THE CORPORATION OF THE TOWN OFPELHAM

BY-LAW NO. 2934 (2008)

Being a by-law to authorize the Mayor and Clerk to enter into an Agreement with 2071380 Ontario Inc.

WHEREAS the Council of the Corporation of the Town of Pelham deems it desirable to enter into a Pre-Servicing Agreement with 2071380 Ontario Inc. with regard to the development of lands located at 177 Welland Road.

NOW THEREFORE THE COUNCIL OF THE CORPORAITONOF THE TOWN OF PELHAM ENACTS AS FOLLOWS:

- (1) THAT the Pre-servicing Agreement attached hereto and made part of this by-law between the Corporation of the Town of Pelham and 2071380 Ontario Inc be and the same is hereby approved.
- (2) THAT the Mayor and Clerk be and each of them is hereby authorized and instructed on behalf of the Corporation of the Town of Pelham to execute the said Pre-servicing Agreement and the Clerk is hereby authorized to affix the Corporate Seal thereto.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED BY COUNCIL THIS 4TH DAY OF FEBRUARY, 2008 A.D.

MAYOR DAVID AUGUSTYN

CLERK CHERYL MICLETTE

THIS AGREEMENT made in triplicate, this 4th day of February, 2008

BETWEEN:

THE CORPORATION OF THE TOWN OF PELHAM

(hereinafter called the TOWN)
OF THE FIRST PART

AND:

2071380 ONTARIO INC.

(hereinafter called the OWNER)
OF THE SECOND PART

WHEREAS:

- 1. The Owner represents and warrants that they are the owners of the lands described in Schedule "A" (the Lands) and wishes to enter into an Agreement with the Town which will allow the installation of services prior to the acceptance of construction drawings or execution of a subdivision agreement which will regulate and govern the development of the plan.
- 2. The Town deems it appropriate to grant to the Owner permission to proceed with the installation of services for Lots 1 to 17, inclusive, as shown on the draft plan of subdivision, prior to the signing of the subdivision agreement which will regulate and govern the development of the plan.

NOW THEREFORE THE PARTIES TO THIS AGREEMENT AGREE TO AND WITH EACH OTHER AS FOLLOWS:

- The Owner acknowledges that they are proceeding with the installation of services in the proposed plan prior to executing a subdivision agreement with the Town, entirely at their own risk and the Town will not be held liable for any losses, claims or damages which might result from the installation of services at the Owner's risk prior to traditional approvals being received. Further this pre-servicing agreement does not guarantee the Town's final agreement to execute a subdivision agreement.
- 2. The Owner will allow the Town, its employees, servants and agents, to enter upon the Lands at all times for the purposes of, without limiting the generality of the foregoing, to make necessary inspections to correct drainage problems, to correct or eliminate any other nuisance such as dust, garbage and debris and the cost of any and all services relating to inspections and necessary works conducted by the Town on the lands shall be charged to the Owner and the Owner agrees to pay the Town's account within thirty (30) days of receipt of an invoice.
- 3. The Owner will submit letters of credit and cash as would be required by the subdivision agreement regulating and governing the development of the lands and the specific requirements under this section are shown on Schedule "B" to this agreement.
- 4. The Owner agrees to save harmless and indemnify the Town, The Regional Municipality of Niagara and Niagara Peninsula Energy Inc., its employees, servants and agents against all actions, causes of action, suits, claims and demands whatsoever, which may arise either directly or indirectly by reason of the pre-servicing.
- 5. The Owner agrees to proceed with the construction of all municipal services in accordance with the plans hereto affixed as Schedule "C", in accordance with Town requirements and standards, and should active development of the Lands come to a termination, to smooth, grade and seed the site to renew vegetation and prevent erosion problems and upon any failure in performing this obligation, to allow the Town to enter the Lands and carry out the work deemed necessary by the Town's operations department with the costs incurred by the Town to be a charge to the Owner.
- 6. The Owner agrees to implement siltation controls as per the approved engineering drawings prior to commencing any other pre-servicing works and to continuously maintain throughout the construction of servicing.
- 7. The Owner shall make arrangements for and any for all compaction tests requested by the Town during the period of construction, and the said compaction tests shall be carried out by a reputable soils engineering consultant to the satisfaction of the Town's director of operations.

- 8. The Owner agrees to allow the Town to draw on the letter of credit under Clause 3 above for the completion of any works considered necessary by the Town's director of operations, including those indicated under Clause 5, 6 and 7 and other works such as rectification of drainage problems and cleanup of existing roads, upon verbal notification to the Owner's engineer.
- 9. The Owner agrees to provide five million (\$5,000,000.00) dollars of liability insurance for the development in the developer's name with the Town and The Regional Municipality of Niagara named as additional insured prior to starting any construction.
- The Owner agrees that the construction of any sewage works or water works will not be undertaken until the final approval of the Ministry of the Environment has been obtained by issue of its standard Certificate of Approval.
- 11. The Owner agrees that nothing in this agreement shall fetter the rights of the Town to require additional works to be completed as deemed necessary by the Town's director of operations.
- 12. The Owner agrees that upon registration of the necessary subdivision agreement, this preservicing agreement becomes null and void.
- 13. The Town hereby agrees that it shall not conduct any works as contemplated by paragraphs 5,6,7,8 and 9 of this agreement until it has first served written notice on the Owner by prepaid registered mail outlining the nature of the works or corrective action to be undertaken and allowing the Owner a reasonable period of time to complete the said works or corrective action taken to the reasonable satisfaction of the Town. In the event that the Owner fails to complete the said works or corrective action within the time period allowed for as it may be extended in writing by the Town, the Town may then enter upon the lands and complete the works or corrective actions as contemplated by paragraphs 5,6,7,8 and 9 of this agreement.
- 14. This agreement shall be governed by the law of the Province of Ontario.
- 15. The Owner consents to the registration of this agreement against title to the Lands to require these undertakings and covenants to be assumed by any successor in title, to the effect that the obligations and covenants herein shall be binding upon the executor's administrators, successors and assigns of the Owner.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF

)THE CORPORATION OF THE TOWN OF PELHAM

MAYOR ĎAVID AUGUŠTÝI

CLERK CHERYL MICLETTE

)2071380 ONTARIO INC.

PAUL DI FRANCESCO

)I have authority to bind the Corporation