

SECOND LICENSE EXTENSION AND AMENDING AGREEMENT

THIS AGREEMENT made in triplicate as of January 1, 2017.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON

(the “Licensor”)

OF THE FIRST PART

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER OF INFRASTRUCTURE**

(the “Licensee”)

OF THE SECOND PART

WHEREAS:

- A. By a per diem license agreement dated December 4, 2006 (the “Original License”), the Licensor did license unto Ontario Realty Corporation acting as agent on behalf of Her Majesty the Queen in right of Ontario as represented by the Minister of Public Infrastructure Renewal (“MPIR”) for a term of five (5) years commencing on January 1, 2007 and ending on December 31, 2011 (the “Term”), the premises more particularly described as approximately one thousand, three hundred and fifty (1,350) square feet on the ground floor (the “Licensed Premises”), in the building municipally known as 274 Josephine Street (the “Building”), in the Town of Wingham in the Municipality of North Huron, in the Province of Ontario (the “Lands”), as more particularly described in Schedule “A” attached thereto, in addition to other terms and conditions as set out therein.
- B. By Order-in-Council No. 1617/2008, approved and ordered September 17, 2008, all the powers and duties of MPIR relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, were transferred and assigned to the Minister of Energy and Infrastructure (“MEI”).
- C. By Order-in-Council No. 1320/2010, approved and ordered September 15, 2010, all the powers and duties of MEI relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, are transferred and assigned to the Minister of Infrastructure (“MOI”).
- D. Ontario Infrastructure and Lands Corporation (“OILC”) has been delegated MOI’s authorities and responsibilities with respect to real property in the name of MOI subject to certain conditions by Delegation of Authority of Ontario Infrastructure and Lands Corporation under the *Ministry of Infrastructure Act*, 2011 dated June 6, 2011.
- E. By Order-in-Council No. 1376/2011, approved and ordered July 19, 2011, MOI shall exercise the powers and duties assigned by law to MOI or that may otherwise be assigned to or undertaken by MOI in respect of infrastructure and any other matters related to MOI’s portfolio.
- F. By a license extension and amending agreement dated January 1, 2012 (the “First License Extension and Amending Agreement”), the Licensor and MOI agreed to extend the Term in accordance with the terms of the Original License as amended and extended, with an extension term commencing on January 1, 2012 and expiring on December 31, 2016 (the “First Extension Term”), in addition to other terms and conditions as set out therein.

- G. Pursuant to the terms of the First License Extension and Amending Agreement, MOI was entitled to extend the First Extension Term for two (2) further terms of five (5) years each.
- H. By Order-in-Council No. 219/2015, approved and ordered February 18, 2015, all the powers and duties of MOI under Order-in-Council No. 1376/2011 relating to infrastructure and real property matters of the Government of Ontario were assigned and transferred to the Minister of Economic Development, Employment and Infrastructure (now known as the Minister of Infrastructure).
- I. The Licensee has now exercised its right to extend the First Extension Term in accordance with the Terms of the Original License as amended and extended, with an extension term commencing on January 1, 2017 and expiring on December 31, 2021 (the "Second Extension Term"), in addition to other terms and conditions as set out herein.
- J. The Original License, the First License Extension and Amending Agreement and this second license extension and amending agreement (the "Agreement") are hereinafter collectively referred to as the "License", except as specifically set out herein.
- K. The parties have agreed to extend and amend the License on the following terms and conditions:

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the sum of Two Dollars (\$2.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. The parties hereto confirm that the foregoing recitals are true in substance and in fact.
- 2. The License is hereby extended for a further term of five (5) years commencing on January 1, 2017 and ending on December 31, 2021 (the "Second Extension Term") at the following annual license fees (the "License Fees"):

For the period from January 1, 2017 up to and including December 31, 2019, the annual license fee payable by the Tenant shall be One Thousand, Three Hundred and Twenty Dollars (\$1,320.00), payable in advance in equal monthly instalments of One Hundred and Ten Dollars (\$110.00) on the first day of each month during the Second Extension Term. The annual License Fee for the period from January 1, 2017 up to and including December 31, 2019 is based on twelve (12) days of use per annum at a rate of One Hundred and Ten Dollars (\$110.00) per day.

