

## LAND EXCHANGE AGREEMENT

This Agreement made effective this 27 day of February, 2020 between:

**DURHAM STONE AND PAVING INC.**, a corporation incorporated in the Province of Ontario

(hereinafter called "DSPI")

and

**THE CORPORATION OF THE COUNTY OF GREY**, a municipality incorporated pursuant to the Municipal Act, 2001 (Ontario)

(hereinafter called the "County")

### **1.00 RECITALS**

- 1.01 Whereas DSPI is the owner of certain lands and premises situate in the County of Grey which lands are legally described in Schedule "A" hereto being PIN 37320-0222 (the "**DSPI Total Lands**"); and
- 1.02 Whereas the County is the owner of certain lands and premises situate in the County of Grey adjacent to the DSPI Total Lands; and
- 1.03 Whereas the County is the owner of certain lands and premises situate in the County of Grey which lands are described as PT LT 28 CON 7 Euphrasia as in R358757; Grey Highlands and being PIN 37166-0077 and more particularly illustrated on Schedule "C" hereto (the "**County Lands**"); and
- 1.04 Whereas a portion of the DSPI Total Lands, being the parts labeled B, C, D, F, G, H and I on the map set out in Schedule "B" hereto, are to be transferred to the County (the "**DSPI Lands**") and the County Lands are to be transferred to DSPI all in accordance with the terms and provisions hereof (the DSPI Lands and County Lands are hereinafter collectively called the "**Exchanged Lands**"); and
- 1.05 DSPI will retain a portion of the DSPI Total Lands, being parts A, E and J on the map set out in Schedule "B" hereto (the "**DSPI Retained Lands**"); and
- 1.06 Whereas the parties hereto have entered into this Agreement to detail the method and terms upon which the County and DSPI will exchange the Exchanged Lands and the payment of monetary consideration from DSPI to the County.

NOW THEREFORE this Agreement Witnesses that in consideration of the premises, covenants and agreements herein contained and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged the parties hereto hereby agree as follows:

### **2.00 EXCHANGE OF COUNTY LANDS AND THE DSPI LANDS**

- 2.01 The County agrees to buy from DSPI the DSPI Lands and DSPI agrees to buy from the County the County Lands.
- 2.02 The exchange of each of the County Lands and the DSPI Lands shall be in full and final satisfaction of the consideration to each party. Schedule "D" hereto sets out the details of the values of the Exchanged Lands. The value of the County Lands and DSPI Lands for

income tax purposes and for Land Transfer Tax purposes are set out in Schedule "D" hereto.

- 2.03 On or before the Closing Date the County shall obtain and register at its sole cost and expense a reference plan or plans of the DSPI Lands to obtain a registerable legal description for each of the DSPI Lands.
- 2.04 The parties hereto hereby acknowledge that the value of the Exchanged Lands herein does not include Goods and Services Tax, value added tax, harmonized sales tax or any other like tax ("**HST**"). With respect to the Exchanged Lands, the County and DSPI each agree to not collect HST if the respective party provides to the other party a warranty that such party is registered under the *Excise Tax Act* ("**ETA**"), together with a copy of such party's ETA registration, a warranty that the party shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the other party in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction.
- 2.05 The County acknowledges and agrees that there are no chattels or fixtures contained on the DSPI Lands.
- 2.06 The County and DSPI acknowledge and agree that the scale and scale house located on the County Lands shall be transferred to DSPI on the Closing Date for no additional consideration.
- 2.07 The parties acknowledge that the County Lands contain an inventory of stockpiles of aggregate (the "**Inventory**"). The parties acknowledge and agree that HST is payable on the Inventory. Notwithstanding Section 2.04 above, the County agrees to assess and remit from its own funds the HST payable on the Inventory. The parties acknowledge and agree that the value of the Inventory and the HST payable on the Inventory is included in the total value of the County Lands set out in Schedule "D" hereto. For greater certainty, in accordance with Section 2.02, DSPI shall not be required to pay to the County the value of the Inventory or the HST payable on the Inventory on the Closing Date.
- 2.08 On the Closing Date, the County and DSPI shall enter into a lease agreement whereby the County will lease part H of the DSPI Lands to DSPI (the "**Lease**") as further set out in Article 8.00 hereof.
- 2.09 In the event of the County and DSPI each delivering a waiver of the Due Diligence Condition then, save and except for the DSPI completing the DSPI Obligations, the parties agree to accept the Exchanged Lands in "as is where is" condition.
- 2.10 The parties agree that there is no condition, express, or implied, representation or warranty of any kind that the future intended use of the Exchanged Lands by the County or DSPI is or will be lawful, except as may be specifically stipulated elsewhere in this Agreement.
- 2.11 Neither party shall call for the production of any title deed, abstract, survey or other evidence of title to the Exchanged Lands except such as are in the possession or control of the County or DSPI. The parties agree that, if requested by the other, it will deliver any sketch or survey of the property in its possession or within its control to the other as soon as possible and prior to the last day allowed for examining title. In the event that a discharge of any mortgage or charge held by a Chartered Bank, Trust Company, Credit Union or Insurance Company and which is not to be assumed by a party on completion, is not available in registerable form on completion, the transferee agrees to accept the transferor's solicitor's personal undertaking to obtain, out of the closing funds, a

