

**THE CORPORATION OF
THE TOWNSHIP OF BONNECHERE VALLEY**

BY-LAW NUMBER 2008-03

Being a by-law to authorize the execution of an Agreement for a long term lease between the Township of Bonnechere Valley and the Eganville and District Athletic Association

WHEREAS the Council of the Corporation of the Township of Bonnechere Valley deems it expedient to enter into an agreement whereby the Eganville and District Athletic Association enters into a long term lease agreement with the Township,

NOW THEREFORE the Corporation of the Township of Bonnechere Valley enacts as follows:

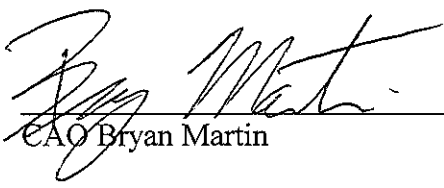
1. THAT the Mayor, or his or her designate, and the Chief Administrative Officer, or his or her designate, be and they are hereby authorized to sign on behalf of the Township of Bonnechere Valley the agreement attached hereto and marked as Schedule "A" to this By-Law.
2. THAT this by-law shall come into force and take effect upon the date of the final passing thereof.

BE READ A FIRST AND SECOND TIME THIS 15th DAY OF JANUARY 2008.

BE DEEMED READ A THIRD TIME AND PASSED THIS 15th DAY OF JANUARY, 2008.



Mayor Yig Mintha



CAO Bryan Martin

THIS LEASE MADE THIS DAY OF 15TH DAY OF JANUARY 2008

BETWEEN

CORPORATION OF THE TOWNSHIP OF BONNECHERE VALLEY

(Hereinafter called the "Lessor" of the First Part)

- and -

EGANVILLE & DISTRICT ATHLETIC ASSOCIATION

(Hereinafter called the "Lessee" of the Second Part)

Whereas:

1. The Lessee is a community organization in the Township of Bonnechere Valley.
2. The Lessee has significant community support and has successfully operated a curling club on the premises hereinafter described.
3. The Lessor and Lessee are desirous to provide a location of some permanence for the curling club in order that the Lessee organization may grow and flourish.
4. The Lessor is the owner of the lands described in Schedule "A", together with all buildings and structures erected thereon;
5. The Lessor has agreed to lease a significant portion of the lands described in Schedule 'A', on the terms and conditions hereinafter set out;

In consideration of the rents, covenants and agreements reserved and contained on the part of the Lessee to be paid, observed and performed, the Lessor and the Lessee agree as follows:

1. Premises

(1) The Lessor doth demise and lease unto the Lessee and the Lessee doth lease and take from the Lessor, for the purpose of operating a Eganville & District Athletic Association, said portion of lands to include a Curling Rink related presentations or performances, for the term mentioned, and upon the terms and conditions set out in this indenture, all those certain lands as described in Schedule "A" attached hereto.

(2) To have and to hold the demised portion of land for a term of twenty (20) years commencing on the 1st day of January 2008 and terminating on the 31st day of December 2028 subject to the right of termination as set out in clause 16.

2. Rents

(1) Yielding and paying for the first year of the term unto the Lessor the sum of \$1.00 per annum in advance on the first day of each and every year of the said term.

(2) The Lessee agrees to pay all of the following expenses during the said term:

- (a) All utilities
- (b) Maintain facility in accordance with building code Act and municipal property standards by-law.

(3) The Lessee agrees to comply with the following matters during the said term:

- (a) To set reasonable hours that the Curling Rink will be open to the public on a day-to-day basis, seasonally, or by appointment.

- (b) To provide a list of its officers following each annual general meeting, and to provide the name of any advisory, non-voting member who may be elected to a mutual contact role.

3. Termination

At any time after five (5) years if either party wishes to terminate this lease, then it shall have the right to so terminate this lease upon giving the other party at least twenty-four (24) months' written notice of its desire to do so.

4. Renewal

In the event the lease continues to the end of the term and the Lessee is desirous of renewing the lease, the Lessee agrees to give the Lessor a minimum of three (3) year's written notice prior to the end of the term of its wish to renew the said lease. The Lessor and Lessee agree to immediately commence negotiations which may continue up to and including two years before the end of the term. In the event the Lessor and Lessee have not reached an agreement prior to two year's before the end of the said term, the Lessee agrees, unless written confirmation otherwise is provided by the Lessor, to immediately develop and implement plans for vacating the premises at the end of the said term.

5. Parking

The Lessee shall be entitled to the use of parking spaces on the portion of lands designated for this purpose adjacent to the lands upon which the building is situated.

6. Payment of Rent

The Lessee covenants with the Lessor to pay the rent.

7. Quiet Enjoyment

The Lessor covenants with the Lessee for quiet enjoyment, subject to the terms herein.

8. Taxes

In the event that the demised premises are liable for municipal taxes, the **Lessor shall pay** any and all municipal taxes, including local improvements assessed against the demised premises at any time during the term.

9. Assignment

The Lessor and the Lessee covenant and agree that the Lessee shall not at any time assign this lease or sublet any part or parts of the premises without the written consent of the Lessor. The Lessee agrees that the Lessor may demand very stringent conditions if such an assignment is requested and may refuse such an assignment having regard to the fact that the Lessor is paying virtually all of the expenses relating to the demised premises. In the event that such an assignment is requested, notwithstanding paragraph 3, the Lessor may accelerate the notice required to terminate this lease and the lessor may terminate such lease upon six (6) month's written notice at any time during the said term.

10. Lessee's Default

This indenture provides for recovery of lands by the Lessor for non- performance of covenants.