For the period from January 1, 2020 up to and including December 31, 2021, the annual license fee payable by the Tenant shall be One Thousand, Four Hundred and Forty Dollars (\$1,440.00), payable in advance in equal monthly instalments of One Hundred and Twenty Dollars (\$120.00) on the first day of each month during the Second Extension Term. The annual License Fee for the period from January 1, 2020 up to and including December 31, 2021 is based on twelve (12) days of use per annum at a rate of One Hundred and Twenty Dollars (\$120.00) per day.

Any additional days of use will be paid for by the Licensee at the above-mentioned daily rate upon receipt of an invoice from the Licensors for such additional use, such invoice to be issued once a year at the end of the calendar year in which such charges were incurred.

Any additional days are to be invoiced to the following:

"Ministry of the Attorney General
720 Bay Street
5th Floor
Toronto, ON M5G 2K1
Attention: Manager, Leasing Services"

- 3. The Licensee shall pay to the Licensors all applicable Sales Taxes assessed on the License Fee payable by the Licensee to the Licensors under this License.

"Sales Taxes" means all business transfer, multi-usage sales, sales, goods and services, harmonized sales, use, consumption, value-added or other similar taxes imposed by the Government of Canada and/or Ontario upon the Licensors, or the Licensee, or in respect of this License, or the payments made by the Licensee hereunder or the goods and services provided by the Licensors hereunder including, without limitation, the use of the Licensed Premises and the provision of administrative services to the Licensee hereunder.

4. Either party shall continue to have the right to terminate this License at any time, by giving the other party not less than six (6) months' prior written notice of termination without penalty, compensation, damages or bonus.

In the event the Licensee exercises such right of termination, the Licensors shall promptly refund the Licensee any prepaid License Fee with respect to the period following the effective date of the early termination, calculated on a pro rata basis based on the remaining number of days in the current license period.

5. The extension contemplated pursuant to this Agreement is subject to all the covenants and agreements contained in the License, as amended, renewed and extended from time to time, save and except:

- (a) The Licensors shall set-up the Licensed Premises for the provision of court services, including without limitation, the set-up of all chairs, tables, portable dais, printers and/or facsimile machines and all related equipment and accessories (collectively referred to as the "Court Facilities"), to the satisfaction of the Licensee, acting reasonably, no later than 8:30 a.m. on each day of use, and to dismantle the Court Facilities after the Licensee's use thereof at the end of each day of use.

- (b) The Licensee shall be entitled to extend the License for two (2) further terms of five (5) years each (each a "Further Extension Term"). Each Further Extension Term shall be upon the same terms and conditions of the License except that there shall be no further right of extension and except for the License Fee, which shall for each Further Extension Term be based upon the market license rate as determined by the parties as of the date which is not less than six (6) months prior to the commencement of each Further Extension Term, or failing such agreement, by arbitration in accordance with the Arbitration Act, 1991, S.O. 1991, c.17, as amended, or any successor act. The Licensee shall give written notice to the Licensors of its extension of this License not less than six (6) months prior to the end of the Second Extension Term or Further Extension Term, as the case may be.

The parties agree that the extension options contained in this Section 5(b) shall supersede any remaining extension options available to the Tenant pursuant to the Original License and the First License Extension and Amending Agreement and all such remaining extension options shall no longer be in effect.