discharge or cessation of charge in registerable form and to register same on title within 60 days after completion, provided that on or before completion the transferor shall provide to the transferee a mortgage statement prepared by the mortgagee setting out the conditions upon which to obtain the discharge, together with reasonable proof of satisfaction of such conditions.

2.12 Provided that this Agreement shall be effective to create an interest in the County Lands and the DSPI Lands only if the subdivision control provisions of *The Planning Act* are complied with by the parties on or before completion and the parties hereby covenant to proceed diligently at their expense to obtain any necessary consent on or before completion as hereinafter provided.

2.13 The County and DSPI both represent and warrant that they are each not non-residents of Canada within the meaning of the *Income Tax Act* (Canada).

### **3.00 CLOSING DATE**

3.01 The closing of the exchange of the County Lands and the DSPI Lands shall be the first Business Day (as defined in Article 13 below) that is one hundred twenty (120) days from the date that the County provides notice to DSPI that the County Condition (as defined in Article 6 below) has been fulfilled (the "**Closing Date**") at which time the County shall be given vacant possession of the DSPI Lands and DSPI shall be given vacant possession of the County Lands.

### **4.00 DELIVERY MATERIALS TO BE PRODUCED:**

4.01 The following documents are hereinafter referred to as the "Delivery Materials":

- (a) engineering and/or architectural plans, drawings studies, reports, geotechnical and environmental studies and test reports, soil and water studies or reports and any other professional reports, tests, studies and assessment in the possession of the Parties with respect to the Exchanged Lands (the "Professional Reports");
- (b) surveys of the Exchanged Lands;
- (c) any licenses pertaining to the Exchanged Lands, including without limitation aggregate extraction licenses and related site plans and licenses to process organic waste;
- (d) any other documentation in the possession of the parties with respect to the Exchanged Lands.

4.02 Each Party shall deliver the Delivery Materials to the other Party, or make them available to the other Party, within five (5) Business Days after the mutual acceptance of this Agreement (the "**Execution Date**"). The Delivery Materials shall be dealt with by both Parties in strict accordance with the Multiparty Confidentiality Agreement entered into by the parties dated November 29, 2019.

4.03 Upon request by either Party, the other Party shall provide letters of authorization to any governmental authority having jurisdiction over the Exchanged Lands, authorizing the said governmental authority to release to such Party or its solicitors any and all information on file respecting the Exchanged Lands, provided that such authorization shall not request or encourage any inspections of the Property by any governmental authority.

- 4.04 The Parties will be allowed to conduct an evaluation of the Exchanged Lands in accordance with the provisions of this Agreement during the Due Diligence Period (as defined in paragraph 5.01). Following the Execution Date, each Party and its authorized representatives, engineers, surveyors and consultants shall have the right to enter upon the Exchanged Lands from time to time upon not less than twenty-four (24) hours prior notice to the other Party during usual business hours, for the purpose of making such inspections, examinations, studies and tests as such party deems necessary including without limitation any environmental assessments. However, the Parties shall not conduct any tests or inspections that are intrusive or destructive without the prior consent of the other Party, such consent not to be unreasonably withheld or delayed, and the Party conducting such test or inspection shall provide at least two (2) Business Days' notice to the other Party and such Party will be entitled to have one or more of its representatives of its choosing present during all such tests and/or inspections.
- 4.05 If the transaction contemplated by this Agreement is terminated, all Delivery Materials will be returned by each Party to the other and each Party will delete, erase or destroy, as the case may be all documents and materials (whether in written or electronic form) containing any property information, without retaining copies.
- 4.06 Notwithstanding any other provision of this Agreement, the Parties agree that the terms of this Paragraph 4.00 shall survive and not merge on the closing of the transaction contemplated hereunder.

