

THIS AGREEMENT MADE BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF SOUTH HURON
(hereinafter the "Municipality")

OF THE FIRST PART

- and -

ERIC ROY CAMPBELL AND ELIZABETH ELAINE CAMPBELL
(hereinafter jointly and severally the "Licensee")

OF THE SECOND PART

WHEREAS the Licensee is the registered owner of the lands and premises more particularly described in paragraph 1, Schedule "A" attached hereto (the "Licensee's Property");

AND WHEREAS the Municipality is the owner of abutting lands more particularly described in paragraph 2, Schedule "A" (the Municipality's Property);

AND WHEREAS the Licensee was authorized by the former Town of Exeter to make and maintain improvements upon the Municipality's Property related to its automobile dealership and the Municipality has agreed to continue to permit the Licensee to maintain such improvements upon the condition that the Licensee enter into a new License Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT IN CONSIDERATION OF THE PREMISES AND THE COVENANTS HEREINAFTER SET FORTH, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT WHEREOF IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO COVENANT AND AGREE WITH EACH OTHER AS FOLLOWS:

1. LICENCE

The Municipality hereby authorizes the Licensee to maintain a portion of its paved vehicle display/parking area along with associated curbs and/or landscaping (hereinafter referenced as "the Encroachment") on that portion of the Municipality's Property identified in Schedule A (hereinafter the "Licensed Area"), subject to the terms and conditions set out herein.

2. INDEMNIFICATION FROM LIABILITY AND RELEASE

The Licensee covenants and agrees with the Municipality that the Licensee will indemnify and save harmless the Municipality, its officers, servants, officials and agents from any claim or demand, loss, cost, charge or expense which the Municipality may incur or be liable for in consequence of the permission hereinbefore granted and/or the exercise by the Licensee of such permission and/or the Encroachment or anything in any matter related thereto.

The Licensee hereby releases and forever discharges the Municipality, its officers, servants, officials and agents from any claim, demand, loss, cost, charge or expense which may arise as a result of the Municipality performing any municipal work on the Municipality's Property which may damage or interfere with the Encroachment.

3. TERM

This Licence Agreement shall be effective upon the date of execution by the Municipality and shall continue for a period of twenty (20) years subject to the termination provisions hereinafter set forth.

4. TERMINATION OF AGREEMENT

- (a) This Agreement may be terminated by the Municipality on the following terms and conditions:
 - (1) upon eighteen (18) months' notice in writing by the Municipality to the Licensee whereupon the Municipality, in its sole discretion, has determined that the Municipality's Property is required for public highway and/or transportation services including without limitation pedestrian/bicycle traffic and/or the location of municipal services infrastructure (water, sewer, utilities);
 - (2) the Licensee is in default under any of the terms of this Agreement and has been given notice of such default and such default has not been corrected within fifteen (15) days of receiving such notice;
 - (3) the Encroachment has been demolished or otherwise removed from the Municipality's Property.
- (b) This Agreement will automatically terminate upon the registration of a transfer of the Licensed Area from the Municipality to the Licensee.

5. NO INTEREST IN LAND

- (a) The Licensee acknowledges that This Agreement shall in no way create any interest in land or easement rights.
- (b) The Licensee acknowledges that the Municipality remains a component of an unassumed public highway over which the right of public travel exists.

6. CONSTRUCT, REPAIR AND REMOVAL

In consideration of the permission and consent hereby given, the Licensee

- (a) shall, at its own expense, obtain all required governmental approvals related to and/or necessary for the Encroachment;
- (b) shall, at its own expense, keep and maintain the Encroachment in good and proper repair and condition;
- (c) shall, upon termination of this Agreement, forthwith remove the Encroachment and repair any damage caused to the Licensed Area at the sole expense of the Licensee without being entitled to any compensation whatsoever.

If the Licensee fails to construct, repair or remove the Encroachment as required by this Agreement, the Municipality may alter, repair or remove the same at the expense of the Licensee and the Certificate of the Clerk of the Municipality as to the expense thereof shall be final and binding upon the Licensee, and the Municipality may recover the same from the Licensee in any court of competent jurisdiction as a debt due and owing to the Municipality.

7. INSURANCE CERTIFICATE AND POLICY

- (a) Policy of Insurance - The Licensee shall lodge with the Municipality, on or prior to the execution of the Agreement, an insurance certificate with an Insurance Company satisfactory to the Municipality, and insuring for the joint benefit of the Licensee and the Municipality against any liability that may arise as a result of any use or occupation of the Municipality's Property and/or in relation to or as a consequence of the exercise of the authorization granted hereunder.

