPMENT

Dear Madam/Sir:

RE: Irrevocable Standby Letter of Credit No. _____

We hereby authorize you to draw on (*Name and Address of Bank*), for the account of (*Customers Name and Address*), up to an aggregate amount of \$_____ available on demand.

Pursuant to the request of (*Name of Customer*), we (*Name of Bank*), hereby establish and give to you an Irrevocable Standby Letter of Credit in your favour in the total amount of \$_____, which may be drawn on by you at any time and from time to time upon written demand for payment made upon us by you which demand we shall honour without inquiring whether you have a right as between yourself and our said customer to make such demand, and without recognizing any claim of our said customer.

Provided, however, that you are to deliver to us at such time as a written demand for payment is made upon us, a certificate confirming that monies drawn pursuant to this Irrevocable Standby Letter of Credit are to be retained and used to meet obligations incurred or to be incurred by you in connection with an agreement entered into by (*Customers Name*) with the Town of Caledon regarding Lot_____, Concession _____ or Registered Plan _____, being _____, Town of Caledon, Regional Municipality of Peel.

The amount of this Irrevocable Standby Letter of Credit shall be reduced from time to time as advised by notice in writing given to us from time to time by you.

This Irrevocable Standby Letter of Credit will expire at our counters (*Name of Bank*) on (*Expiry Date*).

It is a condition of this Irrevocable Standby Letter of Credit that it shall be deemed to be automatically extended for one year from the present or any future expiration date hereof, unless thirty days prior to any such date we shall notify you in writing by Registered Mail that we elect not to consider this Irrevocable Standby Letter of Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw hereunder by means of your demand accompanied by your written certification that the amounts drawn will be retained and used by you to meet obligations incurred or to be incurred in connection with the above agreement; further, that you will release any amounts not required by you to (*Name of Customer*).

Partial drawings are permitted.

The drawings under this Irrevocable Standby Letter of Credit are to state on their face that they are drawn under (*Name and Address of Bank*), Irrevocable Standby Letter of Credit No. _____ dated _____.

We hereby agree that drawings under this Irrevocable Standby Letter of Credit will be duly honoured upon presentation provided that all terms and conditions of the Credit have been complied with.

NAME OF BANK OR FINANCIAL INSTITUTION

Per: _____

Per: _____

SCHEDULE "N"

TOWN HEART LAKE ROAD PROJECT AGREEMENT

THIS AGREEMENT made as of the 9th day of May 2007

BETWEEN:

THE CORPORATION OF THE TOWN OF CALEDON
(hereinafter referred to as the "Town")

PARTY OF THE FIRST PART

and

MOSCOP I DEVELOPMENT INC.
MOSCOP II DEVELOPMENT INC.
MOSCOP III DEVELOPMENT INC.

(hereinafter collectively and individually (as the context requires) referred to as the "Developers")

PARTY OF THE SECOND PART

WHEREAS the Region of Peel Official Plan Amendment No. 17 designates the lands in Schedule A as the Mayfield West Rural Service Centre Area for urban development (hereinafter referred to as the "Mayfield West Community");

AND WHEREAS the Ministry of Transportation of Ontario (hereinafter referred to as the "Ministry") proposes to construct a two-lane bridge over King's Highway Number 410 at Heart Lake Road and to extend Highway 410 under the bridge in accordance with Schedule B attached (hereinafter referred to as the "Ministry's 410 Project");

AND WHEREAS King's Highway Number 410 is a public highway under the jurisdiction and control of the Ministry;

AND WHEREAS the bridge carrying Heart Lake Road over King's Highway Number 410 will be under the jurisdiction and control of the Ministry;

AND WHEREAS Heart Lake Road is a public highway under the jurisdiction of the Town;

AND WHEREAS Entra Consultants has completed a Traffic Impact Analysis Report dated June 2006 that recommends that improvements to Heart Lake Road are required within the limits of the Mayfield West Community;

AND WHEREAS Philips Engineering Ltd. has completed a Class Environmental Assessment for the Heart Lake Road Improvements (from Mayfield Road, northerly approximately 1.5 km) dated 20 October 2006 that recommends that improvements to Heart Lake Road are required within the study limits;

AND WHEREAS in accordance with the Class Environmental Assessment completed by Philips Engineering Ltd, Giffels Associates Limited (hereinafter referred to as "Giffels") has completed a design for a two-lane expandable underpass bridge with a five-lane substructure and two-lanes of Heart Lake Road within the limits of the Ministry's right-of-way to carry Heart Lake Road over King's Highway Number 410 which is shown on Schedule C attached (hereinafter referred to as the "Town's Heart Lake Road Project");

AND WHEREAS the Ministry and the Town will enter in to an agreement that sets out the terms and conditions upon which the Ministry and the Town agree that the Ministry will construct the Town's Heart Lake Road Project, and such agreement will establish the estimated costs for the construction of the Town's Heart Lake Road Project and the proportion of these costs that the Town will be responsible for (hereinafter referred to as the "Town's Costs");

AND WHEREAS pursuant to the master financial agreement dated 26 September 2006 between Moscorp I Development Inc., Moscorp II Development Inc., Coscorp Inc., in trust for a company to be incorporated, and the Town of Caledon, and Coscorp and Monarch as guarantors, the Developers shall front-end the Town's Costs of the design and construction for the Town's Heart Lake Road Project (hereinafter referred to as the "Design and Construction Costs", as hereinafter defined);

AND WHEREAS the purpose of this agreement is to implement, in part, the provisions of paragraphs 1.7 A, 1.9, 2.2, 2.4, 2.7, 3.1 and Schedule "C" of the master financial agreement dated 26 September 2006 between Moscorp I Development Inc., Moscorp II Development Inc., Coscorp Inc., in trust for a company to be incorporated, and the Town of Caledon, and Coscorp and Monarch as guarantors, in regard to the Town's Heart Lake Road Project;

AND WHEREAS the Ministry has indicated that the Ministry intends to tender the Highway 410, Phase 3 construction work, which includes the Ministry's 410 Project, in summer 2007 and that the Ministry will not delay the tender for this construction work should the design for the Town's Heart Lake Road Project not be completed by that time;

AND WHEREAS it is imperative that the engineering work for the design of the Town's Heart Lake Road Project be commenced and completed in time so that the Town's Heart Lake Road Project can be tendered by the Ministry in summer 2007;

AND WHEREAS it is imperative that the design and construction of the Town's Heart Lake Road Project be commenced and completed notwithstanding that the appropriate approvals for the Mayfield West Community under the *Planning Act* have not yet been obtained;

AND WHEREAS on 10 October 2006, by Resolution No. W-406-2006, the Council of the Corporation of the Town of Caledon authorized, among other matters, the retainer of Giffels to prepare the design of the Town's Heart Lake Road Project.

NOW THEREFORE THE DEVELOPERS AND THE TOWN AGREE AS FOLLOWS.

DEFINITIONS

1. In this Agreement,

"Design and Construction Costs" means the costs related to the design, engineering and construction of the Town's Heart Lake Road Project, as set out in the following chart:

Work	Estimate of Fees and Disbursements, exclusive of GST
1. Engineering work to design the Town's Heart Lake Road Project.	\$203,000
2. Town's Costs towards the construction costs of the Town's Heart Lake Road Project.	\$482,463
3. Surcharges applicable to the Town's Heart Lake Road Project (12%) (applies to 2. only).	\$57,895
Sub Total:	\$743,358
Contingency (15%) (applies to 2. & 3. only).	\$81,053
Total:	\$824,411

For greater clarity, the Design and Construction Costs shall only include those costs related to the design, engineering and construction of the Town's Heart Lake Road Project, as aforesaid, and shall not include, without limitation, the following costs, which shall be the sole responsibility of the Town without contribution or reimbursement by the Owners:

- (i) Costs related to the maintenance of the Town's Heart Lake Road Project;
- (ii) Rectification of deficiencies in the Town's Heart Lake Road Project, whether arising from design or construction thereof, or otherwise.

"Master Financial Agreement" means the agreement dated 26 September 2006, between Moscorp I Development Inc., Moscorp II Development Inc., and Coscorp Inc., in Trust for a Company to be Incorporated, and The Corporation of the Town of Caledon and entitled "Master Financial Agreement—General Principles Agreement".

"Ministry's 410 Project" means the design and construction of a two-lane underpass bridge and two lanes of Heart Lake Road within the limits of the Ministry's right-of-way to carry Heart Lake Road over King's Highway Number 410, in accordance with Schedule B attached.

"Town's Heart Lake Road Project" means the construction of a two-lane expandable underpass bridge with a five-lane substructure and two-lanes of Heart Lake Road within the limits of the Ministry's right-of-way to carry Heart Lake Road over King's Highway Number 410 in accordance with the Class Environmental Assessment prepared by Philips Engineering Ltd. dated 20 October 2006 and in accordance with the design prepared by Giffels and as shown in Schedule C attached.

FINANCIAL CONTRIBUTIONS AND PAYMENTS

2. The Town will execute an agreement with Giffels to complete by 16 February, 2007 the engineering work to design the Town's Heart Lake Road Project immediately upon receipt from the Developers of letter(s) of credit and/or certified funds (or a combination of both) in the amount of \$824,411 to fund the Design and Construction Costs of the Town's Heart Lake Road Project.
3. The Developers agree to provide letter(s) of credit and/or certified funds (or a combination of both) in the amount of \$824,411 which letter of credit (if applicable) shall be issued by a Schedule 1 Canadian chartered bank and in the form attached as Schedule D.
4. The Developers and the Town agree that the procedures regarding the funding and payment of the Design and Construction Costs, and the draw-down of any letter(s) of credit or other funds provided by the Owners, will be as follows.
 - (a) All consultants retained by the Town, will act solely on behalf of the Town, will only take instructions from the Town and will provide services, advice and recommendations to the Town based solely on the Town's best interests.
 - (b) The Town shall be entitled to draw upon the letter of credit and/or other funds at such times and in such amounts as the Town in its absolute discretion considers appropriate to pay for the work contemplated in the chart set out above, subject to the provisions of this Agreement, including without limitation, paragraph 4(c) hereinbelow.
 - (c) Prior to making any draw on the letter of credit or other funds, the Town shall, no less than 14 days prior to the draw, provide the representative of the Developers with a description of the payments to be made from such draw, together with a copy of supporting documentation in respect thereof and the Town's certification that the amount to be drawn is to be utilized and applied towards the Design and Construction Costs for the Town's Heart Lake Road Project.
 - (d) If and when the Design and Construction Costs as set out in the chart above reaches 80% of the amount of the letter of credit and funds provided by the Owners, and if it then appears that the cost of the work will exceed the amount of the letter of credit and funds held by the Town, the Developers agree that the Developers will, within thirty (30) days of written request by the Town, increase the amount of the letter of credit and/or pay an additional amount by certified funds (or a combination of both) by the amount of the excess required to pay for all of the work set out in the chart above. The Town will meet with the representative of the Developers to discuss the additional amount to be provided by the Developers.
 - (e) In the event that the cost of the work is less than the amount of the letter of credit and funds provided by the Developers, the Town will release the remaining balance of the letter of credit and pay the remaining funds to the representative of the Developers within thirty (30) days following confirmation of the final cost of the work by MTO. In addition to the foregoing, the Town will meet with the representative of the Developers upon acceptance by the Town of the Ministry's 410 Project, and on a monthly basis thereafter, in order to review and discuss the status of the completion of the work, the finalization of the costs related thereto, and the return and release of the funds and security provided by the Developers as aforesaid.