#### **5.00 DUE DILIGENCE CONDITION**

- 5.01 The obligation of the Parties to proceed further with the transaction contemplated hereby shall be conditional until 5:00 p.m. on the 2<sup>nd</sup> day of March, 2020 (the "**Due Diligence Period**"), upon each Party, at its own expense, being satisfied in its sole and absolute and unfettered discretion, as to all aspects of the Exchanged Lands including, without limitation:
- (a) review of the Delivery Materials;
  - (b) the results of any physical inspections of the Exchanged Lands including but not limited to, geotechnical surveys and any environmental assessments.
- 5.02 The above condition (the "**Due Diligence Condition**") is included for the benefit of each of the County and DSPI and unless each party has given notice to the other party that the Due Diligence Condition has been satisfied or waived by each Party prior to the expiration of the Due Diligence Period, this Agreement shall be null and void and each of the Parties hereto shall have no further obligations to or rights against the other in respect of this Agreement.
- 5.03 The completion of the acquisition by the County of the DSPI Lands shall be conditional until the Closing Date upon the completion of the acquisition by DSPI of the County Lands and vice versa.

#### **6.00 CONDITIONS PRECEDENT**

- 6.01 This Agreement is conditional, for a period of ninety (90) days from the date of this Agreement, upon the County passing such by-laws as may be required to approve the land exchange contemplated by this Agreement (the "**County Condition**"). The County Condition has been inserted for the sole benefit of the County and is a conditions precedent to the obligation of the County to complete this Agreement on the Closing Date. If the County Condition is not fulfilled within the applicable time period, and the

County fails to notify DSPI or its solicitors in writing that such condition has been fulfilled, this Agreement shall be null and void and the parties shall have no further obligations or rights against the other in respect of this Agreement.

## 7.00 DSPI OBLIGATIONS

7.01 Prior to the Closing Date, DSPI shall complete the following with respect to parts F and G of the DSPI Lands:

- (a) obtain, at DSPI's sole cost and expense, an amendment from the Ministry of Natural Resources and Forestry (the "MNR") to the aggregate extraction licence #19909 associated with the DSPI Lands (the "DSPI Licence") and the site plans related thereto (the "First Amendment") to exclude parts F and G of the DSPI Lands from licensed area covered by the DSPI Licence. For greater certainty, DSPI shall be fully responsible to obtain the First Amendment and to complete all requirements of the MNR in order to obtain the First Amendment; and
- (b) final rehabilitation of parts F and G of the DSPI Lands at DSPI's sole cost and expense in accordance with the Aggregate Resources Act (the "Act"), the DSPI Licence and the site plans forming part of the DSPI Licence after the aggregate is depleted from the DSPI Lands, and after all progressive rehabilitation is completed in accordance with the Act, the DSPI Licence and the site plans accompanying the same. (the "Rehabilitation" and together with the First Amendment collectively called the "DSPI Obligations").

7.02 DSPI shall diligently pursue, at its sole cost and expense, the DSPI Obligations. For purposes of this Agreement, the Rehabilitation shall be deemed to be satisfied only when the MNR has approved the final rehabilitation of the DSPI Lands and has confirmed that the requirements of the rehabilitation have been fully satisfied.

## 8.00 LEASE OF PART H

8.01 The Lease shall be in a form acceptable to both parties, acting reasonably, and shall include the following terms and conditions:

- (a) The term of the Lease shall be for a period of ten (10) years from the Closing Date (the "Lease Term");
- (b) Rent shall be nominal;
- (c) DSPI shall not amend or extend the DSPI Licence to allow for any aggregate extraction rights over and above the rights granted by the existing DSPI Licence;
- (d) DSPI shall indemnify and hold harmless the County for any activities of DSPI and shall, at its sole cost and expense, take or and maintain adequate liability insurance with the County named as additional insured, in a form satisfactory to the County;
- (e) DSPI shall be responsible for the ongoing compliance and maintenance of the DSPI Licence during the Lease Term;
- (f) DSPI shall be responsible for any and all costs related to or incurred with respect to part H of the DSPI Lands during the Lease Term;
- (g) At the end of the Lease Term, DSPI shall have completed the following:

- (i) obtaining, at DSPI's sole cost and expense, an amendment from the MNR to the DSPI Licence and the site plans related thereto (the "**Second Amendment**") to exclude part H of the DSPI Lands from licensed area covered by the DSPI Licence. For greater certainty, DSPI shall be fully responsible to obtain the Second Amendment and to complete all requirements of the MNR in order to obtain the Second Amendment; and
- (ii) final rehabilitation of part H of the DSPI Lands at DSPI's sole cost and expense in accordance with the Act, the DSPI Licence and the site plans forming part of the DSPI Licence after the aggregate is depleted from the part H of the DSPI Lands, and after all progressive rehabilitation is completed in accordance with the Act, the DSPI Licence and the site plans accompanying the same.

