

Now Therefore, in consideration of the Town granting the Owner permission to commence installation of the Works on or in the Land within the plan of development 41T-16-03.44 prior to the execution of the Subdivision Agreement and the mutual covenants contained herein, and other good and valuable consideration, the parties hereto agree and acknowledge as follows:

Pre-Servicing at Owner's Risk

1. The Owner acknowledges and agrees that the installation, construction or provision of the Works to the Lands or external to the Lands is at its sole and complete risk and that there have been no representations from the Town. The Owner acknowledges and agrees that, should the Plan for this development for any reason be refused final approval and the Plan is not registered, any pre-servicing authorized under this Agreement shall cease and the Owner agrees to accept full responsibility and obligation, financial and otherwise, for all servicing provided and Works that have been constructed or installed. Should the Plan be refused final approval, the Owner agrees to remove any or all Works or portions of Works if so requested by the Town and to rectify any situation including all making restoration as a result of construction to the satisfaction of the Town, if requested by the Town to do so.

Modifications May Be Required to Engineering Drawings and Plans

2. The Owner acknowledges and agrees that the engineering design drawings and plans as submitted have been conditionally accepted by the Town. The Owner agrees that it may be required to make modifications and alterations and to relocate and reconstruct some or any portions of the Works at its sole cost and expense, due to site conditions or unforeseen circumstances.

Written Acceptance of Pre-Servicing by Town Required

3. The Owner acknowledges and agrees that the Works for which pre-servicing may proceed must be approved in writing by the Town, and that only those Works that have been approved in writing may be constructed in accordance with the provisions of this Agreement and all other requirements of the Town and its engineers.

Town May Require Pre-Servicing to Stop

4. The Owner acknowledges and agrees that if the Works, as set out in the engineering design drawings, are not being carried out in an acceptable manner and the development of the Plan is not proceeding expeditiously to the satisfaction of the Town, the Town, acting reasonably, will have the right to require the Owner to cease any or all construction activities, by written notice to the Owner in accordance with Clause 24 of this Agreement.

Estimated Costs

5. The Owner acknowledges and agrees that the total estimated costs of the Works to be constructed pursuant to this Agreement are set out in Schedule "C". The Owner acknowledges and agrees that Schedule "C" is only a preliminary estimate and that additional work may be required prior to the acceptance of the Works by the Town. The Owner further acknowledges that the amounts set out in Schedule "C" are estimates only and that the actual cost will be based on tender prices.

Professional Engineer

6. The Owner covenants and agrees to retain a consulting Professional Engineer (the "Engineer"), skilled and experienced in municipal work, to design, supervise, layout, inspect and certify the works, and to be responsible to the Town for the design, supervision, layout, inspection, maintenance and remedies until the time of final acceptance of the Works. The engineer shall maintain records and provide "record plans" to the Town for works undertaken and provide payment certificates for substantial performance under the Construction Lien Act.

Costs of Checking Plans and Specifications

7. The Owner agrees to pay the Town and/or its agents the ongoing reasonable costs for legal, planning, administrative, public works and engineering costs for the checking and verification of plans and specifications, and for the inspection of the Works on behalf of the Town.

At Owner's Cost

8. Every provision of this Agreement by which the Owner is obligated in any way is deemed to include the words "at the expense of the Owner and to the Town's satisfaction", unless specifically stated otherwise.

Town to Have Unrestricted Access to Lands

9. The Owner agrees to permit unrestricted access to the Lands to the Town and its agents and to the various authorities involved with approval of the Plan and construction of the Works for the purpose of inspection of the construction activities and the Works.

Regular Municipal Inspections

10. The Town will make regular site inspections as deemed necessary to ensure that construction methods conform to acceptable engineering practice and in accordance with the accepted drawings and specifications. If, in the opinion of the Town, acceptable supervision is not being provided or construction is not satisfactory, the Town will have the authority to order that construction operations cease by providing written notice to the contractor in charge of the construction or to the Owner's Engineer. A copy of this clause shall be delivered by the Owner to each and every contractor engaged for construction of the Works and to the Engineer.