- (f) Upon conclusion of the work and confirmation by MTO of the final costs related thereto, the Town will provide to the representative of the Developers a final accounting, accompanied by supporting documentation, of the draws made on the letter of credit and funds held by the Town.
- 5. The Town will use its best efforts to enter into agreements with the Province of Ontario in order to achieve the construction of the Town's Heart Lake Road Project through the Highway 410 Phase 3 construction tender by the Ministry in summer 2007.
- 6. The Developers and the Town agree that the design of the Town's Heart Lake Road Project has been completed by Giffels. The Developers and the Town further acknowledge and agree that the Town's Heart Lake Road Project shall not require the acquisition of any lands which are not currently within the ownership of the Town.
- 8. The Developers agree they will fund the Design and Construction Costs notwithstanding that the design and construction of the Town's Heart Lake Road Project is proceeding in advance of the appropriate approvals for the Mayfield West Community under the *Planning Act*.
- 9. The obligations of the Developers under this Agreement shall be on a several basis and each Developer shall be responsible for its proportionate share thereof based upon the percentage which the Developer's net acres (as defined in the Master Financial Agreement) bears to the total acreage of the Community net of environmentally protected areas located therein.
- 10. (a) The Town and the Developers agree that the Developers will be entitled to reimbursement from the Town for their payment of the Design and Construction Costs by way of: (i) credits against Town development charges which would be payable by the Developers in respect of their lands within the Mayfield West Community; and (ii) reimbursement of development charges paid by other landowners within the Town, as hereinafter set out.
 - (b) The Town will use its best efforts to amend the Town's Development Charges By-law to include all the estimated costs of the design and construction of the Town's Heart Lake Road Project by December 31, 2007, subject to extension by mutual agreement of the parties, acting reasonably. If such costs are so included, then:
 - (i) the Developers shall be entitled to credits against Town development charges which would be payable by the Developers in respect of their lands within the Mayfield West Community, in an amount equal to the Design and Construction Costs paid by the Developers; and
 - (ii) in the event that owners of lands within the Town (and for greater clarity this shall mean all lands within the Town, and not limited to the Mayfield West Community) who are not parties to this Agreement ("Non-Participating Owners") register plans of subdivision, or otherwise develop their lands for residential or non-residential purposes, the Town shall pay and reimburse to the representative of the Developers the amount of the roads component of the Town's development charge which is attributable to the Town's Heart Lake Road Project, out of the development charges paid by any Non-Participating Owner, within thirty (30) days following receipt of such development charges by the Town, and the mechanism for this reimbursement will be the subject of an agreement negotiated between the Town and the Developers within 60 days after the date of final approval of the amending development charges by-law relevant to the Town's Heart Lake Road Project.
 - (c) The development charge credits referred to in this Section 10 shall be applied against the roads component of the Town's development charge and shall be calculated at the time the charge is payable under the Town's Development Charge By-Law in respect of the development of a Developer's lands (or any portion thereof, as the case may be), in an amount equal to the rate in effect at the time of payment. The

amount of the Town development charge credits will be documented and set out as part of the development approvals for the Developers' lands in the Mayfield West Community.

- (d) The parties acknowledge and agree that the entitlement to a credit shall accrue to a successor in title to a Developer if title to a Developer's lands is transferred prior to entitlement to all or part of the credit.
 - (e) If the Design and Construction Costs are not included in the amendment to the Town's Development Charges By-law as aforesaid, the Developers shall fund and pay the actual costs of the Design and Construction Costs of the Town's Heart Lake Road Project, subject to the provisions of the Master Financial Agreement.
 - (f) Notwithstanding sub-paragraph (e) hereinabove, or any other provision herein, nothing in this agreement shall relieve the Town of its obligation in the Master Financial Agreement to require that, as a condition of the approval of the development or redevelopment of any lands within the Mayfield West Community, the owners of such lands:
 - (i) enter into a cost sharing agreement with the Developers as required in the Master Financial Agreement, and
 - (ii) provide the Town with a certificate from the Developers' Trustee confirming to the Town that the owner/developer seeking development approval within the Mayfield West Community is in good standing under the said cost sharing agreement.
 - (g) The Developers agree that subject to the arrangement regarding development charges credits and reimbursements, and enforcement of cost-sharing as set out above, they each release and forever discharge the Town, its officers, servants and employees, agents, successors and assigns, and waive any and all manner of claims, demands, losses, costs, charges, actions and other proceedings whatsoever, in respect of the reimbursement of the Design and Construction Costs by the Town of the Design and Construction Costs paid by the Developers pursuant to this Agreement.
11. The Town and the Developers agree that in the event that the Ministry does not proceed with the Town's Heart Lake Road Project as part of the construction of Highway 410, Phase 3, then:
- (a) the Developers shall pay and fund the Design and Construction Costs up to the amount incurred prior to the date of the termination or cancellation or delay on the part of the Ministry, and
 - (b) the Developers will only seek compensation for such costs from the Town by way of development charges credits and reimbursement of development charges from Non-Participating Owners, or other reimbursements, as set out in this Agreement, and in accordance with the Master Financial Agreement.
12. Notwithstanding anything contained in this Agreement, the Developers shall not be responsible in any way for any damages, delays, expenses, claims, actions or causes of actions, suits or demands of any nature or kind whatsoever to the extent that they arise directly or indirectly out of the negligent acts or omissions of the Town, its agents, employees or contractors, or any others for whom it is responsible in law.

NOTICE

13. (a) Any notice herein required or permitted to be given under this agreement shall be in writing and shall be sufficiently given or made if:
- (i) delivered personally during normal business hours on a business day;
 - (ii) sent by prepaid first-class mail; and

- (iii) sent by any electronic means of sending messages which produces a paper record during normal business hours on a business day and confirmed by prepaid first-class mail.

to the following persons at the following addresses

Coscorp Inc., in trust
Unit 58 – 6625 Kitimat Road
Mississauga, ON L5N 6J1

Attention: Tom Baskerville, Vice President

Monarch Corporation
Heron's Hill, 2025 Sheppard Avenue East
Toronto, ON M2J 1V7

Attention: Elizabeth Sawicki, Vice President, Planning & Development

The Corporation of the Town of Caledon
6311 Old Church Road
Caledon, Ontario, L7C 1J6.

Attention: Director of Public Works and Engineering

- (b) Either party hereto may at any time give notice under this paragraph to the other of a change of address and thereafter such changed address shall be substituted for the previous address set out in subparagraph (a) hereof.

REPORTING

- 14. (a) During the construction of the Town's Heart Lake Road Project and the term of this Agreement, the Town shall provide to the Developers quarterly statements setting out the status of construction of the Town's Heart Lake Road Project, payment of costs related thereto, and estimated costs of completion of the Town's Heart Lake Road Project. In addition to the foregoing, and throughout the term of this Agreement, the Town will, if requested to do so by the Developers, meet with the representative of the Developers on a monthly basis in order to review and discuss the status of the completion of the work, the costs incurred and anticipated to be incurred with respect thereto, the status of funds and security provided by the Developers, and the amount and status of development charges paid, credited and/or reimbursed pursuant to this Agreement.
- (b) During the construction of the Town's Heart Lake Road Project and the term of this Agreement, the Town shall provide to the Developers, on a quarter-yearly basis, a statement setting out the following:
 - (i) the amount of Town development charges payable by each Developer during the preceding three-month period;
 - (ii) the amount of development charge credits granted by the Town to the Developers during the preceding three-month period;
 - (iii) the amount of development charges collected by the Town throughout the Town during the preceding three-month period;
 - (iv) the amount of development charges reimbursed by the Town to the Developers' representative during the preceding three-month period.

FURTHER ASSURANCES

- 15. The Town and the Developers agree that each shall do such acts and shall execute such further documents and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other part may, in writing, at any time and from time to time reasonably request be done and/or executed in order to give full effect to the provisions of the agreement.

JOINT VENTURE

16. Nothing in this agreement shall constitute a partnership or joint venture between the Parties.

FETTERING OF DISCRETION

17. Nothing contained in this agreement shall be construed or interpreted in any manner to require the Town or the Town Council to grant any consent, authorization or approval or so as to fetter the absolute regulatory discretion of the Town or Town Council under any applicable legislation, regulations, policies or procedures with respect to any matters relating to this agreement including, the application by the Town of any planning or engineering standards, requirements and specifications or the design and installation of engineering services or any other related matters.

INTERPRETATION

18. Words importing the masculine gender shall include the feminine and neuter, and the singular shall include the plural where the meaning or context so required.

COMPLETE AGREEMENT

19. (a) This agreement and the Master Financial Agreement constitute the complete and exclusive statements of the agreements between the parties.
- (b) If one or more of the phrases, sentences, clauses or paragraphs contained in this agreement shall be declared invalid by the final and unappealable order, decree of judgment of any court of competent jurisdiction, this agreement shall be construed as if such phrase(s), sentence(s), clause(s) or paragraph(s), had not been inserted.
- (c) This agreement may be changed only by a written amendment signed and sealed by authorized representatives of all parties, or by a court order pursuant to subparagraph (b) hereof.

SUCCESSORS AND ASSIGNS

20. (a) This agreement shall enure to the benefit of and be binding upon the Developers, their successors and assigns.
- (b) No Developer shall transfer title to all or any part of the lands described in Schedule "A", unless the purchaser of such lands agrees to assume the obligations of that Developer pursuant to this Agreement. Following such assumption by any assignee, the transferring Developer shall be released of any further obligations and liability under this Agreement.
- (c) This agreement shall enure to the benefit of and be binding upon the Town, its successors and assigns.

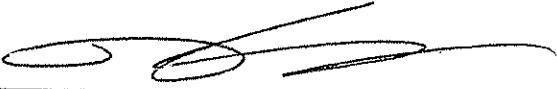
TIME IS OF THE ESSENCE

21. Time shall be of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this agreement by the hands of their respective officers duly authorized in that behalf.


