MUNICIPAL OPERATING AGREEMENT

THIS AGREEMENT made effective this 1st day of August, 2024 (the "Effective Date").

BETWEEN:

ONTARIO NORTHLAND TRANSPORTATION COMMISSION

("ONTC")

AND:

THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

("Municipality")

WHEREAS

- A. ONTC will be reintroducing passenger rail service between Toronto and Timmins (the "Train Service") in 2026;
- B. The Municipality will be the location of one of the stops for the Train Service;
- C. The Municipality is the owner of certain lands in Temagami, Ontario, being PIN 49005-0101 (LT), Pcl 29143 SEC NIP, Ontario Northland Railway Station Grounds Strathy, Parts 1, 2, 3, 4, 6, 7, 8, 9, 10, 11 & 12, 36R-10947, Temagami, District of Nipissing (the "Municipal Land");
- D. ONTC and the Municipality desire to enter into this agreement to allow ONTC to use the Municipal Land for the purposes of the Train Service and to set out the services each party will be providing.

IN CONSIDERATION OF the recitals and the provisions contained in this Agreement, the parties agree as follows:

INTERPRETATION

- 1. In this agreement:
- "Agreement" means this agreement, all schedules attached to this agreement and any amendments to this agreement;
- "Applicable Law" means all requirements under or prescribed by the common law, and all applicable federal, provincial, regional, local or municipal laws, statutes, codes, acts, permits, licences, ordinances, orders, by-laws, rules and regulations, which may now, or at any time hereafter be applicable to and enforceable in relation to the matters to which this agreement relates;

- **"Environmental Contaminants"** means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws;
- "Environmental Laws" means all applicable federal, provincial, territorial, municipal and local laws, statutes, ordinances, by-laws and regulations, judgments, decrees, common laws and principles thereof, and orders, directives and decisions rendered or issued by any governmental authority relating to Environmental Contaminants or the protection of human health, natural resources or the environment:
- "Municipal Parties" means the Municipality and any councillor, officer, employee, agent, representative or contractor of the Municipality and those for whom the Municipality is responsible at law;
- "Municipal Land" has the meaning set out in Recital C;
- "ONTC Parties" means ONTC and any director, officer, employee, agent, representative or contractor of ONTC and those for whom ONTC is responsible at law;
- "Parties" means ONTC and the Municipality and "Party" means either one of them; and
- "Term" means the Original Term and any Extended Term(s).

LICENCE AND USE

- 2. Subject to the terms and conditions of this Agreement, the Municipality hereby grants a licence to ONTC to use the Municipal Land for the following purposes:
 - (a) The construction area as shown on Schedule "A";
 - (b) The construction area as shown on Schedule "B";
 - (c) The construction and installation of improvements as shown on Schedule "C";
 - (d) The area labelled in red for the backlit totem and wayfinding sign as shown on Schedule "D";
 - (e) The additional signage as shown on Schedule "E"; and
 - (f) Shuttle and emergency use for Motor Coach Services.

PERMISSION TO CONSTRUCT

- 3. The Municipality grants permission to ONTC and its Contractors to enter upon and use the Municipal Land for the purposes of completing the work as shown on the attached schedules and for such purpose to take or permit to be taken on the Municipal Land such machinery, equipment, materials, contractors and personnel as may be required.
- 4. ONTC shall provide the Municipality with 15 day's advanced written notice of the work commencing and will provide further notice should the access to the Municipality's facilities need to be restricted during construction.

SERVICES

- 5. The Municipality shall provide the following Services to the Train Service and the Municipal Land:
 - (a) Winter control for the Municipality's parking lot and walkways;
 - (b) Landscaping maintenance;
 - (c) Waste collection;
 - (d) By-law enforcement for the Municipality's and ONTC's parking lot; and
 - (e) Wayfinding signs to the Municipal Land.

ONTC OBLIGATIONS

- 6. ONTC shall, in accordance with the plans provided by ONTC to the Municipality:
 - (a) construct and maintain a passenger shelter on ONTC Land that is adjacent to the Municipal Land for the use of its customers.;
 - (b) construct walkways connecting the parking lot to the shelter and to the platform;
 - (c) install and maintain bike racks, garbage and cigarette receptacles, and other passenger amenities:
 - (d) construct and maintain the platform for the loading and unloading of passengers and their belongings from the train;
 - (e) install and maintain signage as required for designated parking spaces, and station signage;
 - (f) install and maintain electrical poles with CCTV cameras and PA system; and
 - (g) provide and pay for all utilities required for the shelter and signage.