Siltation and Erosion Control

11. The Owner agrees to complete the Works as required by the agencies where they relate to pre-servicing and construction activities and to provide and maintain all siltation and erosion control facilities during and after construction to the satisfaction of the Town, the Conservation Authority for the entirety of the lands.

Owner's Solely Responsible for Design, Plans and Specifications

12. Notwithstanding any acceptance of the engineering design given by the Town, neither the Town nor the Consulting Engineer retained by the Town shall in any way be responsible for the design drawings, plans or specifications and the Owner shall bear sole responsibility for the soundness of the engineering design and for ensuring that the Works required to be constructed will function as intended and will be compatible with the final approved services.

No Connection to Municipal Services

13. The Owner expressly covenants and agrees not to connect any Works to any municipal or public services on any Town or public right-of-way, except as may be permitted by the Director of Development Services, or designate.

No Work on Lands Not Owned By Owner Without Written Consent

14. The Owner acknowledges and agrees that no work shall be carried out on lands not owned by it without the written consent of the owner of such lands and that such consent shall be forthwith filed with the Town.

Other Approvals

15. The Owner agrees that it shall forthwith obtain any and all other governmental approvals necessary for the Works and that it shall submit to the Town all the normal and usual plans and documents that may be required by the Town.

Stormwater Flows and Sediment Wash-off

16. The Owner covenants and agrees to take any and all necessary steps, to the satisfaction of the Town, to ensure that storm water flows and sediment wash-off is controlled to the extent that downstream lands are protected from nuisance and/or damage.

Insurance

17. (a) The Owner agrees to file with the Town, prior to commencement of the Works provided for in this Agreement, a public liability insurance policy in an amount of no less than five million dollars (\$5,000,000.00) (subject to the Town's right to set higher limits if it considers necessary) naming the Town and the Engineer, as co-insured, for insurance against all damages or claims for damages. The form, content and type of insurance policy are to be subject to approval by the Town. The Owner shall keep the aforesaid insurance policy in effect until the guaranteed maintenance period has expired and the Works have been assumed by the Town.
- (b) The premiums for the insurance policy shall initially be paid for a period of one (1) year. Upon execution of this Agreement and prior to commencement of each policy year the Owner shall provide a copy of the policy to the Town indicating full payment.
- (c) The issuance of the policy of insurance shall not be construed as relieving the Owner from responsibility for other or larger claims, if any, for which it may be held responsible.

Tree Removal

18. The Owner shall remove only those trees required for the installation of Works comprising underground services, as determined in the field by the Engineer and as approved by the Town in writing.

Security

19. (a) In order to guarantee the due performance of its covenants in this Agreement, the Owner shall, prior to execution of this Agreement, provide the Town with a Letter of Credit ("Letter of Credit") or cash security in addition to any monies previously deposited with the Town in the amount of 20% of the total estimated cost of the entire Works within the limits of the Plan and 100% of the total cost of the entire Works external to the Plan. The estimated value of the Works is outlined in Schedule "C".
- (b) The Letter of Credit or cash security shall comprise of an irrevocable letter of credit from a Canadian Chartered Bank issued in accordance with terms satisfactory to the Town's Treasurer in the form set out in Schedule "D" and shall provide that if in the sole opinion of the Town, there is a default under the terms of this Agreement the Letter of Credit or cash security may thereupon be drawn or cashed in whole or in part.
- (c) Except as may be permitted by the Director of Development Services, or designate, the Owner acknowledges and agrees that no reduction in the amount of the Letter of Credit filed by the Owner with the Town in accordance with the terms of this Agreement shall be permitted until such time as the Owner has entered into a Subdivision Agreement with the Town for the Lands. Thereafter, any reductions in the Letter of Credit posted by the Owner shall be completed in accordance with the terms of the said Subdivision Agreement.
- (d) Prior to Registration of any Subdivision Agreement, securities shall be revised to represent 100% of the cost of uncompleted works, and 15% for complete works within Phase 2B. Complete works will be defined as works which have been accepted by the Town as acceptable to be placed on the Maintenance period.