MOSCROP I DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation

Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

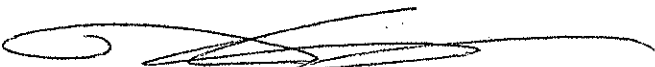
MOSCROP II DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation

Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

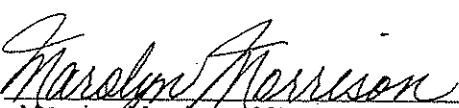
MOSCROP III DEVELOPMENT INC.

Per: _____
Peter Costigan, President
I have the authority to bind the corporation

Per: _____
David A. George, Secretary/Treasurer
I have the authority to bind the corporation

AUTHORIZATION BY-LAW No. 2006-106
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 9th DAY OF July 2006

THE CORPORATION OF THE TOWN OF CALEDON

Per: _____
Marilyn Morrison, Mayor
I have the authority to bind the corporation


AUTHORIZATION RESOLUTION No. 2006-278
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 2nd DAY OF July 2006

Per: _____
Cheri Cowan, Clerk
I have the authority to bind the corporation

IN WITNESS WHEREOF the parties have executed this agreement by the hands of their respective officers duly authorized in that behalf.

MOSCROP I DEVELOPMENT INC.

Per:

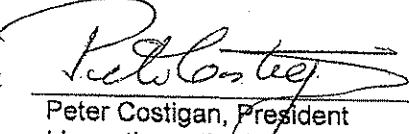

Peter Costigan, President
I have the authority to bind the corporation

Per:

David A. George, Secretary/Treasurer
I have the authority to bind the corporation

MOSCROP II DEVELOPMENT INC.

Per:

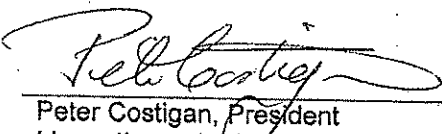

Peter Costigan, President
I have the authority to bind the corporation

Per:

David A. George, Secretary/Treasurer
I have the authority to bind the corporation

MOSCROP III DEVELOPMENT INC.

Per:


Peter Costigan, President
I have the authority to bind the corporation


Per:

David A. George, Secretary/Treasurer
I have the authority to bind the corporation

AUTHORIZATION BY-LAW No. 2006-106
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 4th DAY OF July 2006


THE CORPORATION OF THE TOWN OF CALEDON

Per:


Marilyn Morrison, Mayor
I have the authority to bind the corporation

AUTHORIZATION RESOLUTION No. W-278-2006
PASSED BY TOWN OF CALEDON COUNCIL
ON THE 7th DAY OF July 2006

Per:

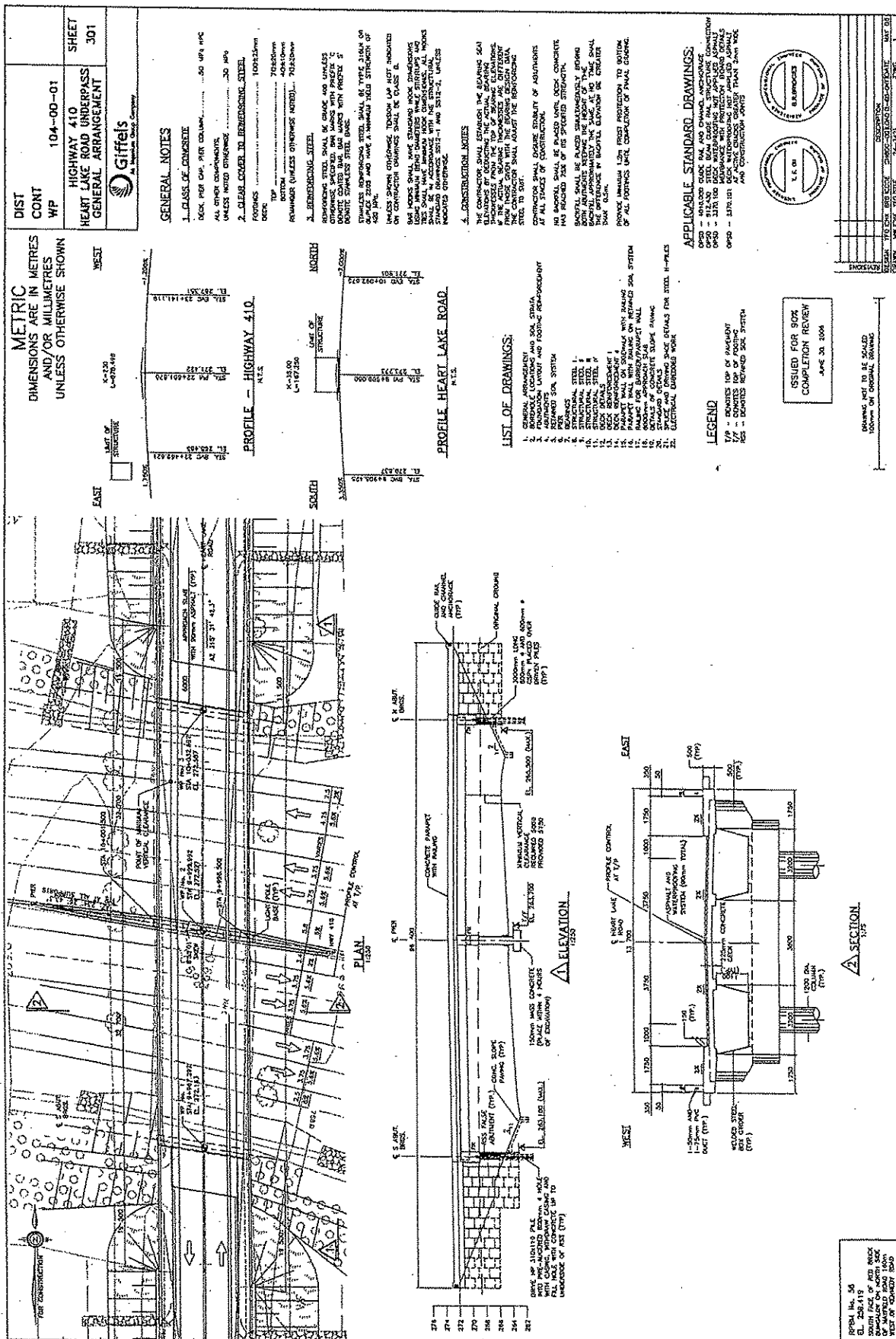

Cheryl Cowan, Clerk
I have the authority to bind the corporation

SCHEDULE A

MAYFIELD WEST COMMUNITY

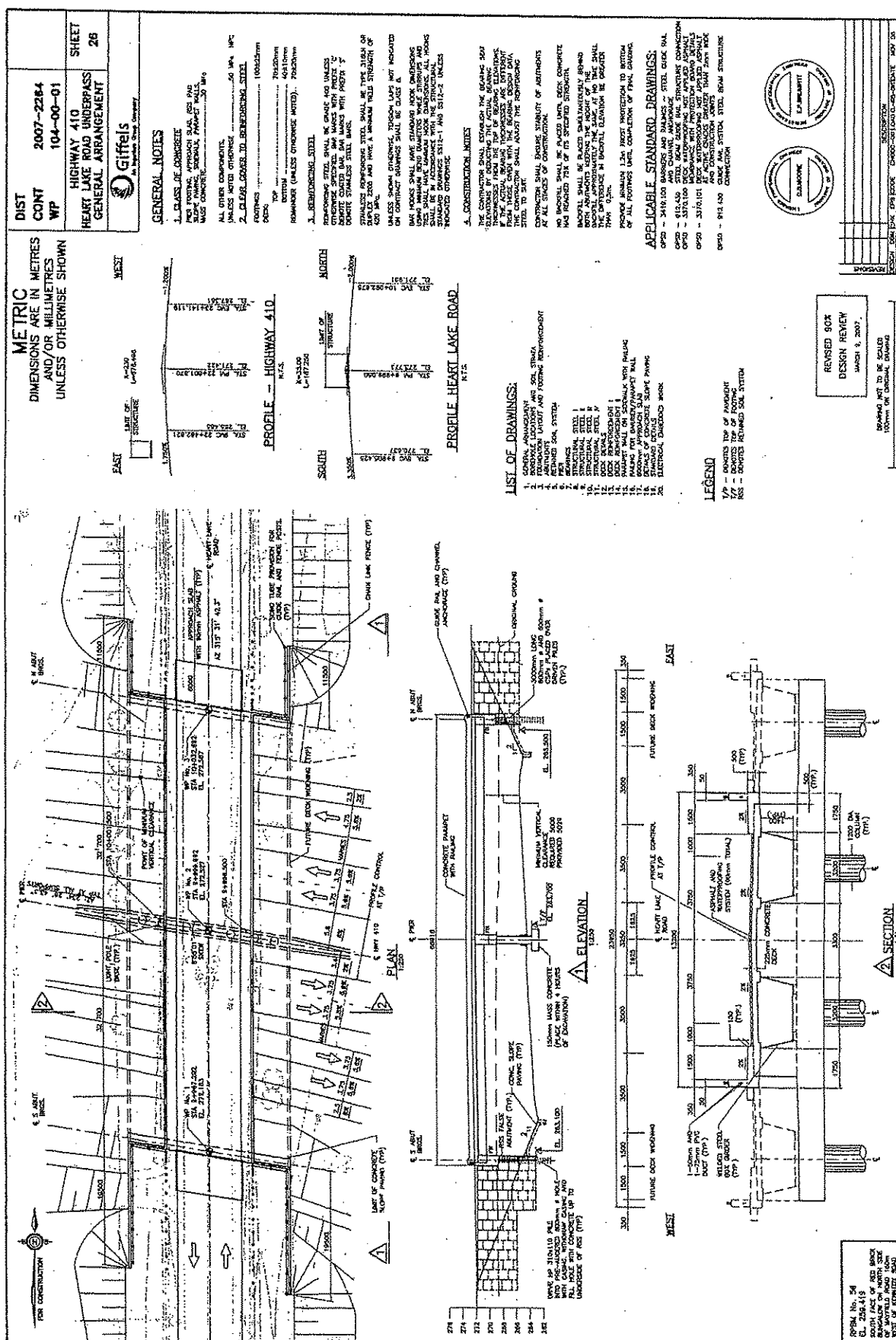
The Mayfield West Community consists of approximately 444 hectares (1,100 acres) of land generally bounded to the west by Highway 10 and the Etobicoke Creek, to the north by the southern portion of Lot 22, Concession 1 E.H.S., the west half of Lot 21, Concession 2 E.H.S. and the southerly part of Lot 20, Concessions 2 and 3 E.H.S., to the east by Dixie Road, and to the south by Mayfield Road and the Highway 410 extension.