#### **9.00 TRANSFER OF COUNTY LICENCE**

- 9.01 On the Closing Date, the County and DSPI shall enter into an agreement (the "**Licence Transfer Agreement**") in the form attached hereto as Schedule "E", pursuant to which: (i) the County shall undertake to transfer to DSPI the aggregate extraction Licence #20889 relating to the County Lands (the "**County Licence**"); (ii) DSPI shall agree to assume and be bound by any and all obligations and liabilities under the County Licence; and (iii) DSPI shall indemnify and save harmless the County for any claims, damages, actions, and/or expenses arising from DSPI's failure to meet any obligations under subparagraph (ii) above.

#### **10.00 CLEAN UP OF DSPI LANDS**

- 10.01 Prior to the Closing Date DSPI shall, at its sole cost and expense:
- (a) remove all debris, including without limitation all concrete, asphalt and recycling materials piled on the DSPI Lands; and
  - (b) remove all stockpiles of aggregate material and fill located in proximity to the aboveground storage tank located on the DSPI Lands, as well as those stockpiles identified by GM Blueplan Engineering Limited as exceeding the Table 1 and Table 2 residential site condition standards for contaminants for the purposes of the *Environmental Protection Act*, R.S.O. 1990, and as specifically identified in Schedule "F" hereto.
- 10.02 Notwithstanding any other provision of this Agreement, the Parties agree that the terms of this Paragraph 10.00 shall survive and not merge on the closing of the transaction contemplated hereunder.

#### **11.00 TITLE AND TITLE SEARCH**

- 11.01 Each of the County and DSPI shall be allowed until 11:59 p.m. on the 15th day prior to the Closing Date provided for hereunder (the "**Requisition Date**") to examine the title to the County Lands and DSPI Lands respectively at their own expense, to satisfy themselves that there are no outstanding work orders affecting the Exchanged Lands being acquired.
- 11.02 Provided that the title to the Exchanged Lands is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants

that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services. If, prior to passage of the Requisition Date, any valid objection to title or to any outstanding work order or deficiency notice, is made in writing to the County or DSPI and which either the County or DSPI is unable or unwilling to remove, remedy or satisfy and which the other party will not waive, this Agreement, notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies theretofore paid shall be returned without interest or deduction and the County or DSPI shall not be liable for any costs or damages. Save as to any valid objection so made by such day except for any objection going to the root of the title, each of the County or DSPI shall be conclusively deemed to have accepted respectively the County Lands and the DSPI Lands.

## 12.00 CLOSING ARRANGEMENTS

12.01 Where each of the County and DSPI retain a lawyer to complete the exchange of the Exchanged Lands, and where the transaction will be completed by electronic registration pursuant to Part III of the *Land Registration Reform Act*, R.S.O. 1990, Chapter L4 and the *Electronic Registration Act*, S.O. 1991, Chapter 44, and any amendments thereto, the County and DSPI acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "**Requisite Deliveries**") and the release thereof to the County and DSPI will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The County and DSPI irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

## 13.00 NOTICE

13.01 Any notice, demand or other communication required or permitted to be given or made hereunder shall be in writing and shall be sufficiently given or made if:

- (a) delivered in person during normal business hours on any day other than a Saturday, Sunday or such other day on which Canadian chartered banks in Toronto, Ontario are authorized or obligated by law to close or are generally closed (a "**Business Day**") and left with the recipient (for notice delivered to individuals) or with a receptionist or other responsible employee of the recipient at the applicable address set forth below;
- (b) sent by any electronic means of sending messages (an "**Electronic Transmission**"), including facsimile transmission and e-mail, during normal business hours on a Business Day, but notice by Electronic Transmission shall only be sufficient if the notice includes or is accompanied by the sender's name, address, telephone number and facsimile number or e-mail address, the date and time of transmission and the name and telephone number of a person to contact in the event of transmission problems and if acknowledgement of the

transmission is transmitted to the sender by the recipient or the recipient's electronic system;

in the case of a notice to DSPI, addressed to it at:

225 South Street East  
Durham, ON N0G 1R0  
Attention: President  
E-mail: [paularnill@hotmail.com](mailto:paularnill@hotmail.com)

and in the case of a notice to the County addressed to it at:

595 9<sup>th</sup> Avenue East  
Owen Sounds, ON N4K 3E3  
Attention: County Clerk  
E-mail:  
With a copy to: Kim Wingrove, Chief Administrative Officer  
E-mail: [Kim.Wingrove@grey.ca](mailto:Kim.Wingrove@grey.ca)  
With a copy to: Michael Letourneau, Director of Legal Services  
E-mail: [Michael.Letourneau@grey.ca](mailto:Michael.Letourneau@grey.ca)

13.02 Each notice sent in accordance with this Section shall be deemed to have been received:

- (a) in the case of personal delivery, if delivered before 5:00 p.m. (in the place of receipt), on the day it was delivered; otherwise, on the first Business Day thereafter; or
- (b) in the case of Electronic Transmission, on the same day that it was sent if sent on a Business Day and the acknowledgement of receipt is received by the sender before 5:00 p.m. (in the place of receipt) on such day, and otherwise on the first Business Day thereafter.

13.03 The Parties may change their address for notice by giving notice to the other Party.

#### **14.00 MISCELLANEOUS**

14.01 Schedules A, B, C, D, E and F attached hereto will form part of this Agreement.

14.02 Taxes, local improvements, water and assessment rates shall be apportioned and allowed to the date of completion (the day itself to be apportioned to the respective transferee).

14.03 Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by the County and DSPI or by their respective solicitors who may be specifically authorized in that regard.

14.04 Neither this Agreement nor notice thereof will be registered on title to the lands that are the subject of this Agreement.

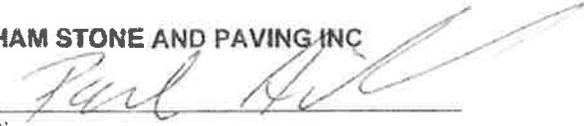
14.05 The Transfer/Deed for the County Lands shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of DSPI, and the Transfer/Deed for the DSPI Lands shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of County.

- 14.06 Any tender of documents or money hereunder may be made upon the parties or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 14.07 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof. This Agreement also may be executed by facsimile or pdf, and any signature contained hereon by facsimile or pdf shall be deemed to be equivalent to an original signature for all purposes.
- 14.08 The parties warrant that spousal consent is not necessary to this transaction under the provisions of *Family Law Act, R.S.O.1990*.
- 14.09 Any right or obligation in this Agreement so intended, shall, as applicable, survive and not merge upon completion of the transactions contemplated by this Agreement.
- 14.10 From time to time after the Closing Date, DSPI and the County will, at the request and expense of the other, execute and deliver such additional conveyances, transfers, releases or other assurances as may, in the reasonable opinion of DSPI's solicitor or the County's solicitor, as the case may be, be required to effectively carry out the intent of this Agreement.
- 14.11 This Agreement will be interpreted under the laws of the Province of Ontario.
- 14.12 This Agreement shall be binding upon and enure to the benefit of the successors and permitted assigns of the Parties hereto. DSPI may not assign the rights and benefits of this agreement to an affiliate at any time without the consent of the County, and provided that DSPI shall not be relieved of any obligations under this Agreement and that such assignee assumes the obligations hereunder in favour of the County.
- 14.13 Notwithstanding any terms or conditions outlined in the printed portion herein, any provisions written or typed into this Agreement shall be the true terms and shall supersede the printed portion in respect to the parts affected thereby. This Agreement shall constitute the entire agreement between the County and DSPI and there is no representation, warranty, collateral agreement or condition affecting this Agreement or the property or supported hereby by other than as expressed herein in writing. This Agreement shall be read with all changes of gender or number required by the context.

[signature page follows]

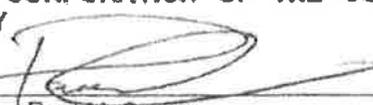
DATED at \_\_\_\_\_ this 27 day of February, 2020.

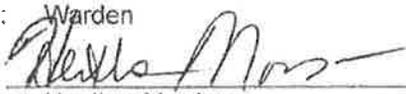
**DURHAM STONE AND PAVING INC**

Per:   
Name: \_\_\_\_\_  
Title:

*I have authority to bind the Corporation.*

**THE CORPORATION OF THE COUNTY OF GREY**

Per:   
Name: Paul McQueen  
Title: Warden

Per:   
Name: Heather Morrison  
Title: Clerk

**SCHEDULE "A"**  
**DSPI TOTAL LANDS**

**PIN 37320-0222**

**Legal Description**

LOT 1 WEST SIDE KINCARDINE STREET PLAN 500 DURHAM; PARKLOT 14 NORTH SIDE SOUTH STREET EAST, 15 NORTH SIDE SOUTH STREET EAST PLAN 500 DURHAM; LOT 1 WEST SIDE BROCK STREET, 2 WEST SIDE BROCK STREET, 3 WEST SIDE BROCK STREET, 4 WEST SIDE BROCK STREET, 5 WEST SIDE BROCK STREET, 6 WEST SIDE BROCK STREET, 7 WEST SIDE BROCK STREET, 8 WEST SIDE BROCK STREET, 9 WEST SIDE BROCK STREET, 10 WEST SIDE BROCK STREET, 1 EAST SIDE CRAWFORD STREET, 2 EAST SIDE CRAWFORD STREET, 3 EAST SIDE CRAWFORD STREET, 4 EAST SIDE CRAWFORD STREET, 5 EAST SIDE CRAWFORD STREET, 6 EAST SIDE CRAWFORD STREET, 7 EAST SIDE CRAWFORD STREET, 8 EAST SIDE CRAWFORD STREET, 9 EAST SIDE CRAWFORD STREET, 10 EAST SIDE CRAWFORD STREET, 1 WEST SIDE CRAWFORD STREET, 2 WEST SIDE CRAWFORD STREET, 3 WEST SIDE CRAWFORD STREET, 4 WEST SIDE CRAWFORD STREET, 5 WEST SIDE CRAWFORD STREET, 6 WEST SIDE CRAWFORD STREET, 7 WEST SIDE CRAWFORD STREET, 8 WEST SIDE CRAWFORD STREET, 9 WEST SIDE CRAWFORD STREET, 10 WEST SIDE CRAWFORD STREET, 1 EAST SIDE KINCARDINE STREET, 2 EAST SIDE KINCARDINE STREET, 3 EAST SIDE KINCARDINE STREET, 4 EAST SIDE KINCARDINE STREET, 5 EAST SIDE KINCARDINE STREET, 6 EAST SIDE KINCARDINE STREET, 7 EAST SIDE KINCARDINE STREET, 8 EAST SIDE KINCARDINE STREET, 9 EAST SIDE KINCARDINE STREET, 10 EAST SIDE KINCARDINE STREET, 1 WEST SIDE KINCARDINE STREET, 2 WEST SIDE KINCARDINE STREET, 3 WEST SIDE KINCARDINE STREET, 4 WEST SIDE KINCARDINE STREET, 5 WEST SIDE KINCARDINE STREET, 6 WEST SIDE KINCARDINE STREET, 7 WEST SIDE KINCARDINE STREET, 8 WEST SIDE KINCARDINE STREET, 9 WEST SIDE KINCARDINE STREET, 10 WEST SIDE KINCARDINE STREET, 1 EAST SIDE ELGIN STREET, 2 EAST SIDE ELGIN STREET, 3 EAST SIDE ELGIN STREET, 4 EAST SIDE ELGIN STREET, 5 EAST SIDE ELGIN STREET, 6 EAST SIDE ELGIN STREET, 7 EAST SIDE ELGIN STREET, 8 EAST SIDE ELGIN STREET, 9 EAST SIDE ELGIN STREET, 10 EAST SIDE ELGIN STREET PLAN 510 DURHAM; ELGIN STREET, KINCARDINE STREET, CRAWFORD STREET, BROCK STREET PLAN 510 DURHAM (CLOSED BY DH2157); PART LOT 1 EAST SIDE ELGIN STREET PLAN 500 DURHAM; PART PARKLOT 9 NORTH SIDE SOUTH STREET EAST, 10 NORTH SIDE SOUTH STREET EAST, 11 NORTH SIDE SOUTH STREET EAST, 12 NORTH SIDE SOUTH STREET EAST, 13 NORTH SIDE SOUTH STREET EAST PLAN 500 DURHAM; PART ROCK STREET, SOUTH STREET PLAN 500 DURHAM (CLOSED BY DH5059); PART ELISABETH STREET PLAN 510 DURHAM (CLOSED BY DH2157); PART BLOCK A DAVIDSONS SURVEY, B DAVIDSONS SURVEY PLAN 513 DURHAM; PART LOT 61 CONCESSION 2 EGR

GLENELG; PART LOT 27 CONCESSION 1 DIVISION 2 EGR GLENELG AS IN GS137474  
NORTH OF PART 1 17R1400, PART 1 17R492 & GL7963 EXCEPT PARTS 1-8 16R8631,  
PART 3 16R8953 & PART 1 16R10881; SIT THE RIGHTS OF OWNERS OF ADJOINING  
PARCELS, IF ANY UNDER INST #GS118929; TOGETHER WITH AN EASEMENT OVER  
PART LOTS 1,2&3 WEST SIDE ALBERT STREET, PART LOTS 1,2&3 EAST SIDE ALBERT  
STREET & PART ALBERT STREET PLAN 510 PARTS 3 & 7 16R10400 AS IN GY94777;  
SUBJECT TO AN EASEMENT AS IN GS142617; MUNICIPALITY OF WEST GREY