Deposit

20. (a) Prior to execution of this Agreement, the Owner shall deposit with the Town a cash deposit in the amount of 0.5% of the cost of the Works, as outlined in Schedule "C", for engineering fees for the review of drawings and supervision of the performance of the Works to a maximum of \$50,000.00 and a cash deposit of \$5,000.00 in respect of Town's legal costs attributable to this Agreement and other legal advice related to the

development contemplated by this Agreement. The Owner agrees to reimburse the Town for all legal costs incurred.

- (b) The Owner agrees that any accounts relating to engineering and legal work that are not covered by the deposit must be paid within thirty (30) days of submission by the Town and, if not paid within thirty (30) days, the Town shall, at its discretion, be entitled to draw on the aforementioned Letter of Credit or cash security for payment of any outstanding accounts plus an administration fee of \$100.00 per outstanding account together with interest at the rate of the prime rate of the Town's Bank from the date the invoice was first issued. If the Town draws on the Letter of Credit to pay any outstanding accounts, the Owner is considered to be in default of this Agreement in which case, the Town, at its sole discretion, may issue a stop work order and the Owner agrees that no work may proceed until such time as the Letter of Credit is increased to its original amount.

Limited Construction Access

21. The Owner covenants and agrees to:

- (a) limit construction access to such roads as the Town may determine from time to time;
- (b) maintain all access roads in good repair at all times and meet all the requirements of the Town's Infrastructure & Development Services Department if public roadways are involved; and
- (c) provide dust control in order to prevent any dust problem to traffic or home occupants.
- (d) provide nightly access to the residences/properties during the construction period, if necessary.
- (e) provide notification to residents for service disruptions at least 48 hours in advance of such service disruptions.
- (f) Within reason, accommodate local traffic to the best of the Owner's ability.
- (g) coordinate all on site requirements from the Town, Ontario Clean Water Agency, other utilities as necessary and to host a pre-construction meeting with all relevant parties.
- (h) post a construction signs(s) per provincial standards.
- (i) complete a road closure application for notification to emergency services, if necessary.
- (j) Restrict vehicular access for construction purposes via approved roads as authorized by the Director, Infrastructure & Development Services.

Signage

22. The Owner agrees to construct, at its expense, signs at each access point to the Lands stating that the property is "PRIVATE PROPERTY" and "NO ACCESS IS PERMITTED AT ANY TIME". The signs shall be at least 1.2 metres by 1.2 metres and the lettering and colouring shall be to the Town's satisfaction. The signs shall not be removed until the Subdivision Agreement has been executed at which time signs as required by the Subdivision Agreement must be posted in their place. The Owner acknowledges that all roads on the Lands are private roads and the Town is under no obligation to assume or maintain them.

Town Not Obligated to Complete Any Outstanding Works

23. The Owner agrees that should it fail to complete any of the Works contemplated by this Agreement, the Town is under no obligation whatsoever to complete all or any portion of the Works but the Town has the right to complete the Works if it chooses to. Notwithstanding the foregoing, the Owner agrees that the Town

shall, at its sole discretion, have the right to enter onto the Lands to take whatever action it deems necessary to safeguard the health and welfare of the residents of the Town including, but without limiting the generality of the foregoing, to filling in holes, blocking off access, posting signs and leveling terrain, at the Owner's expense. The Owner further agrees to indemnify the Town, its agents or servants, from any and all claims that may arise as a result of any actions taken by the Town pursuant to this clause.