SCHEDULE B
THE MINISTRY'S 410 PROJECT



SCHEDULE C

THE TOWN'S HEART LAKE ROAD PROJECT



SCHEDULE D

FORM OF LETTER OF CREDIT

LETTERHEAD OF BANK OR OTHER FINANCIAL INSTITUTION

ADDRESS OF FINANCIAL INSTITUTION

DATE

TO: THE CORPORATION OF THE TOWN OF CALEDON
6311 OLD CHURCH ROAD
CALEDON, ONTARIO
L7C 1J6

ATTENTION: MANAGER OF DEVELOPMENT

Dear Madam/Sir:

RE: Irrevocable Standby Letter of Credit No. _____

We hereby authorize you to draw on *(Name and Address of Bank)*, for the account of *(Customers Name and Address)*, up to an aggregate amount of \$_____ available on demand.

Pursuant to the request of *(Name of Customer)*, we *(Name of Bank)*, hereby establish and give to you an Irrevocable Standby Letter of Credit in your favour in the total amount of \$_____, which may be drawn on by you at any time and from time to time upon written demand for payment made upon us by you which demand we shall honour without inquiring whether you have a right as between yourself and our said customer to make such demand, and without recognizing any claim of our said customer.

Provided, however, that you are to deliver to us at such time as a written demand for payment is made upon us, a certificate confirming that monies drawn pursuant to this Irrevocable Standby Letter of Credit are to be retained and used to meet obligations incurred or to be incurred by you in connection with an agreement entered into by *(Customers Name)* with the Town of Caledon regarding Lot_____, Concession _____ or Registered Plan _____, being _____, Town of Caledon, Regional Municipality of Peel.

The amount of this Irrevocable Standby Letter of Credit shall be reduced from time to time as advised by notice in writing given to us from time to time by you.

This Irrevocable Standby Letter of Credit will expire at our counters *(Name of Bank)* on *(Expiry Date)*.

It is a condition of this Irrevocable Standby Letter of Credit that it shall be deemed to be automatically extended for one year from the present or any future expiration date hereof, unless thirty days prior to any such date we shall notify you in writing by Registered Mail that we elect not to consider this Irrevocable Standby Letter of Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw hereunder by means of your demand accompanied by your written certification that the amounts drawn will be retained and used by you to meet obligations incurred or to be incurred in connection with the above agreement; further, that you will release any amounts not required by you to *(Name of Customer)*.

Partial drawings are permitted.

The drawings under this Irrevocable Standby Letter of Credit are to state on their face that they are drawn under *(Name and Address of Bank)*, Irrevocable Standby Letter of Credit No. _____ dated _____.

We hereby agree that drawings under this Irrevocable Standby Letter of Credit will be duly honoured upon presentation provided that all terms and conditions of the Credit have been complied with.

NAME OF BANK OR FINANCIAL INSTITUTION

Per: _____

Per: _____

**MAYFIELD WEST COMMUNITY COST SHARING AGREEMENT -
AMENDING AGREEMENT #1**

THIS AMENDING AGREEMENT made as of the 8th day of August, 2008.

A M O N G:

SOUTH FIELDS COMMUNITY INC.

(hereinafter referred to as "South Fields")

OF THE FIRST PART,

-and-

SOUTH FIELDS II COMMUNITY INC.

(hereinafter referred to as "South Fields II")

OF THE SECOND PART,

-and-

MOSCOP III DEVELOPMENT INC.

(hereinafter referred to as "Moscorp III")

OF THE THIRD PART,

-and-

MOSCOP VII DEVELOPMENT INC.

(hereinafter referred to as "Moscorp VII")

OF THE FOURTH PART,

-and-

MAYFIELD WEST DEVELOPERS GROUP INC.

(hereinafter referred to as the "Trustee")

OF THE FIFTH PART,

-and-

DAVID SCHAEFFER ENGINEERING LIMITED

(hereinafter referred to as the "Consultant")

OF THE SIXTH PART.

WHEREAS the parties did enter into an agreement dated the 10th day of April, 2008 (hereinafter referred to as the "Cost Sharing Agreement"), wherein the parties agreed to co-operate with one another in the development of their respective Lands (as defined in the Cost Sharing Agreement) and the sharing of costs and burdens with respect to the provision of lands and services for community uses and the development and construction of the services and infrastructure required for the benefit and development of the Community (as defined in the Cost Sharing Agreement);

AND WHEREAS the parties have agreed to amend or cause to be amended the terms of the Cost Sharing Agreement as provided herein,

NOW THEREFORE IN CONSIDERATION of the premises hereto, the covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), THIS AMENDING AGREEMENT WITNESSETH:

1. The parties acknowledge that the above recitals are true and correct and, except as otherwise set out in this Amending Agreement, all capitalized terms contained

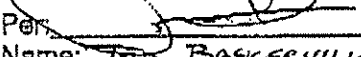
herein shall have the same meaning as ascribed thereto in the Cost Sharing Agreement.

2. The parties agree that lands located within the Developable Area in the Community (whether owned by a participating Owner or a non-participating landowner) which are designated by the Town or other applicable authority for purposes of storm water management ponds and flood control facilities shall be included in Community Use Lands for all purposes of the Cost Sharing Agreement.
3. Except as provided herein, the Cost Sharing Agreement shall remain in full force and effect and shall continue, as amended hereby, to regulate and govern, mutatis mutandis, the relationship of the parties hereto in respect of the subject matter thereof.
4. The parties hereto shall make, do, execute, or cause to be made, done or executed, all such further and lawful acts, deeds, things, devises and assurances whatsoever for the better or more perfect and absolute performance of the terms of this Amending Agreement.
5. This Amending Agreement may be executed in any number of counterparts and by facsimile transmission, and each such facsimile copy shall constitute an original agreement, and all such counterparts shall together for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement.

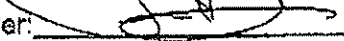
SOUTH FIELDS COMMUNITY INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

I/We have the authority to bind the corporation.

SOUTH FIELDS II COMMUNITY INC.


Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP III DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

I/We have the authority to bind the corporation.

herein shall have the same meaning as ascribed thereto in the Cost Sharing Agreement.

2. The parties agree that lands located within the Developable Area in the Community (whether owned by a participating Owner or a non-participating landowner) which are designated by the Town or other applicable authority for purposes of storm water management ponds and flood control facilities shall be included in Community Use Lands for all purposes of the Cost Sharing Agreement.
3. Except as provided herein, the Cost Sharing Agreement shall remain in full force and effect and shall continue, as amended hereby, to regulate and govern, mutatis mutandis, the relationship of the parties hereto in respect of the subject matter thereof.
4. The parties hereto shall make, do, execute, or cause to be made, done or executed, all such further and lawful acts, deeds, things, devises and assurances whatsoever for the better or more perfect and absolute performance of the terms of this Amending Agreement.
5. This Amending Agreement may be executed in any number of counterparts and by facsimile transmission, and each such facsimile copy shall constitute and original agreement, and all such counterparts shall together for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement.

SOUTH FIELDS COMMUNITY INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

SOUTH FIELDS II COMMUNITY INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP III DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP VII DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

**MAYFIELD WEST DEVELOPERS GROUP
INC.**

Per: _____
Name: _____
Title: _____
*ANDREW ORR
PRESIDENT*

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP VII DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP
INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

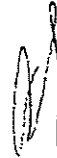
DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

When completed, this document must be signed by the authorized person.



MAYFIELD WEST COMMUNITY COST SHARING AGREEMENT -

AMENDING AGREEMENT #2

THIS AMENDING AGREEMENT made as of the 11th day of August, 2010.

A M O N G:

SOUTH FIELDS COMMUNITY INC.

(hereinafter referred to as "South Fields")

OF THE FIRST PART,

-and-

SOUTH FIELDS II COMMUNITY INC.

(hereinafter referred to as "South Fields II")

OF THE SECOND PART,

-and-

MOSCOP III DEVELOPMENT INC.

(hereinafter referred to as "Moscorp III")

OF THE THIRD PART,

-and-

MOSCOP VII DEVELOPMENT INC.

(hereinafter referred to as "Moscorp VII")

OF THE FOURTH PART,

-and-

MAYFIELD WEST DEVELOPERS GROUP INC.

(hereinafter referred to as the "Trustee")

OF THE FIFTH PART,

-and-

DAVID SCHAEFFER ENGINEERING LIMITED

(hereinafter referred to as the "Consultant")

OF THE SIXTH PART.

WHEREAS the parties did enter into an agreement dated the 10th day of April, 2008, as amended by Amending Agreement #1 dated August 9, 2008 (hereinafter collectively referred to as the "Cost Sharing Agreement"), wherein the parties agreed to co-operate with one another in the development of their respective Lands (as defined in the Cost Sharing Agreement) and the sharing of costs and burdens with respect to the provision of lands and services for community uses and the development and construction of the services and infrastructure required for the benefit and development of the Community (as defined in the Cost Sharing Agreement);

AND WHEREAS the parties have agreed to amend or cause to be amended the terms of the Cost Sharing Agreement as provided herein,

NOW THEREFORE IN CONSIDERATION of the premises hereto, the covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), THIS AMENDING AGREEMENT WITNESSETH:

1. The parties acknowledge that the above recitals are true and correct and, except as otherwise set out in this Amending Agreement #2, all capitalized terms contained herein shall have the same meaning as ascribed thereto in the Cost Sharing Agreement.
2. The parties agree that the Cost Sharing Agreement shall be amended by deleting the following from Section 1.01(j) (definition of "Community Uses" or "Community Use Lands"):

"(i) Schools".
3. The parties agree that the Cost Sharing Agreement shall be further amended by deleting the following from Section 1.01(g)(iii) (definition of "Community Construction Costs"):


"(J) servicing of sites for Schools, including storm and sanitary sewer connections and control manholes, water connections and control valves, chain link fencing, driveway construction and rough grading;"
4. The parties agree that the Cost Sharing Agreement shall be further amended by deleting the definition of "Schools" contained in Section 1.01(kk) thereof.
5. Without limiting the foregoing, the parties agree that the Cost Sharing Agreement shall be further amended by deleting all references to "schools", "school sites" and/or "school board" wherever same may be contained in the Cost Sharing Agreement, save and except for the reference to same contained in the revised definition of Community Roads, as hereinafter set out.
6. The parties agree that the Cost Sharing Agreement shall be amended by deleting the definition of Community Roads contained in Section 1.01(i) therein and replacing same with the following:

"Community Roads" mean (i) the excess right-of-way width of any road which exceeds eighteen (18) metres for residential roads and twenty-two and one-half (22.5) metres for industrial roads (excluding additional widenings for private intersections on boundary roads and excluding P-loop roads where the Town requires additional width to address access and emergency access issues), and (ii) 50% of the portion of any road right-of-way that adjoins any Community Use Lands, and (iii) 100% of any road right-of-way which adjoins Community Use Lands on both sides, and (iv) 50% of the portion of any road right-of-way that adjoins any lands within the Developable Area which are designated either as a public school or separate school site;"
7. The parties agree that, notwithstanding any other provision contained in the Cost Sharing Agreement, in respect of storm water management ponds and oversized services (as set out in Section 4.05 of the Cost Sharing Agreement) which service lands outside the Community, the share of Community Use Lands and Community Construction Costs which would otherwise be attributable to such non-Community lands shall be borne by the Owners within the respective drainage areas for such works (as determined by the Consultant) based on their respective Proportionate Shares of such works (as determined by the Consultant), until such time as such costs are reimbursed by the owner(s) of the benefitting non-Community lands or are otherwise recovered by the Owners.
8. The Cost Sharing Agreement shall remain in full force and effect and shall continue, as amended hereby, to regulate and govern, mutatis mutandis, the relationship of the parties hereto in respect of the subject matter thereof.
9. The parties hereto shall make, do, execute, or cause to be made, done or executed, all such further and lawful acts, deeds, things, devises and assurances whatsoever for the better or more perfect and absolute performance of the terms of this Amending Agreement.
10. This Amending Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, and each such facsimile or electronic copy shall constitute and original agreement, and all such counterparts shall together for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

[BALANCE OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement #2 as of the date hereinabove first set out.


SOUTH FIELDS COMMUNITY INC.

Per: 
Name: _____ A.S.O.
Title: _____

Per: 
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

SOUTH FIELDS II COMMUNITY INC.


Per: 
Name: _____ A.S.O.
Title: _____

Per: 
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

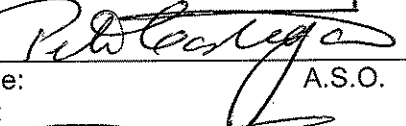
MOSCOP III DEVELOPMENT INC.

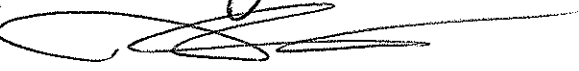
Per: 
Name: _____ A.S.O.
Title: _____

Per: 
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

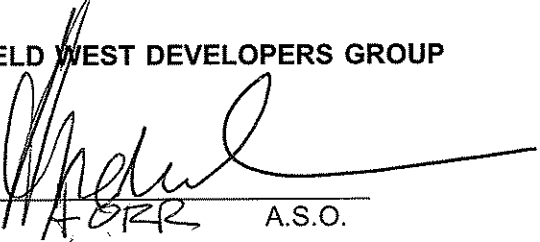
MOSCOP VII DEVELOPMENT INC.

Per: 
Name: _____ A.S.O.
Title: _____

Per: 
Name: _____ A.S.O.
Title: _____

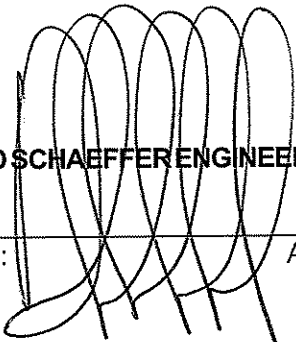
I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: 
Name: FORR A.S.O.
Title: _____

Per: 
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.


DAVID SCHAEFFER ENGINEERING LIMITED
Per: _____
Name: _____ A.S.O.
Title: _____
Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST COMMUNITY COST SHARING AGREEMENT -

AMENDING AGREEMENT #3

THIS AMENDING AGREEMENT made as of the 11th day of April, 2012.

A M O N G:

SOUTH FIELDS COMMUNITY INC.

(hereinafter referred to as "South Fields")

OF THE FIRST PART,

-and-

SOUTH FIELDS II COMMUNITY INC.

(hereinafter referred to as "South Fields II")

OF THE SECOND PART,

-and-

SOUTH FIELDS III COMMUNITY INC.

(hereinafter referred to as "South Fields III")

OF THE THIRD PART,

-and-

MOSCORP III DEVELOPMENT INC.

(hereinafter referred to as "Moscorp III")

OF THE FOURTH PART,

-and-

MOSCORP VII DEVELOPMENT INC.

(hereinafter referred to as "Moscorp VII")

OF THE FIFTH PART,

-and-

HEART LAKE ROAD PORTFOLIO INC.

(hereinafter referred to as "HLRPI")

OF THE SIXTH PART,

-and-

MAYFIELD WEST DEVELOPERS GROUP INC.

(hereinafter referred to as the "Trustee")

OF THE SEVENTH PART,

-and-

DAVID SCHAEFFER ENGINEERING LIMITED

(hereinafter referred to as the "Consultant")

OF THE EIGHTH PART.

WHEREAS the parties did enter into (as original signatories or as additional parties) an agreement dated the 10th day of April, 2008, as amended by Amending Agreement #1 dated August 9, 2008 and Amending Agreement #2 dated August 11, 2010 (hereinafter collectively referred to as the "Cost Sharing Agreement"), wherein the parties agreed to co-operate with one another in the development of their respective Lands (as defined in the Cost Sharing Agreement) and the sharing of costs and burdens with respect to the provision of lands and services for community uses and the development and construction of the services and infrastructure required for the benefit and development of the Community (as defined in the Cost Sharing Agreement);

AND WHEREAS paragraph 1.7(F) of the Master Financial Agreement entered into by the Owners and the Town of Caledon provides as follows (all defined terms shall be as set out in the said Master Financial Agreement):

"The Developers shall convey to the Town free of cost and free of encumbrances, all lands within the Developers Lands as may be required for the realignment of Kennedy Road and the Town agrees to close up those parts of Kennedy Road which are no longer required (i.e. "Old" Kennedy Road) and to convey same to the Developers who conveyed lands for the new realignment of Kennedy Road as aforesaid, free of cost and free of encumbrances."

AND WHEREAS the Owners have conveyed to the Town the lands required for the realignment of Kennedy Road, as required pursuant to the Master Financial Agreement as aforesaid, and as shown on Schedule "A" attached hereto (hereinafter referred to as "New Kennedy Road");

AND WHEREAS the Town is or will be in a position to close up "Old" Kennedy Road and to convey same to the Owners as contemplated in the Master Financial Agreement, and as shown on Schedule "A" attached hereto (hereinafter referred to as "Old Kennedy Road");

AND WHEREAS the Owners who would otherwise be entitled to receive the reconveyance of Old Kennedy Road pursuant to the Master Financial Agreement (being those Owners of lands located to the east of Old Kennedy Road, as shown on Schedule "A") have completed the developments on their respective lands and therefore it is impractical for such Owners to receive the conveyance of the Old Kennedy Road lands;

AND WHEREAS the lands located to the west of Old Kennedy Road, as shown on Schedule "A" attached hereto, are located within the Community and are owned by landowners who are not currently parties to the Cost Sharing Agreement but who are anticipated to join the Cost Sharing Agreement at some point in the future (hereinafter referred as the "Future Participating Lands");

AND WHEREAS, as the Future Participating Lands have not yet been developed, it is practical and expedient for the Town to transfer Old Kennedy Road to the owner(s) of the Future Participating Lands (the "Future Participating Owners"), to be included in and form part of their respective lands;

AND WHEREAS it is fair and equitable that, in exchange for the conveyance of Old Kennedy Road to the Future Participating Owners, such Future Participating Owners shall pay compensation to the Owners who conveyed New Kennedy Road and who would have otherwise been entitled to receive the reconveyance of Old Kennedy Road pursuant to the Master Financial Agreement;

AND WHEREAS the parties have agreed to amend or cause to be amended the terms of the Cost Sharing Agreement as provided herein, in order to reflect the foregoing;

NOW THEREFORE IN CONSIDERATION of the premises hereto, the covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), THIS AMENDING AGREEMENT WITNESSETH:

1. The parties acknowledge that the above recitals are true and correct and, except as otherwise set out in this Amending Agreement #3, all capitalized terms contained herein shall have the same meaning as ascribed thereto in the Cost Sharing Agreement.
2. The parties agree that, notwithstanding the terms of the Master Financial Agreement, the lands which comprise Old Kennedy Road shall be conveyed to the Future Participating Owners, in exchange for the payment by the Future

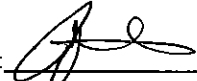
Participating Owners to the Trustee of the Old Kennedy Road Compensation as hereinafter described.

3. In exchange for the conveyance of Old Kennedy Road to the Future Participating Owners, and as compensation to the Owners who conveyed New Kennedy Road and who would have otherwise been entitled to receive the reconveyance of Old Kennedy Road pursuant to the Master Financial Agreement, the Future Participating Owners shall be required, as a condition prior to the conveyance of Old Kennedy Road to them as aforesaid, to pay to the Trustee an amount equal to the area of the Old Kennedy Road lands to be conveyed to such Future Participating Owner multiplied by the Compensation Amount applicable at the time of such conveyance (the "Old Kennedy Road Compensation").
4. The Trustee shall pay and distribute the Old Kennedy Road Compensation, as and when received from the Future Participating Owners, to the Owners who conveyed New Kennedy Road (provided such Owner is then in good standing under the Cost Sharing Agreement) on a pro-rata basis based on the proportion that the area of New Kennedy Road conveyed by such Owner bears to the area of New Kennedy Road conveyed by all of the Owners.
5. In the event that the applicable Future Participating Owner is required to incur any costs related to the remediation of any environmental contaminants which may be located on, in or under Old Kennedy Road, in order to bring the lands comprising Old Kennedy Road in compliance with applicable environmental laws for purposes of the intended use thereof (i.e. residential development), as confirmed by the Consultant, then the costs of such remediation (to the extent not paid for by the Town), as certified by the Consultant, shall be included as a Community Construction Cost to be shared by the Group pursuant to the Cost Sharing Agreement. The Group agrees that it will use its cooperative efforts to require that the Town transfer and deliver the Old Kennedy Road lands in such condition as shall be in compliance with all applicable environmental laws which are applicable at the time of such transfer and in developable condition suitable for residential development thereon.
6. The parties further agree that the area of any lands which are retained by the Town out of Old Kennedy Road for community or public purposes (e.g. storm water management) (the "Retained OKR Lands"), and which would be considered as Community Use Lands under the terms of the Cost Sharing Agreement if such lands owned by an Owner thereunder, shall be credited as Community Use Lands to the Owner of the adjacent Community Use Lands of which such Retained OKR Lands form part.
7. The Cost Sharing Agreement shall remain in full force and effect and shall continue, as amended hereby, to regulate and govern, mutatis mutandis, the relationship of the parties hereto in respect of the subject matter thereof.
8. The parties hereto shall make, do, execute, or cause to be made, done or executed, all such further and lawful acts, deeds, things, devises and assurances whatsoever, including without limitation, directions to the Town, in order to implement the foregoing and for the better or more perfect and absolute performance of the terms of this Amending Agreement.
9. This Amending Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, and each such facsimile or electronic copy shall constitute and original agreement, and all such counterparts shall together for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

[BALANCE OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement #3 as of the date hereinabove first set out.