**SCHEDULE "B"**



SCHEDULE "C"



**SCHEDULE "D"**  
**Valuation**

<b>County Lands</b>	<b>Value</b>
Lands	\$1,400,000.00
Inventory	\$215,272.31
HST on Inventory	\$27,985.40
<b>Total value to DSPI</b>	<b>\$1,643,257.71</b>

<b>DSPI Lands</b>	<b>Value</b>
Lands	\$1,643,257.71
<b>Total value to the County</b>	<b>\$1,643,257.71</b>

## SCHEDULE "E"

### LICENCE TRANSFER AGREEMENT

THIS LICENCE TRANSFER AGREEMENT made as of \_\_\_\_\_, 2020

BETWEEN:

DURHAM STONE AND PAVING INC. ("DSPI")

- and -

THE CORPORATION OF THE COUNTY OF GREY (the "County")

(DSPI and the County collectively are the "Parties" or individually a "Party").

**WHEREAS** pursuant to a Land Exchange Agreement dated February 27, 2020 (the "**Purchase Agreement**"), the County and DSPI have agreed to exchange certain lands and pursuant to which DSPI shall take title to the property legally described as PT LT 28 CON 7 Euphrasia as in R358757; Grey Highlands and being PIN 37166-0077 (the "**County Lands**").

**AND WHEREAS** in connection with the purchase of the County Lands, DSPI wishes to acquire the extraction licence issued to the County by the Ministry of Natural Resources ("**MNR**") under Licence No. 20889 (the "**MNR Licence**") to permit the extraction of aggregate in respect of the County Lands.

**AND WHEREAS** the Parties wish to enter into this Licence Transfer Agreement (the "**Agreement**") in respect of the transfer and assignment of the MNR Licence.

**IN CONSIDERATION** of the payment by each party to the other of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

#### 1. TRANSFER OF LICENCE

- (a) The County hereby undertakes to process and, upon approval of the MNR: (i) transfer and assign to DSPI all of its right, title and interest in and to the MNR Licence relating to the County Lands; or (ii) cause the MNR Licence to be reissued in the name of DSPI.
- (b) DSPI hereby assumes and shall be responsible for all obligations and liabilities of any kind arising in respect of the MNR Licence, including (i) all rehabilitation work, costs and expenses relating to the County Lands as required under the MNR Licence or otherwise at law, (ii) all accruing rehabilitation obligations under the MNR Licence, and (iii) all applicable levies to The Ontario Aggregate Resource Corporation (the "**TOARC Levies**") under the *Aggregate Resources Act* (the "**Act**") in respect of aggregate materials extracted from the County Lands from and after the date hereof (collectively, the "**Assumed Liabilities**").

#### 2. TERM

The term of this Agreement shall commence on the date hereof and shall continue until the date that the MNR Licence is either transferred and assigned to DSPI or reissued in the name of DSPI, at which time this Agreement shall be null and void and of no further force and effect (the "**Term**"), subject to Section 5 hereof.

#### 3. INDEMNITY

- (a) DSPI shall indemnify and save harmless the County from and against any costs, expenses, claims, damages and any other liabilities incurred by the County relating to the Assumed Liabilities.
- (b) The County shall indemnify and save harmless DSPI from and against any costs, expenses, claims, damages and any other liabilities incurred by DSPI relating to any misrepresentation or breach of any warranty made or given by the County in this Agreement or any failure by the County to observe or perform any covenant or obligation contained in this Agreement.

#### **4. REPRESENTATIONS, WARRANTIES AND COVENANTS**

- (a) The County represents and warrants to DSPI that attached hereto as Schedule A is a true copy of the MNR Licence for the County Lands; the MNR Licence is in full force and effect unamended on the date hereof; and the County has complied with all terms and conditions of the MNR Licence to be complied with by the date hereof and, to the County's knowledge, no event or circumstance exists and is continuing which would constitute a default under the MNR Licence.
- (b) During the Term, the County and DSPI covenant and agree to do all things reasonably necessary (and within their respective powers) to keep the MNR Licence in good standing.
- (c) DSPI covenants and agrees:
  - (i) to provide the County with such assistance as is reasonably required in order to transfer or assign the MNR Licence into the name of DSPI or to have the MNR Licence reissued in DSPI's name; and
  - (ii) abide by and not to be in default under the terms of the MNR Licence or any related provisions of the Act.
- (d) The County covenants and agrees:
  - (i) to take such action as may be reasonably required by DSPI so that the MNR Licence may be transferred to or reissued by the MNR in the name of DSPI;
  - (ii) to pay all TOARC Levies up to the date hereof;
  - (iii) not to do any act, whether by commission or omission, which would, but for the County's such commission or omission: (a) constitute a breach of the MNR Licence; (b) constitute a deemed surrender of the MNR Licence; or (c) cause the MNR Licence to lapse; and
  - (iv) to promptly provide DSPI with a copy of every notice, communication, order or direction which it receives from the MNR regarding the MNR Licence.