11. Liability and Indemnity of Landlord

(1) The Lessor and Lessee covenant and agree that the Lessor shall not be liable or responsible in any way for personal or consequential injury of any kind whatsoever that may be suffered or sustained by the Lessee, or any employee, agent or invitee of the Lessee, or any other persons who may be upon the lands and premises or for any loss, theft, damage or injury to any property upon the lands and premises however caused.

(2) With the exception of claims arising as a result of the Lessor's negligence or arising as a result of the Lessor's failure to fulfill its obligations set out in this agreement, the Lessee covenants to indemnify the Lessor against all claims including construction lien claims by any person arising from any want of maintenance thereof or anything done or admitted on or in the vicinity of the demised lands and premises or any other thing whatsoever, whether arising from any breach or default or from any negligence by the Lessee, its agents, contractors, employees, invitees or licensees, or from any accident, injury or damage or any other cause whatsoever, and such indemnity shall extend to all costs, counsel fees,

expenses and liabilities which the Lessor may incur with respect to any such claim.

12. Insurance

(1) The Lessor shall insure the building against insurable risks, be responsible for placing insurance upon the contents of the demised premises.

(2) The Lessor agrees to provide by way of comprehensive public liability insurance pertaining to the demised premises in the amount of \$5,000,000.00 with the Lessor as an additional name insured and a provision for cross-liability under the insurance policy, and to furnish the Lessee with an updated certificate of insurance throughout the term. The Lessee agrees to pay the lessor the cost of providing such insurance coverage.

13. Repairs

(2) The Lessee covenants with the Lessor:

(a) That the Lessor may enter and view the state of repair

(b) To provide adequate supervision at all times the building is open to ensure that the building is not damaged by third parties during hours of operation

14. Maintenance

(1) The Lessor shall maintain the surrounding recreational grounds.

15. Alterations, Partitions, Improvements

(1) Before undertaking any permanent alterations, the Lessee shall submit to the Lessor a plan showing the proposed alterations and shall obtain the approval and consent of the Lessor to the same.

(2) All such alterations shall conform to all building regulations then in force affecting the demised premises.

(3) It is understood and agreed that, notwithstanding the other provisions of this lease, if the building is damaged or destroyed by fire, lightning or tempest or by other casualty against which the Lessee is insured, so as to render the building unfit for the purpose of the Lessee or incapable of access, the rent hereby reserved or a proportionate part thereof, according to the nature of the damage to the building, shall abate until the demised premises are rebuilt. The Lessee agrees that it will with reasonable diligence repair the said building and make the same capable of access. If the building is damaged or destroyed by any cause whatsoever such that in the opinion of the building inspector of the Lessor the building cannot be rebuilt or made fit for the purposes of the Lessee within 120 days of the damage or destruction, the Lessee may at its option terminate this lease by giving to the Lessor within 120 days after such damage or destruction, notice of termination and thereupon rent and any other payment for which the Lessee is liable under this Lease shall be apportioned and paid to the date of such damage and the Lessee shall immediately deliver up possession of the lands to the Lessor.

16. Termination

It is mutually agreed that if the Lessee defaults in performing any of the terms, covenants or provisions of this lease, the Lessor may forward notice in writing of such default to the Lessee. Failure of the Lessee to cure such default to the satisfaction of the Lessor within 90 days after the date of receipt of such notice shall, at the option of the Lessor, work as a forfeiture of the lease and shall give the Lessor the right, at its option, to treat this lease as cancelled and terminated. The term and estate vested in the Lessee, as well as all other rights of the Lessee under this lease, shall immediately cease and expire as fully and with like effect as if the entire term provided for in this lease had expired, and the Lessor shall make use of the lands, with or without process of law, and all improvements which may have been made upon said lands thereon, the Lessee waiving any demand for possession thereof; and all improvements made upon said lands shall be forfeited and become the property of the Lessor as liquidated damages without compensation therefore to the Lessee.

17. Notice

Any notice to be given pursuant to this lease shall be sufficiently given if served personally upon the party or an officer of the party for whom it is intended, or mailed, prepaid and registered; in the case of the Lessor addressed to it care of the Chief Administrative Officer, the Corporation of the Township of Bonnechere Valley, 49 Bonnechere Street, P.O.

Box 100, Eganville, Ontario K0J 1T0, and, in the case of the Lessee, the Eganville & District Athletic Association, c/o Dave Tantalo, Secretary, Eganville & District Athletic Association, 9203 Highway 60, Eganville ON K0J 1T0, or such other address as the parties may designate by notice in writing. The date of receipt of any such notice shall be deemed to be the date of delivery, if such notice is served personally or, if mailed, three (3) days after such mailing.

18. Payments

All payments under this lease shall be made to the Lessor, the Corporation of the Township of Bonnechere Valley, to the attention of the Chief Administrative Officer.

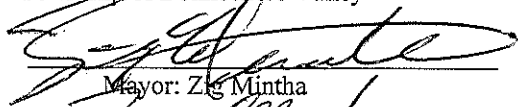
19. Time of Essence

Time shall be of the essence, save as otherwise provided in this lease.

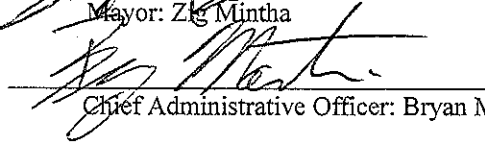
In witness whereof the parties have affixed their respective corporate seals attested by the hands of their respective officers duly authorized in that behalf.

Corporation of the
Township of Bonnechere Valley

Per:



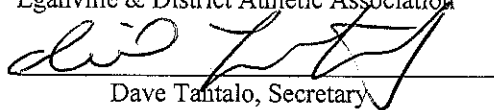
Mayor: Zig Mintha



Chief Administrative Officer: Bryan Martin

Eganville & District Athletic Association

Per:



Dave Tantalo, Secretary

We have the authority to Bind the Corporation