Notice

24. Where this Agreement requires notice to be delivered by one party to the other, such notice shall be in writing and delivered either personally or by facsimile transmission by one party to the other party at their addresses and facsimile numbers noted below. Such notice shall be deemed to have been given, if by personal delivery, on the date of delivery, and if by facsimile transmission or e-mail, on date of delivery of electronic confirmation of receipt obtained:

(a) To the Town:

The Corporation of the Town of Saugeen Shores
P.O. Box 820
600 Tomlinson Drive
Port Elgin, ON
N0H 2C0
Attention: Dawn Mittelholtz, Clerk
Phone: (519) 832-2008
Fax: (519) 832-2140
Email: clerk@saugeenshores.ca

(b) To the Owner:

Barry's Construction and Insulation Ltd.
7839 Highway 21, Box 30, RR#2
Allenford, ON
N0H 1A0
Attention: Stuart Doyle
Phone: (519) 934-3374
Fax: (519) 934-3461
Email: stu@barrysconstruction.ca

or such other address as the Owner has provided to the Town Clerk in writing and any notice faxed or delivered shall be deemed good and sufficient notice under the terms of this Agreement.

Indemnity

25. (a) The Owner agrees to indemnify and save harmless the Town and its agents or servants against all actions, causes of action of any kind including causes of action of negligence, suits, claims and demands whatsoever in tort, contract or otherwise which may arise either directly or indirectly by reason of the Owner undertaking pre-servicing pursuant to this Agreement.
- (b) It is specifically understood and agreed that inspections of any aspect of construction, review by the Town or any damage or interference resulting from winter road maintenance or any other works or actions undertaken by the Town, its agents or servants (which are hereinafter specifically agreed to be acting as agents of the Owner with respect to such work) shall impose no liability upon the Town to the Owner and the Owner specifically agrees that it will make no such claim.

Severability

26. If any of the provisions of this Agreement are found by a court of competent jurisdiction to be unenforceable it shall not affect the enforceability of each and every other clause contained herein.

Transfer of Ownership

27. In the event of any transfer of any beneficial ownership of interest in the Lands or in the event of any change in the ownership of the principals of the Owner, then, at the sole discretion of the Town, this Agreement may be terminated upon written notice by the Town being provided in accordance with Clause 24.

Successors

28. The Owner shall require this agreement to be assumed by any successor in title, to the effect that the obligations and covenants herein shall be binding upon the executors, administrators, successors and assigns.

Schedules

29. The following schedules attached hereto form an integral part of this Agreement:
 - (a) Schedule "A" – Legal Description of the Lands;
 - (b) Schedule "B" – Drawings and Reports;
 - (c) Schedule "C" – Estimated Construction Costs; and
 - (d) Schedule "D" – Form of Letter of Credit

Registration of Agreement

30. The Owner covenants and agrees that this Agreement and any schedules attached hereto or a Notice may be registered upon title to the Lands and that such registration shall be at the instance of the Town and at the Town's sole and absolute discretion. The Owner further covenants and agrees to pay all costs associated with the preparation and registration of this Agreement, as well as all other costs incurred by the Town as a result of the registration of any other documents or instruments pertaining to this Agreement, including but not limited to, any amendment thereto.

No Fettering of Discretion

31. Notwithstanding any other provision of this Agreement, the Owner expressly acknowledges and agrees that none of the provisions of this Agreement (including a provision stating the parties' intention) is intended to operate, nor shall have the effect of operating, in any way to fetter the discretion of the Town and its Council in the exercise of any of its discretionary power, duties or authorities, including without limitation, the authority to approve, approve with conditions or deny draft plan approval of the Plan filed by the Owner. The Owner expressly acknowledges and agrees that it will not obtain any advantageous planning or other consideration or treatment, including approval of a draft plan of subdivision for the Lands, by virtue of it having entered into this Agreement.

No Building Permits Until Registration of Plan

32. Except as may be provided in a model home agreement with the Town, the parties agree that the provisions of this Agreement constitute "other applicable law" pursuant to the Building Code Act, 1992, S.O. 1992, c. 23, as amended, and that the Owner expressly agrees to not apply for any building permits until final approval of the Plan has been obtained and a Subdivision Agreement is registered on title to the Lands and that this provision may be pleaded by the Town in any action or proceeding as an estoppel of any denial of such right.