SOUTH FIELDS COMMUNITY INC.


Per: 
Name: JAMES LIVINGSTON, A.S.O.
Title:

Per: 
Name: TOM BASKERVILLE A.S.O.
Title:

I/We have the authority to bind the corporation.


SOUTH FIELDS II COMMUNITY INC.


Per: 
Name: FRANK DeRose, A.S.O.
Title:

Per: 
Name: TOM BASKERVILLE A.S.O.
Title:

I/We have the authority to bind the corporation.


SOUTH FIELDS III COMMUNITY INC.


Per: 
Name: JAMES LIVINGSTON, A.S.O.
Title:

Per: 
Name: TOM BASKERVILLE A.S.O.
Title:

I/We have the authority to bind the corporation.


MOSCOP III DEVELOPMENT INC.


Per: 
Name: DAVID A. GEORGE A.S.O.
Title:

Per: 
Name: TOM BASKERVILLE A.S.O.
Title:

I/We have the authority to bind the corporation.

MOSCOP VII DEVELOPMENT INC.

Per: 
Name: TOM BASKERVILLE A.S.O.
Title:

Per: 
Name: DAVID A. GEORGE, A.S.O.
Title:

I/We have the authority to bind the corporation.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

**MAYFIELD WEST DEVELOPERS GROUP
INC.**

Per: _____
Name: _____ A.S.O.
Title: _____

DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

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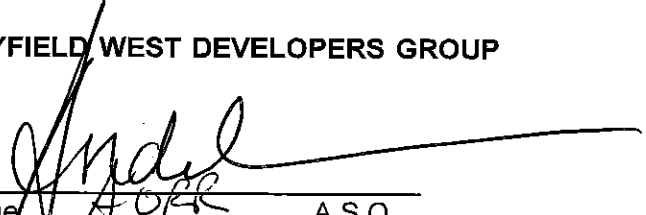
HEART LAKE ROAD PORTFOLIO INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

**MAYFIELD WEST DEVELOPERS GROUP
INC.**

Per: 
Name: FORRESTER A.S.O.
Title: PRESIDENT

Per: _____
Name: _____ A.S.O.
Title: _____

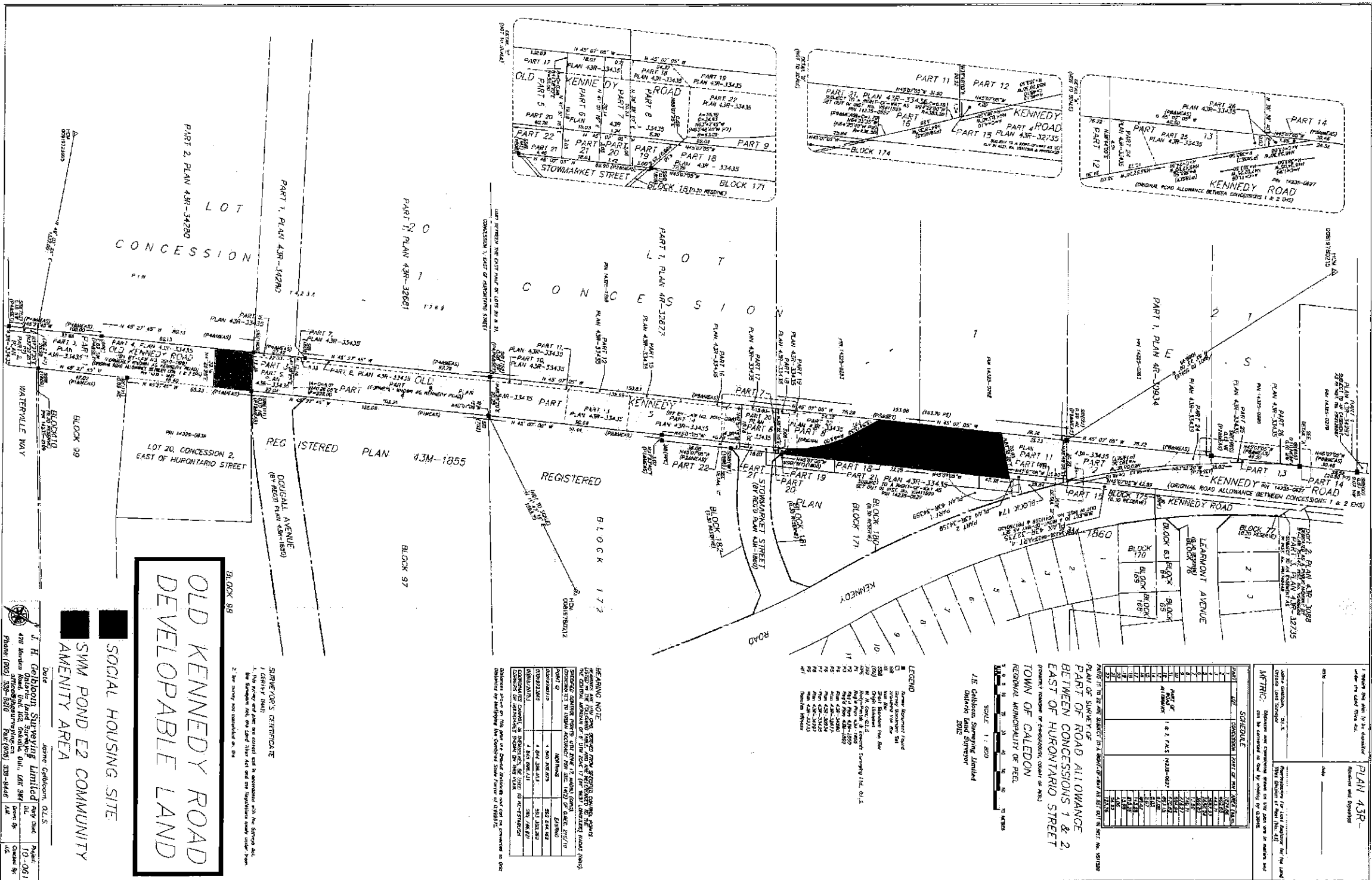
I/We have the authority to bind the corporation.

DAVID SCHAEFFER ENGINEERING LIMITED

Per: 
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.



Date: March 13, 2012
Revised:
File No. : 323 C1 - Mayfield (Cost Sharing)

Old Kennedy Road R.O.W. and New Kennedy Road (Nominal) - Land Areas and Calculations
Mayfield West Community - Cost Sharing

"DRAFT"
"FOR DISCUSSION PURPOSES"

A. New Kennedy Road R.O.W. Conveyed to Town of Caledon By Mayfield West Group

Owner	Nominal (18.0m R.O.W.) for New Kennedy Road R.O.W. Conveyed to Town of Caledon - Oversizing of New Kennedy Road & Nominal Road Adjacent to Community Use Land (Land Component) Covered in the Mayfield West Community Cost Sharing (ha)	Pro-Rata Share (%)	Pro-Rata Share of Old Kennedy Road To Be Returned to Conveying Owners (ha)	Comments
South Fields Community Inc. (#35)	0.688	35.54%	0.445	RPE A & F Cert - May 6, 2009 & JHG Draft R-Plan
South Fields II Community Inc. - Stage 1 (#26)	0.484	25.04%	0.313	RPE A & F Cert - March 24, 2009 & JHG Draft R-Plan
South Fields II Community Inc. - Stage 3 (#26B)	0.296	15.30%	0.191	JHG A & F Cert - September 8, 2011 & JHG Draft R-Plan
MoscCorp III Development Inc. (#23)	0.448	23.14%	0.289	JHG A & F Cert - September 8, 2011 & JHG Draft R-Plan
South Fields Community Inc. 1C - Stage 1 (#22)	0.019	0.97%	0.012	JHG A & F Cert - September 8, 2011 & JHG Draft R-Plan
Total	1.934	100.00%	1.251	

B. Old Kennedy Road - To Be Closed and Conveyed To Mayfield West Group By Town of Caledor

Part #	Old Kennedy Road R.O.W. - All Areas on JHG R-Plan (ha) - Developable Land	Social Housing Site (ha)	SWM Pond E2 - Community Amenity Area (ha)	Total	Development Parcel #
Part 1	0.187466			0.187466	#13
Part 2			0.040265	0.040265	#13
Part 3	0.044371			0.044371	#13
Part 4	0.208727			0.208727	#13
Part 5	0.265624			0.265624	#12
Part 6	0.036262			0.036262	#12
Part 7	0.00135			0.00135	#12
Part 8	0.074071			0.074071	#11
Part 9		0.077327		0.077327	#11
Part 10		0.090494		0.090494	#10
Part 11	0.067082			0.067082	#10
Part 12	0.086315			0.086315	#9
Part 13	0.006708			0.006708	#8
Part 14	0.000003			0.000003	#7
Part 15	0.000267			0.000267	#9
Part 16	0.009062			0.009062	#10
Part 17		0.014328		0.014328	#10
Part 18		0.021526		0.021526	#11
Part 19	0.001398			0.001398	#11
Part 20	0.000406			0.000406	#12
Part 21	0.005492			0.005492	#12
Part 22	0.012376			0.012376	#12
Total	1.00698	0.203675	0.040265	1.25092	

C. Old Kennedy Road Versus New Kennedy Road Nominal - Over/Under

Owner #	Pro-Rata Share of Old Kennedy Road To Be Acquired Based on New Kennedy Road Nominal Provided (ha) - From Table A	Share of Old Kennedy Road Acquired (ha) - From Table B	Over/Under (ha)	Over/Under (\$) - Mayfield West Cost Sharing - Community Land Value (\$1,111,500.00 per ha)
#7	0.000000	0.000003	(0.000003)	(\$3.33)
#8	0.000000	0.006708	(0.006708)	(\$7,455.94)
#9	0.000000	0.086582	(0.086582)	(\$96,235.89)
#10	0.000000	0.180966	(0.180966)	(\$201,143.71)
#11	0.000000	0.174322	(0.174322)	(\$193,758.90)
#12	0.000000	0.321510	(0.321510)	(\$357,358.37)
#13	0.000000	0.480829	(0.480829)	(\$534,441.43)
#22	0.012159	0.000000	0.012159	\$13,514.36
#23	0.289480	0.000000	0.289480	\$321,756.78
#26	0.313215	0.000000	0.313215	\$348,138.53
#26B	0.191434	0.000000	0.191434	\$212,779.28
#35	0.444632	0.000000	0.444632	\$494,208.63
Total	1.250920	1.250920	0.000000	\$0.00

MAYFIELD WEST COMMUNITY COST SHARING AGREEMENT -

AMENDING AGREEMENT #4

THIS AMENDING AGREEMENT made as of the 10th day of September, 2014.