- (c) Section 7.12 of the Original License is hereby amended to provide the following addresses for notice to the Licensors:

The Corporation of the Township of North Huron
274 Josephine Street
Wingham, Ontario N0G 2W0
Attention: Pat Newson, Director of Recreation and Facilities
Fax: (519) 357-1110

and in the case of notice to the Licensee:

Ontario Infrastructure and Lands Corporation
One Stone Road West, 4th Floor
Guelph, Ontario N1G 4Y2
Attention: Vice President, Asset Management
Fax: (519) 826-3330

With a copy to:

Ontario Infrastructure and Lands Corporation
777 Bay Street, Suite 900
Toronto, Ontario M5G 2C8
Attention: Director, Legal Services (Real Estate and Leasing)
Fax: 416-326-2854

And an additional copy to:

CBRE Limited
Global Workplace Solutions
18 King Street East, Suite 1100
Toronto, Ontario M5C 1C4
Attention: Director, Lease Administration – OILC
Fax: (416) 775-3989

Notices shall be delivered personally or by facsimile or mailed by either registered or signature mail and postage prepaid enclosed in a sealed envelope. The time of giving of notice by either registered or signature mail shall be conclusively deemed to be the fifth Business Day after the day of such mailing. Such notice, if personally delivered or if delivered by facsimile, shall be conclusively deemed to have been given and received at the time of such delivery. The parties hereto acknowledge and agree that notwithstanding anything to the contrary in the *Electronic Commerce Act, 2000*, S.O. 2000, c.17, as amended from time to time, any notice, statement, demand, request or other instrument which may be or is required to be given under this License or at law may not be validly delivered by way of electronic communication, save as specifically provided in this Section.

Either party may at any time by giving notice to the other party (in the manner provided above) change its address for notice purposes, and thereafter the address most recently provided shall be deemed to be the address so changed. "Business Day" means any day which is normally considered a regular day of business for most government offices for the Province of Ontario.

- (d) The Licensors agree that upon the request of the Licensee, the Licensors, and any Person hired by the Licensors: (i) to do work on the Building; or (ii) who requires access to the Licensed Premises to do any work, whether to the Licensed Premises or otherwise, shall undergo security screening checks in compliance with Ontario Government policies. The Licensors further agree that any Person hired by the Licensors to supply janitorial services to the Building shall be reputable and all of its employees shall be bonded.
- (e) All sections, clauses or provisions of the License which obligate the Licensee to pay interest to the Licensors for any reason whatsoever are hereby amended to delete the obligation of the Licensee to pay interest to the Licensors, in order to conform with the Licensee's obligation to comply with the *Financial Administration Act*, R.S.O. 1990, c.F.12, as amended.
- 6. The Licensors and the Licensee hereby mutually covenant and agree that during the Second Extension Term they shall each perform and observe all of the covenants, provisos and obligations on their respective parts to be performed pursuant to the terms of the License.
- 7. The Licensors and any of its successors, assigns, directors, officers, employees, agents, servants, and representatives shall not engage in any activity where such activity creates a conflict of interest, actual or potential, in the sole opinion of the Licensee, with the License or the exercise of any of the rights or obligations of the Licensors hereunder. The Licensors shall disclose to the Licensee in writing and without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.

For clarification, a “conflict of interest” means, in relation to the performance of its contractual obligations pursuant to this License, the Licensor's other commitments, relationships or financial interests (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement; or (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations pursuant to this License.

8. Except as otherwise specifically provided in this Agreement, all words and expressions used in the Original License and the First License Extension and Amending Agreement shall apply to and be read as applicable to the provisions of this Agreement.
9. The provisions of this Agreement shall be interpreted and governed by the laws of the Province of Ontario.
10. The Licensor acknowledges and agrees that the commercial and financial information in this Agreement is subject to the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31, as amended.
11. This Agreement shall be binding upon and enure to the benefit of the administrators, successors and/or assigns of the respective parties hereto.

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12. This Agreement shall not be binding upon the Licensee until it has been executed by or on behalf of the Licensee.

EXECUTED by each of the parties hereto under seal on the dates written below.

**SIGNED, SEALED AND
DELIVERED**

Dated this ____day of _____, 20__.

**THE CORPORATION OF THE TOWNSHIP OF NORTH
HURON**

Per: _____
Name:
Title:

Authorized Signing Officer

Per: _____
Name:
Title:

Authorized Signing Officer

Dated this ____day of _____, 20__.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER OF
INFRASTRUCTURE, AS REPRESENTED BY ONTARIO
INFRASTRUCTURE AND LANDS CORPORATION**

Per: _____
Name:
Title:

Authorized Signing Officer