Requirements of Subdivision Agreement

33. The parties acknowledge and agree that this Agreement is not intended to replace the requirement for a Subdivision Agreement pursuant to s.51 of the Planning Act.

Restrictions to Servicing the Lands

34. The Owner agrees that servicing of the Lands is not permitted and services are not to be constructed until a separate agreement is entered into and securities are in place in support of that separate agreement.

Revocation of Grant

35. Upon the execution by both the Owner and the Town of the Subdivision Agreement contemplated herein, the posting of such payments and securities by the Owner as may be required thereunder, and the registration of the plan of subdivision, this Agreement, along with the grant of permission accorded herein, shall be automatically revoked, and any unexpended portion of the Deposit shall be returned to the Owner forthwith.

Survival

36. Any covenants contained herein, any outstanding payment obligations and those provisions contained in Clause 25 shall survive indefinitely the termination of this Agreement.

Compliance with By-laws, Rules and Regulations

37. The Owner agrees to comply with all federal, provincial and municipal laws, rules, regulations, and by-laws.

The Remainder of this page is intentionally left blank

In Witnesseth Whereof the Parties hereto have hereunto affixed their corporate seals under the hands of their officers properly authorized in that behalf.

Signed, Sealed & Delivered

Barry's Construction and Insulation Ltd.

Per:

Barry Kruisselbrink

Barry Kruisselbrink
President

I have authority to bind the corporation.

The Corporation of the Town of Saugeen Shores

Per:

Luke Charbonneau, Mayor

Sarah Bonderud, Deputy Clerk

We have authority to bind the corporation.

Schedule "A"

Legal Description of the Lands

PIN: 33268-2274

PT LT 46 CON LAKE RANGE TWP OF SAUGEEN, BEING PART 1, 3R9874 SAVE &
EXCEPT PLAN 3M237 AND 3M269; TOWN OF SAUGEEN SHORES

Schedule "B"

Drawings & Reports

List of Drawings

Drawing	Rev. #	Rev. Date	Title
LL-1	3	Mar 14, 2023	Conceptual Lot Layout & Easement Plan
1A	3	Mar 14, 2023	General Plan
1B	3	Mar 14, 2023	General Plan
2A	3	Mar 14, 2023	Surface Water Management Plan
2B	3	Mar 14, 2023	Surface Water Management Plan
4	3	Mar 14, 2023	Plan & Profile – Northport Drive
5	3	Mar 14, 2023	Plan & Profile – Northport Drive
7	3	Mar 14, 2023	Plan & Profile – Rosner Drive
8	3	Mar 14, 2023	Plan & Profile – Rosner Drive & Waterloo Street
11	3	Mar 14, 2023	Plan & Profile – Rear Yard Swale
12	3	Mar 14, 2023	Plan & Profile – Rear Yard Swale
13	3	Mar 14, 2023	Surface Water Details and Standards
14	3	Mar 14, 2023	Details and Standards
15	3	Mar 14, 2023	Details and Standards
16	3	Mar 14, 2023	Details and Standards
17	3	Mar 14, 2023	Notes, Details and Standards
U1	3	Mar 14, 2023	Composite Utilities Plan
H1	1	22/01/04	Electrical Distribution Design
H2	1	22/01/04	Electrical Distribution Design
LP-1	3	Mar 14, 2023	Street Lighting – Site Layout
LP-2	3	Mar 14, 2023	Street Lighting – Notes and Specifications
U-1	3	Mar 14, 2023	Composite Utilities Plan