A M O N G:

SOUTH FIELDS COMMUNITY INC.

(hereinafter referred to as "South Fields")

OF THE FIRST PART,

-and-

SOUTH FIELDS II COMMUNITY INC.

(hereinafter referred to as "South Fields II")

OF THE SECOND PART,

-and-

SOUTH FIELDS III COMMUNITY INC.

(hereinafter referred to as "South Fields III")

OF THE THIRD PART,

-and-

MOSCORP III DEVELOPMENT INC.

(hereinafter referred to as "Moscorp III")

OF THE FOURTH PART,

-and-

MOSCORP VII DEVELOPMENT INC.

(hereinafter referred to as "Moscorp VII")

OF THE FIFTH PART,

-and-

HEART LAKE ROAD PORTFOLIO INC.

(hereinafter referred to as "HLRPI")

OF THE SIXTH PART,

-and-

DIGRAM DEVELOPMENTS CALEDON INC.

(hereinafter referred to as "DIGRAM")

OF THE SEVENTH PART,

-and-

MOSCORP IV DEVELOPMENT INC.

(hereinafter referred to as "MOSCORP IV")

OF THE EIGHTH PART,

-and-

KENNEDY TRAILS DEVELOPMENT LTD.

(hereinafter referred to as "KENNEDY")

OF THE NINTH PART,

-and-

PROLOGIS CANADA LLC

(hereinafter referred to as "PROLOGIS")

OF THE TENTH PART,

-and-

ARGO CALEDON CORPORATION

(hereinafter referred to as "ARGO")

OF THE ELEVENTH PART,

-and-

YEOMAN DEVELOPMENTS INC.

(hereinafter referred to as "YEOMAN")

OF THE TWELFTH PART,

-and-

MAYFIELD ROAD PORTFOLIO INC.

(hereinafter referred to as "Mayfield Road")

OF THE THIRTEENTH PART,

-and-

MAYFIELD WEST DEVELOPERS GROUP INC.

(hereinafter referred to as the "Trustee")

OF THE FOURTEENTH PART,

-and-

DAVID SCHAEFFER ENGINEERING LIMITED

(hereinafter referred to as the "Consultant")

OF THE FIFTEENTH PART.

WHEREAS the parties did enter into (as original signatories or as additional parties) an agreement dated the 10th day of April, 2008, as amended by Amending Agreement #1 dated August 9, 2008, Amending Agreement #2 dated August 11, 2010 and Amending Agreement #3 dated April 11, 2012 (hereinafter collectively referred to as the "Cost Sharing Agreement"), wherein the parties agreed to co-operate with one another in the development of their respective Lands (as defined in the Cost Sharing Agreement) and the sharing of costs and burdens with respect to the provision of lands and services for community uses and the development and construction of the services and infrastructure required for the benefit and development of the Community (as defined in the Cost Sharing Agreement);

AND WHEREAS the parties have agreed to amend or cause to be amended the terms of the Cost Sharing Agreement as provided herein, in order to reflect the foregoing;

NOW THEREFORE IN CONSIDERATION of the premises hereto, the covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), THIS AMENDING AGREEMENT WITNESSETH:

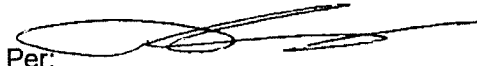
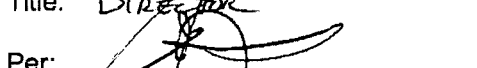
1. The parties acknowledge that the above recitals are true and correct and, except as otherwise set out in this Amending Agreement #4, all capitalized terms contained herein shall have the same meaning as ascribed thereto in the Cost Sharing Agreement.

2. The parties agree that, notwithstanding any other provision contained in the Cost Sharing Agreement, the Community Use Lands and Community Construction Costs in respect of Community Roads adjacent to storm water management ponds and flood control facilities shall be shared on the same basis as the Proportionate Shares for the adjacent storm water management pond(s) and/or flood control facility(ies).
3. The Cost Sharing Agreement shall remain in full force and effect and shall continue, as amended hereby, to regulate and govern, mutatis mutandis, the relationship of the parties hereto in respect of the subject matter thereof.
4. The parties hereto shall make, do, execute, or cause to be made, done or executed, all such further and lawful acts, deeds, things, devises and assurances whatsoever, including without limitation, directions to the Town, in order to implement the foregoing and for the better or more perfect and absolute performance of the terms of this Amending Agreement.
5. This Amending Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, and each such facsimile or electronic copy shall constitute an original agreement, and all such counterparts shall together for all purposes constitute one agreement, binding on all parties hereto notwithstanding that all parties are not signatories to the same counterpart.

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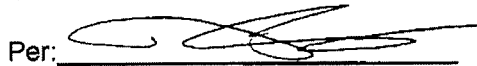

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement #4 as of the date hereinabove first set out.

SOUTH FIELDS COMMUNITY INC.

Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR
Per: 
Name: JIM LIVINGSTON A.S.O.
Title: DIRECTOR

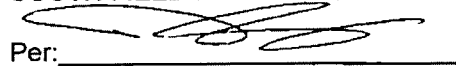
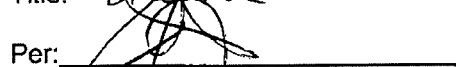
I/We have the authority to bind the corporation.

SOUTH FIELDS II COMMUNITY INC.

Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR
Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

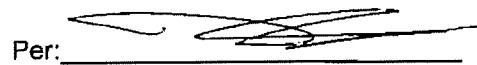
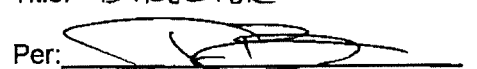
I/We have the authority to bind the corporation.

SOUTH FIELDS III COMMUNITY INC.

Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR
Per: 
Name: JIM LIVINGSTON A.S.O.
Title: DIRECTOR

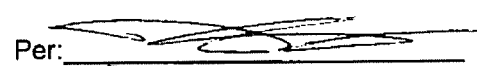
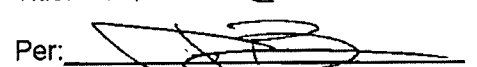
I/We have the authority to bind the corporation.

MOSCOP III DEVELOPMENT INC.

Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR
Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR


I/We have the authority to bind the corporation.

MOSCOP VII DEVELOPMENT INC.

Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR
Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

I/We have the authority to bind the corporation.

HEART LAKE ROAD PORTFOLIO INC.

Per: 
Name: Don D'Arco A.S.O.
Title: A.S.O.

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DIGRAM DEVELOPMENTS CALEDON INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP IV DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

KENNEDY TRAILS DEVELOPMENT LTD.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

PROLOGIS CANADA LLC

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

HEART LAKE ROAD PORTFOLIO INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DIGRAM DEVELOPMENTS CALEDON INC.

Per: Muhammad Iskhat Meemo
Name: _____ A.S.O.
Title: MUHAMMAD ISKHAT MEEMO
DIRECTOR

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP IV DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

KENNEDY TRAILS DEVELOPMENT LTD.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

PROLOGIS CANADA LLC

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

HEART LAKE ROAD PORTFOLIO INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

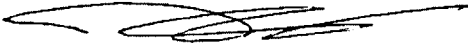
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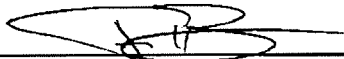
Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

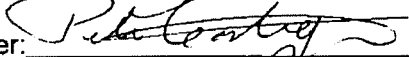
MOSCOP IV DEVELOPMENT INC.

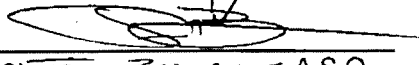
Per: 
Name: DAVID GEORGE A.S.O.
Title: DIRECTOR

Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

I/We have the authority to bind the corporation.

KENNEDY TRAILS DEVELOPMENT LTD.

Per: 
Name: PETER COSTEAU A.S.O.
Title: DIRECTOR

Per: 
Name: TOM BASKERVILLE A.S.O.
Title: DIRECTOR

I/We have the authority to bind the corporation.

PROLOGIS CANADA LLC

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

HEART LAKE ROAD PORTFOLIO INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DIGRAM DEVELOPMENTS CALEDON INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MOSCOP IV DEVELOPMENT INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

KENNEDY TRAILS DEVELOPMENT LTD.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

PROLOGIS CANADA LLC

Per: _____
Name: _____ A.S.O.
Title: **William Bolender**

VP, Country Manager

Per: _____
Name: _____ A.S.O.
Title: **Ross Cronknight**

VP, Development Manager

I/We have the authority to bind the corporation.

ARGO CALEDON CORPORATION

Per: _____
Name: George Buck A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

YEOMAN DEVELOPMENTS INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

ARGO CALEDON CORPORATION

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

YEOMAN DEVELOPMENTS INC.

Per: _____
Name: Mauro Baldassarre A.S.O.
Title: secretary

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

ARGO CALEDON CORPORATION

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

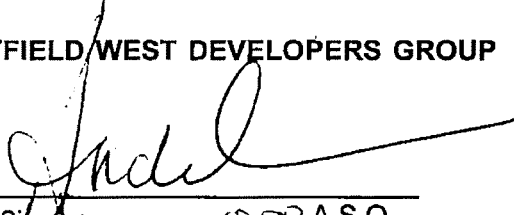
YEOMAN DEVELOPMENTS INC.

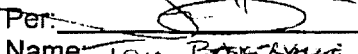
Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: 
Name: ANDREW ORR A.S.O.
Title: _____

Per: 
Name: Tom Brockhouse A.S.O.
Title: _____

I/We have the authority to bind the corporation.


DAVID SCHAEFFER ENGINEERING LIMITED

Per: _____
Name: _____ A.S.O.
Title: _____

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

MAYFIELD ROAD PORTFOLIO INC.

Per: 
Name: _____ A.S.O.
Title: A.S.O.

Per: _____
Name: _____ A.S.O.
Title: _____

I/We have the authority to bind the corporation.