## 5. SURVIVAL

The provisions of Sections 3, 6, 7, 8 and 9 hereof shall survive any termination of this Agreement and shall continue in full force and effect notwithstanding any determination by a court or the Parties that one or more other provisions of this Agreement are invalid, contrary to law or unenforceable.

## 6. NOTICES

Any notice, demand or other communication (in this Section, a "notice") required or permitted to be given or made hereunder shall be in writing and shall be sufficiently given or made if:

- (e) delivered in person during normal business hours on any day other than a Saturday, Sunday or such other day on which Canadian chartered banks in Toronto, Ontario are authorized or obligated by law to close or are generally closed (a "**Business Day**") and left with the recipient (for notice delivered to individuals) or with a receptionist or other responsible employee of the recipient at the applicable address set forth below;
- (f) sent by any electronic means of sending messages ("**Electronic Transmission**"), including facsimile transmission and e-mail, during normal business hours on a Business Day, but notice by Electronic Transmission shall only be sufficient if the notice includes or is accompanied by the sender's name, address, telephone number and facsimile number or e-mail address, the date and time of transmission and the name and telephone number of a person to contact in the event of transmission problems and if acknowledgement of the transmission is transmitted to the sender by the recipient or the recipient's electronic system;

in the case of a notice to DSPI, addressed to it at:

225 South Street East  
Durham, ON N0G 1R0  
Attention: President  
E-mail: [paularnill@hotmail.com](mailto:paularnill@hotmail.com)

and in the case of a notice to the County addressed to it at:

and in the case of a notice to the County addressed to it at:

595 9<sup>th</sup> Avenue East  
Owen Sounds, ON N4K 3E3  
Attention: County Clerk  
E-mail:  
With a copy to: Kim Wingrove, Chief Administrative Officer  
E-mail: [Kim.Wingrove@grey.ca](mailto:Kim.Wingrove@grey.ca)  
With a copy to: Michael Letourneau, Director of Legal Services  
E-mail: [Michael.Letourneau@grey.ca](mailto:Michael.Letourneau@grey.ca)

Each notice sent in accordance with this Section shall be deemed to have been received:

- (g) in the case of personal delivery, if delivered before 5:00 p.m. (in the place of receipt), on the day it was delivered; otherwise, on the first Business Day thereafter; or
- (h) in the case of Electronic Transmission, on the same day that it was sent if sent on a Business Day and the acknowledgement of receipt is received by the sender before 5:00 p.m. (in the place of receipt) on such day, and otherwise on the first Business Day

thereafter.

The Parties may change their address for notice by giving notice to the other Parties.

#### **7. FURTHER ASSURANCES**

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power, as the other Parties may in writing at any time and from time to time reasonably request be done and or executed, but at the expense and cost of such other Party, which are required in order to give full effect to the provisions of this Agreement and each document or agreement delivered pursuant to this Agreement.

#### **8. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and enure to the benefit of the successors and permitted assigns of the Parties hereto. DSPI may not assign the rights and benefits of this agreement to an affiliate at any time without the consent of the County, and provided that DSPI shall not be relieved of any obligations under this Agreement and that such assignee assumes the obligations hereunder in favour of the County.

#### **9. SEVERABILITY**

The invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such provisions are declared to be separate, distinctive and severable.

#### **10. FACSIMILE; COUNTERPARTS**

To evidence the fact that a Party has executed this Agreement, such Party may send a copy of its executed counterpart to the other Party by Electronic Transmission and if sent by email, in Portable Document File (PDF) format. In such event, such sending Party will forthwith deliver to the other Party the counterpart of this Agreement originally executed by such Party.

*(Signature page to follow)*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date and year first set forth above.

**DURHAM STONE AND PAVING INC**

Per: \_\_\_\_\_

Name:

Title:

*I have authority to bind the Corporation.*

**THE CORPORATION OF THE COUNTY OF GREY**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

**Schedule "A" To Licence Transfer Agreement**

MNR LICENCE

(see attached)

# SCHEDULE "F"