- (b) Comprehensive General Liability - Such policy shall carry limits of liability in the amount to be specified by the Municipality, but in no event shall it be less than \$5,000,000.00 inclusive comprehensive general liability and such policy shall contain:
- (1) a cross-liability clause;
 - (2) product/completed operation coverage;
 - (3) shall include the Corporation of the Municipality of South Huron as an additional insured;
 - (4) Notice of Cancellation - a provision that the insurance company agrees to notify the Municipality 15 days in advance of any material change or cancellation of the said insurance policy; and
 - (5) Certificate of Coverage - Any certificate of coverage filed with the Municipal solicitor shall specifically contain confirmation that the coverage as specified in the paragraphs above is in effect.
- (c) Confirmation of Premium Payment - The Licensees shall, from time to time as required by the Municipality, provide confirmation that all premiums on such policy or policies of insurance have been paid, and that the insurance is in full force and effect. The Licensees shall file a copy of the policy with the Municipality.
- (d) Claim in Excess of Policy Limits - The issuance of such Policy of Insurance shall not be construed as relieving the Licensees from responsibility for other or larger claims, if any, and for which it may be held responsible.

The Licensee shall also ensure that any contractor who is constructing, repairing or removing the Encroachment shall have public liability (personal injury and property damage) insurance in the amount of at least Five Million Dollars (\$5,000,000.00). Such construction, repair or removal of the Encroachment shall not include routine maintenance such as snow removal or landscaping. The Licensee shall provide to the Municipality current certificates of the foregoing insurance prior to execution of the Agreement by the Municipality and from time to time thereafter as requested by the Municipality.

8. LICENCE NON-TRANSFERABLE

The Licence hereby granted may not be transferred by the Licensee without the prior consent in writing of the Municipality which approval shall not be withheld provided the transferee continues to operate and use the Municipality's Property for purposes associated with the sale of motor-vehicles and the operation of a motor-vehicle dealership and said transferee executes and Assumption Agreement.

9. RIGHT OF FIRST OFFER

If, at any time during the Term of this agreement, the Municipality receives a *bona fide* offer to purchase the Municipality's Property, it shall first provide an opportunity for the Licensee to enter into an agreement with the Municipality to purchase the Municipality's Property on the same terms as are in such offer. Additionally, if, at any time during the Term of this agreement, the Municipality wishes to market the Municipality's Property for sale, it shall first make a good faith attempt to enter into an agreement to sell the Municipality's Property to the Licensee on terms satisfactory to both parties.

10. EXPENSES/FEESTO BE PAID BY THE LICENSEE

- (a) Every provision of this Agreement by which the Licensee is obligated in any way shall be deemed to include the words "at the expense of the Licensee" unless the context otherwise requires. The Licensee shall pay such fees as may be invoiced to the Municipality by its Solicitor for the preparation of this agreement prior to execution by the Municipality. Failure to pay such invoices within the time periods set out in this Agreement or in the invoices shall be considered a default of this Agreement.
- (b) The Licensee shall lodge with the Municipality those cash deposits more particularly described in Schedule "B", prior to the date of execution of this Agreement by the Municipality.
- (c) Annual Fee – The Licensee shall pay to the Municipality an annual fee of \$1,000.00 payable not later than January 30th each calendar year.

11. NOTICE

For the purpose of This Agreement, notice may be given to the Licensee by personal service or regular mail to the address shown on the last transfer registered against the Licensee's Property and such notice shall be deemed to have been given and received on the fifth day after mailing.

12. ESTOPPEL OF LICENSEE

The Licensee agrees to not call into question directly or indirectly in any proceeding whatsoever, in law or in equity, or before any administrative tribunal, the right of the Municipality to enter into This Agreement and to enforce each and every term, covenant and condition herein contained and This Agreement may be pleaded as an estoppel against the Licensee in any such proceedings.

12. SCHEDULES

The following schedules form part of this Agreement:

- Schedule "A" - Descriptions
- Schedule "B" – Deposits and Fees

This AGREEMENT SHALL enure to the benefit of and be binding upon the parties hereto and their permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed and set their hands and seals on This Agreement:

By the Municipality on the day of , 2025.

THE CORPORATION OF THE
MUNICIPALITY OF SOUTH HURON

Per:

Mayor: George Finch

Per:

Clerk: Alex Wolfe

By the Licensee on the day of , 2025.

SCHEDULE "A"

DESCRIPTIONS

1. The Licensee's Property

FIRSTLY: LT 819 PL 376 EXETER; LT 820 PL 376 EXETER; LT 821 PL 376 EXETER; LT 822 PL 376 EXETER; LT 826 PL 376 EXETER; LT 827 PL 376 EXETER; LT 829 PL 376 EXETER; LT 830 PL 376 EXETER; LT 831 PL 376 EXETER; LT 832 PL 376 EXETER; PT LT 828 PL 376 EXETER PTS 1 & 2, 22R2613; S/T R266222; MUNICIPALITY OF SOUTH HURON; PIN 41236-0129 (LT)