Appendix “D”

SETTLEMENT AGREEMENT AND RELEASE

AMONG:

KSV RESTRUCTURING INC., in its capacity as court-appointed receiver and manager, without security, of certain real and personal property of Maplequest Ventures Inc. ("**Maplequest**") and Digram Developments Caledon Inc. ("**Digram**" and together with Maplequest, the "**Debtors**") and not in its personal capacity or in any other capacity (the "**Receiver**")

- and -

YEOMAN DEVELOPMENTS INC., a corporation incorporated under the laws of Ontario (hereinafter referred to as "**Yeoman**")

- and -

MAYFIELD WEST DEVELOPERS GROUP INC., a corporation incorporated under the laws of Ontario (hereinafter referred to as, the "**Trustee**" and together with the Receiver and Yeoman, the "**Parties**" and each a "**Party**")

RECITALS:

- A. On June 26, 2024, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Receivership Order**"), among other things, appointing the Receiver as receiver and manager, without security, of certain real and personal property of the Debtors (the "**Receivership Proceedings**").
- B. Digram, Yeoman and Mayfield West Developers Group Inc. (in such capacity, the "**Trustee**"), among others, are party to a Cost Sharing Agreement dated April 10, 2008 (as amended and supplemented from time to time, the "**CSA**") governing a land development in the Town of Caledon.
- C. The Trustee is holding certain funds in connection with the CSA that are earmarked for, and property of, Digram (the "**Digram Funds**").
- D. A dispute arose among the Parties regarding the Digram Funds and Yeoman's alleged entitlement to a portion thereof (the "**Dispute**").
- E. The Parties wish to fully and finally resolve the Dispute and all claims related or otherwise, known or unknown, that Yeoman has or may have against the Debtors, the Receiver and the Trustee.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, **THE PARTIES AGREE AS FOLLOWS:**

1. The recitals set out above are accurate and form part of this Settlement Agreement and Release (the "**Agreement**").
2. Each Party represents and warrants to the other Parties that:
 - (a) it has the full right, power and authority to enter into this Agreement, and to perform its obligations hereunder;
 - (b) the execution of this Agreement by the individual whose signature is set forth at the end of this Agreement on behalf of such Party, and the delivery of this Agreement by such Party, have been duly authorized by all necessary action on the part of such Party; and
 - (c) this Agreement has been executed and delivered by such Party and (assuming due authorization, execution and delivery by the other Parties hereto) constitutes the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.
3. The Receiver, as soon as reasonably practicable following execution of this Agreement, shall bring a motion in the Receivership Proceedings seeking an order, among other things, directing the Trustee to release the Digram Funds to the Receiver (the "**CSA Order**").
4. The Trustee, within five (5) business days of the CSA Order, shall pay the Digram Funds in accordance with the direction to pay attached as Schedule "A" hereto (the "**Direction of Pay**"), which Direction to Pay, for greater certainty, includes a CDN\$100,000 payment to Yeoman, or as it may direct. (the "**Settlement Payment**").
5. Upon Yeoman's receipt of the Settlement Payment the Parties agree that:
 - (a) Yeoman, for itself and on behalf of each of its respective present and former related corporations, related entities, agents, employees, shareholders, directors, officers, solicitors, insurers, affiliates, partners, predecessors, successors, assigns and representatives, forever releases and discharges, Digram and the Receiver and their present and former related corporations, related entities, agents, employees, shareholders, directors, officers, solicitors, insurers, affiliates, partners, predecessors, successors, assigns and representatives, of and from any and all claims, including, for greater certainty, any claims related to the CSA, the Digram Funds or the Dispute;
 - (b) Yeoman, for itself and on behalf of each of its respective present and former related corporations, related entities, agents, employees, shareholders, directors, officers, solicitors, insurers, affiliates, partners, predecessors, successors, assigns and representatives, forever releases and discharges, the Trustee and its present and former related corporations, related entities, agents, employees, shareholders, directors, officers, solicitors, insurers, affiliates, partners, predecessors, successors,

assigns and representatives, of and from any and all claims related to the Digram Funds or the Dispute; and

- (c) Yeoman hereby covenants and agrees not to institute, maintain, prosecute or otherwise bring any action, claim (including any future claims which exist or may accrue), suit, or other proceedings against Digram, the Receiver and the Trustee or any other person or persons, company, partnership or other legal entity which might claim contribution or indemnity from any other Party in respect of matters which are the subject of this Agreement. This Agreement shall operate conclusively as an estoppel in the event of any such claim and may be pleaded in the event any such claim is brought as a complete defence and reply, and may be relied upon in any such proceeding to dismiss the claim on a summary basis and no objection will be raised in any subsequent action that the other parties in the subsequent action were not privy to the formation of this Agreement.
- 6. Each Party agrees that the terms of this Agreement are accepted voluntarily and not influenced by any representations of any kind made by any of the parties, except such representations as are outlined in this Agreement. This Agreement is being entered to terminate controversy and no admissions of liability are made by any Party.
- 7. This Agreement is governed by and shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties attorn to the exclusive jurisdiction of the Court.
- 8. The Parties agree that no amendment or variation of the provisions of this Agreement shall be binding upon any Party unless and until it is evidenced in writing executed by each of the Parties hereto.
- 9. The Parties shall from time to time do such further acts and execute such further documents as shall be reasonably required to fully perform and carry out the terms, spirit and intent of this Agreement.
- 10. The Parties acknowledge that they have either been represented by separate, independent legal counsel, or have had the opportunity to consult with separate, independent legal counsel, with respect to the negotiation of the terms of this Agreement and that they understand and agree to its terms. The Parties voluntarily accept the terms of this Agreement for the purpose of making full and final compromise, adjustment and settlement of all claims as set out herein.
- 11. The Parties agree that if any provision of this Agreement is for any reason found to be unenforceable, in whole or in part, the unenforceability thereof shall not affect the enforceability of any other provision in or part of this Agreement, and all provisions of this Agreement shall be construed so as to preserve the enforceability thereof.
- 12. The Parties agree that this Agreement may be executed in any number of counterparts and by electronic means.

[signature page follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the 7th day of August, 2025.

KSV RESTRUCTURING INC., as court-appointed receiver and manager, without security, of certain real and personal property of Maplequest Ventures Inc. and Digram Developments Caledon Inc. and not in its personal capacity or in any other capacity

Per: 
Name: Noah Goldstein
Title: Managing Director

YEOMAN DEVELOPMENTS INC.

Per: _____
Name: Mauro Baldassarra
Title: Authorized Signatory

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: _____
Name: Andrew Orr
Title: Authorized Signatory

IN WITNESS WHEREOF the Parties have executed this Agreement as of the 7th day of August, 2025.

KSV RESTRUCTURING INC., as court-appointed receiver and manager, without security, of certain real and personal property of Maplequest Ventures Inc. and Digram Developments Caledon Inc. and not in its personal capacity or in any other capacity

Per: _____

Name: Noah Goldstein

Title: Managing Director

YEOMAN DEVELOPMENTS INC.

Per: _____

Name: Mauro Baldassarra

Title: Authorized Signatory

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: _____

Name: Andrew Orr

Title: Authorized Signatory

IN WITNESS WHEREOF the Parties have executed this Agreement as of the 7th day of August, 2025.

KSV RESTRUCTURING INC., as court-appointed receiver and manager, without security, of certain real and personal property of Maplequest Ventures Inc. and Digram Developments Caledon Inc. and not in its personal capacity or in any other capacity

Per: _____

Name: Noah Goldstein

Title: Managing Director

YEOMAN DEVELOPMENTS INC.

Per: _____

Name: Mauro Baldassarra

Title: Authorized Signatory

MAYFIELD WEST DEVELOPERS GROUP INC.

Per: _____

Name: Andrew Orr

Title: Authorized Signatory

SCHEDULE "A"

(see attached)

IRREVOCABLE JOINT DIRECTION TO PAY

DATE: [●], 2025

TO: Mayfield West Developers Group Inc. (the "**Trustee**")

FROM: KSV Restructuring Inc., in its capacity as court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, of certain real and personal property of Maplequest Ventures Inc. and Digram Developments Caledon Inc. and Yeoman Developments Inc. ("**Yeoman**" and together with the Receiver, the "**Parties**")

RE: Settlement Agreement and Release dated August 7, 2025 between the Receiver, Yeoman and the Trustee (the "**Settlement Agreement**")

1. Capitalized words used herein but not otherwise defined in this irrevocable direction to pay ("**Direction**") shall have the meanings ascribed to them in the Settlement Agreement.
2. Pursuant to paragraph 4 of the Settlement Agreement, the Trustee, within five (5) business days of the CSA Order, is to pay the Digram Funds in accordance with this Direction.
3. The Parties hereby irrevocably and unconditionally authorize and direct the Trustee to pay the Digram Funds as follows:
 - a. CDN\$100,000 to Yeoman, or as it may direct; and
 - b. the balance of the Digram Funds to the Receiver, or as it may direct.

This Direction shall be the Trustee's good and sufficient irrevocable authority to do so.

This Direction may be executed in any number of counterparts, including by electronic signature, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

The Receiver's and Yeoman's wire transfer details are set forth in Schedule "A" hereto.

DATED the _____ day of [●], 2025.

[Signature page follows]

KSV RESTRUCTURING INC., as court-appointed receiver and manager, without security, of certain real and personal property of Maplequest Ventures Inc. and Digram Developments Caledon Inc. and not in its personal capacity or in any other capacity

Per: _____

Name: Noah Goldstein

Title: Managing Director

YEOMAN DEVELOPMENTS INC.

Per: _____

Name: Mauro Baldassarra

Title: Authorized Signatory

SCHEDULE "A"

The Receiver's Wire Details

[●]

Yeoman's Wire Details

[●]

Appendix “E”

ASSIGNMENT OF PROFIT AND EQUITY

TO: KINGSETT MORTGAGE CORPORATION

RE: KINGSETT MORTGAGE CORPORATION MORTGAGE LOAN TO MAPLEQUEST VENTURES INC. ("**Borrower**")
Letter of Commitment dated July 28, 2017, and any amendments thereto
10475 Heritage Road, Brampton ("Project")

WHEREAS you are making a loan to the Borrower on the security of the Project;

AND WHEREAS you require this Assignment from the undersigned;

NOW THEREFORE, in consideration of your advancing funds to the Borrower with regard to the Project, the undersigned hereby assigns to you all of its right, title and benefit to any profit or equity relating to those projects known as Mayfield West Phase I and Mayfield West Phases II and III.

DATED this 28th day of August, 2017.

**DIGRAM DEVELOPMENTS
CALEDON INC.**

Per: 

Name: Ali Muhammad Memon

Title: Authorized Signing Officer

I have authority to bind the corporation.