Schedule "C"
Estimated Construction Costs

NORTHPORT MEADOWS SUBDIVISION - PHASE 2B					
PORT ELGIN, TOWN OF SAUGEEN SHORES					
SCHEDULE OF UNIT PRICES					
ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE	TOTAL AMOUNT
SECTION "A" - SITE WORKS					
A1	Construct and maintain heavy duty silt fence and install up to 10 strawbale check dams	150	m	\$ 45.00	\$ 6,750.00
A2	Stripping topsoil and stockpiling on-site for re-use (includes ROW + 10m and swales, approx. 14,500m ²)	100%	L.S.	\$ 19,000.00	\$ 19,000.00
A3	Earth excavation and grading (approx. 350m ³) - Roadways	100%	L.S.	\$ 4,750.00	\$ 4,750.00
A4	Construct drainage swales – adjacent to rear catch basins - 5m each way	60	m	\$ 150.00	\$ 9,000.00
A5	Construct and maintain mud tracking pad	2	each	\$ 1,000.00	\$ 2,000.00
A6	Traffic control and street sweeping	100%	L.S.	\$ 2,000.00	\$ 2,000.00
SUBTOTAL SECTION "A" - SITE WORKS					\$ 43,500.00
SECTION "B" - SANITARY SEWERS					
B1	Localized dewatering with temporary sumps, including filtration/sedimentation control for installation of sanitary sewers, and services where necessary	100%	L.S.	\$ 22,500.00	\$ 22,500.00
B2	1200 mm dia sanitary manholes	3	each	\$ 7,000.00	\$ 21,000.00
B3	200 mm dia PVC sanitary sewers (DR35)	296	m	\$ 250.00	\$ 74,000.00
B4	125 mm dia PVC sanitary services (DR28) with clean-out.	63	each	\$ 2,000.00	\$ 126,000.00
SUBTOTAL SECTION "B" - SANITARY SEWERS					\$ 243,500.00
SECTION "C" - STORM SEWERS					
C1	1200 mm dia CBMH	1	each	\$ 7,000.00	\$ 7,000.00
C2	1500 mm dia CBMH	2	each	\$ 10,000.00	\$ 20,000.00
C3	600 mm x 600 mm catch basin	10	each	\$ 3,500.00	\$ 35,000.00
C4	750 mm dia HDPE storm sewer (PS 320) - perforated	142	m	\$ 460.00	\$ 65,320.00
C5	600 mm dia HDPE storm sewer (PS 320) – perforated	85	m	\$ 355.00	\$ 30,175.00
C6	525 mm dia HDPE storm sewer (PS 320) perforated	79.5	m	\$ 300.00	\$ 23,850.00
C7	300 mm dia HDPE storm sewer (PS 320) – solid	286.5	m	\$ 195.00	\$ 55,867.50
C8	250 mm dia HDPE storm sewer (PS 320) – solid	28	m	\$ 175.00	\$ 4,900.00
C9	150 mm dia PVC DR 28 single storm sewer including clean out and connection cap	63	each	\$ 1,750.00	\$ 110,250.00
SUBTOTAL SECTION "C" - STORM SEWERS					\$ 352,362.50
SECTION "D" - WATERMAINS					
D1	200 mm dia PVC watermain (DR18) with covered tracer wire (12 gauge). Includes bends, reducers, plugs and caps	290	m	\$ 275.00	\$ 79,750.00
D2	Fire hydrant sets - 150mm dia.	2	each	\$ 12,000.00	\$ 24,000.00