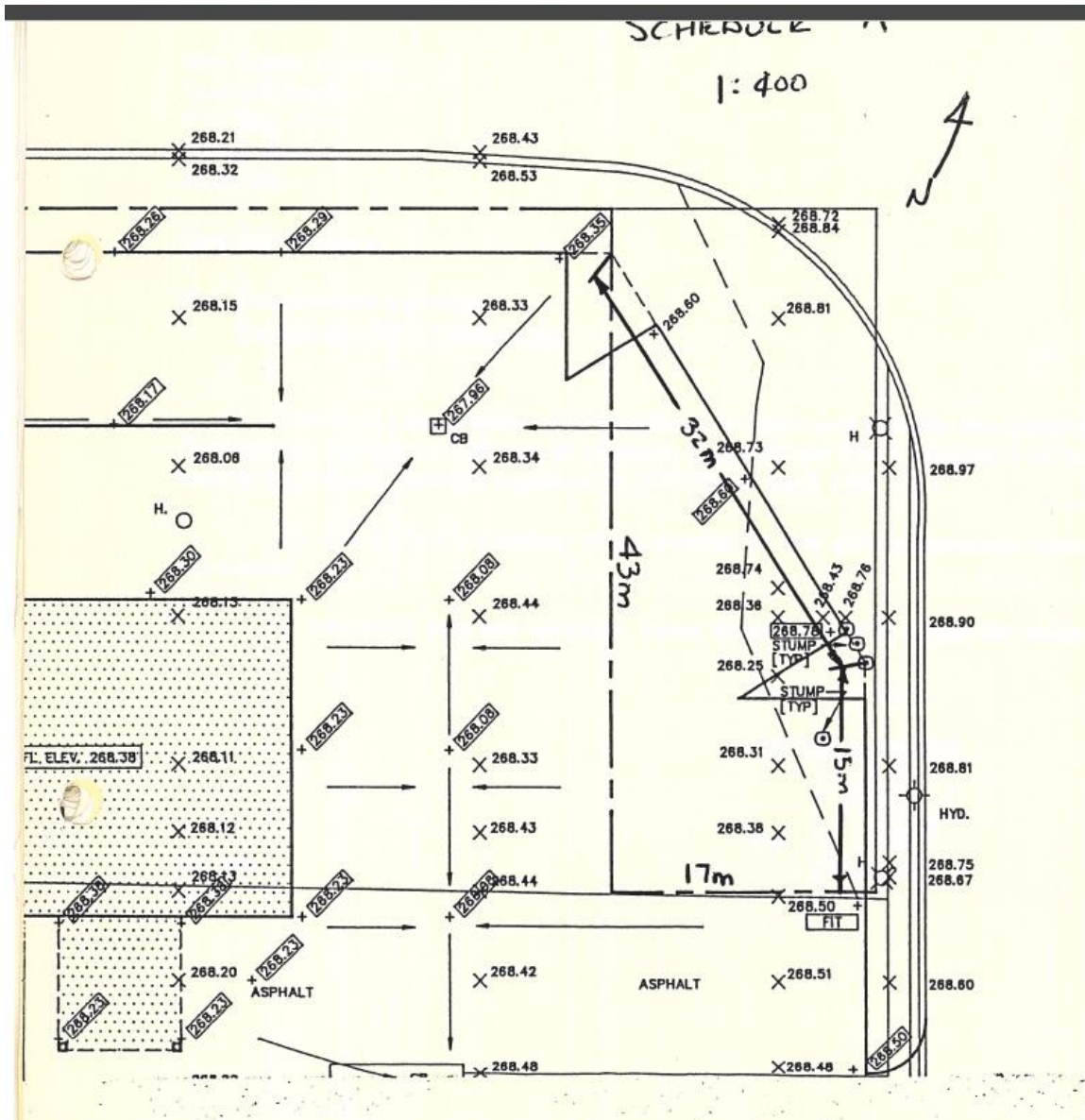
SECONDLY: PT LT 823 PL 376 EXETER; PT LT 824 PL 376 EXETER; PT LT 825 PL 376 EXETER AS IN R260818; MUNICIPALITY OF SOUTH HURON; PIN 41236-0047 (LT)

2. The Municipality's Property

The lands described in PIN 41234-0167 (LT).

3. Licensed Area

The Licensed Area is that area within the quadrilateral measuring 32m x 15m x 17m x 43m depicted below.



SCHEDULE "B"

CASH DEPOSITS AND ANNUAL LICENSE FEE

The Licensee shall, on the dates specified herein, lodge with the Municipality, the following described cash deposits and payments.

1. CASH DEPOSITS

The following cash deposits are estimates only and are to be paid to the Municipality, as applicable, prior to the execution of this Agreement by the Municipality. In the event that the actual costs incurred by the Municipality exceed the deposits, such excess shall be invoiced to the Licensee(s) and be due and payable 30 days after demand.

For legal, planning and engineering expenses
and disbursements in connection with this
Agreement, a deposit of NIL.

ANNUAL FEE \$1,000.00