D3	20 mm dia Rehau Municipex water services	63	each	\$ 1,600.00	\$ 100,800.00
D4	Connect new 200 mm dia watermain to existing 200 mm dia main. Includes all fittings.	2	each	\$ 4,500.00	\$ 9,000.00
D5	Watermain testing and commissioning	100%	L.S.	\$ 5,000.00	\$ 5,000.00
SUBTOTAL SECTION "D" - WATERMAINS					\$ 218,550.00
SECTION "E" - ROAD WORKS					
E1	Select subgrade granular material with less than 12% fines (supply, place, compact)	1,500	tonne	\$ 15.00	\$ 22,500.00
E2	Granular "B" (supply, place, compact)	2,000	tonne	\$ 20.00	\$ 40,000.00
E3	Granular "A" (supply, place, compact)	1,000	tonne	\$ 25.00	\$ 25,000.00
E4	Concrete curb and gutter (OPSD 600.100)	600	m	\$ 65.00	\$ 39,000.00
E5	Hot mix H.L.-4	350	tonne	\$ 105.00	\$ 36,750.00
E6	Provisional Item - Hot mix H.L.-3	50	tonne	\$ 150.00	\$ 7,500.00
E7	Concrete Sidewalk (1.5m Wide)	480	m ²	\$ 90.00	\$ 43,200.00
E8	Calcium chloride for dust control	2	tonne	\$ 600.00	\$ 1,200.00
E9	Water for dust control	200	m ³	\$ 15.00	\$ 3,000.00
E10	Supply and place topsoil and sod - Waterloo Street Connection and swales at catchbasins	500	m ²	\$ 30.00	\$ 15,000.00
SUBTOTAL SECTION "E" - ROAD WORKS					\$ 233,150.00
SECTION "F" - GENERAL					
G1	Flushing and video camera inspection of sanitary sewers	100%	L.S.	\$ 4,000.00	\$ 4,000.00
G2	Install streetlights	100%	L.S.	\$ 15,000.00	\$ 15,000.00
G3	Street signs	2	each	\$ 425.00	\$ 850.00
G4	Road crossing duct banks (10 ducts)	6	each	\$ 3,500.00	\$ 21,000.00
SUBTOTAL SECTION "F" - GENERAL					\$ 40,850.00
ESTIMATE SUMMARY					
	SUBTOTAL SECTION "A" - SITE WORKS				\$ 43,500.00
	SUBTOTAL SECTION "B" - SANITARY SEWERS				\$ 243,500.00
	SUBTOTAL SECTION "C" - STORM SEWERS				\$ 352,362.50
	SUBTOTAL SECTION "D" - WATERMAINS				\$ 218,550.00
	SUBTOTAL SECTION "E" - ROAD WORKS				\$ 233,150.00
	SUBTOTAL SECTION "F" - GENERAL				\$ 40,850.00
	SUBTOTAL				\$ 1,131,912.50
	Engineering @ 5%				\$ 56,595.63
	HST @ 13%				\$ 147,148.63
	TOTAL ESTIMATE				\$ 1,279,061.13

Schedule "D"

Form of Letter of Credit

Sample - Letter of Credit to be provided as security to the Town of Saugeen Shores for the completion of all site works as approved in the Pre-Servicing Agreement.

**Name Of Bank
Branch or Department
Address**

Date: _____ **Letter Of Credit**
No. _____

To: The Corporation of the Town of Saugeen Shores

We hereby authorize you to draw on Bank Name and Address, for the account of our customer, _____ up to an aggregate amount of _____00/100 Dollars (_____) available on demand as follows:

Pursuant to the request of our Customer, we Bank Name hereby establish and give to you an irrevocable Standby Letter of Credit (the "credit") in your favour in the total amount of _____00/100 Dollars (_____) which may be drawn on by you at any time and from time to time upon written demand for payment made upon us by you, which demand we shall honour without inquiring whether you have a right as between yourself and our Customer to make such demand and without recognizing any claim of our customer.

Provided, however, that you are to deliver to us at such time as written demand for payment is made upon us a certificate purported to be signed by an authorized officer of the Town of Saugeen Shores, agreeing and/or confirming that monies drawn pursuant to this Credit No. _____ will be retained and used by you to meet any obligations in connection with the Agreement.

The amount of this Credit shall be reduced from time to time as advised by notice in writing given to this branch from time to time by you.

This credit will continue to the _____day of _____, _____ and will expire at the Branch address at the close of banking business on that date.

It is condition of this Credit that it shall be deemed to be automatically extended for one year from the present or any future expiration date hereof, unless 30 days before any such date we notify you in writing by Registered Mail that we elect not to consider this Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw by means of your demand accompanied by your written certification, that the amount will be retained and used by you to meet obligations incurred or to be incurred in connection with the Agreement. Partial drawings are permitted.

Bank

Signed

Signed