VIDEO SURVEILLANCE

- 7. ONTC shall be monitoring the Municipal Land with CCTV cameras under the authority of the *Ontario Northland Transportation Act*. The cameras will monitor the exterior portion of the Municipality's facilities located adjacent to the Municipal Land, the parking lot and Railway Road as shown on Schedule "F".
- 8. ONTC will minimize privacy intrusion. Cameras will be fixed to capture information from a distance and footage will be overwritten every thirty (30) days.
- 9. ONTC will ensure any information captured by the CCTV cameras is collected, used and disclosed in a manner that is consistent with the *Freedom of Information and Protection of Privacy Act*.
- 10. ONTC will ensure that information collected is only accessed by ONTC authorized

personnel. Information will only be disclosed to third parties in limited circumstances, such as law enforcement agencies' requests, when legally required to, to aid in an investigation or for health and safety reasons.

TERM

- 11. The term of this Agreement shall be for a period of 20 years commencing on [August 1, 2024 and terminating on July 31, 2044, subject to the provisions of this Agreement relating to early termination (the "**Original Term**").
- 12. Provided that if ONTC is not in default of any of its obligations under this Agreement, ONTC shall have the option to extend this Agreement for 2 additional periods of 10 years each (each an "Extended Term"), by giving the Municipality written notice not less than six (6) months' prior to the expiration of the Original Term or an Extended Term, as the case may be.
- 13. Either party may request amendments to this Agreement if ONTC exercises its option as stated in section 12 for one or more Extended Terms. Should the Municipality and ONTC not be able to agree upon the proposed amendments to the Agreement at least three (3) months prior to the expiration of the Original Term or Extended Term, this Agreement will terminate at the end of the Original Term or Extended Term, as the case may be.

ENVIRONMENTAL OBLIGATIONS

14. ONTC shall:

- a. conduct its own due diligence to confirm the condition of the Municipal Land and surrounding area;
- b. ensure the Municipal Land is suitable for the intended use;
- c. comply with all Environmental Laws;
- d. be solely responsible for the cost of any work required to ensure the Municipal Land and its activities thereon comply with Environmental Laws;
- e. not use Environmental Contaminants on the Municipal Land except in strict compliance with Environmental Laws and as required as part of its normal activities;
- f. not release or permit any other person to release Environmental Contaminants on the Municipal Land, or onto any adjacent land, groundwater or surface water;
- g. immediately notify the Municipality in writing, if any Environmental Contaminants are released on the Municipal Land or on a neighbouring property;
- h. pay and be liable for any remedial work carried out by a public authority or third party with respect to environmental conditions caused by ONTC that during the Original Term or an Extended Term; and,
- i. continue to be bound by these environmental obligations even after the end of this Agreement.

LIMITATION OF LIABILITY

- 15. Notwithstanding any other provision of this Agreement, ONTC shall not be responsible for direct, indirect, consequential, special, incidental or contingent damages of any nature whatsoever, including loss of revenue or profit or damages resulting from interruption of service or transmission. This limitation shall apply regardless of the form of action, damage, claim, liability, cost, expense or loss, whether in contract (including fundamental breach), statute, tort (including negligence), or otherwise, and regardless of whether ONTC has been advised of the possibility of such damages.
- 16. Notwithstanding anything else in this Agreement, any express or implied reference to ONTC providing an indemnity or any other form of indebtedness or contingent liability that would directly or indirectly increase the indebtedness or contingent liabilities of ONTC, whether at the time of execution of this Agreement or at any time during the Term, shall be void and of no legal effect pursuant to section 28 of the *Financial Administration Act*.

INSURANCE

- 17. ONTC shall, at its own expense, obtain and maintain in full force and effect, throughout the entire term of this Agreement, Commercial General Liability insurance to a policy limit of at least five million dollars (\$5,000,000) in primary and umbrella/excess liability policy including but not limited bodily injury, property damage, personal injury, product liability, tenant's legal liability, contractual liability, owners and contractors protective, contingent employer's liability, non-owned automobile liability, cross liability and severability of interest clause. The policy shall not contain an exclusion for working in the vicinity of railway operations.
- 18. ONTC shall provide to the Municipality a certificate(s) of insurance, as well as renewal certificates thereafter for the duration of the Agreement, evidencing that the required coverages are in full force and effect, and such certificates shall contain a provision to the effect that the insurance policies cannot be cancelled without providing the Municipality with at least thirty (30) days prior written notice.

TERMINATION

- 19. If either party (the "Defaulting Party") shall be in default or breach in respect of any condition or provision of this Agreement and the Defaulting Party fails to correct such breach within thirty (30) days after receiving written notice from the other party (the "Non-Defaulting Party") specifying the breach and requiring that such breach be remedied, the Non-Defaulting Party may terminate this Agreement forthwith upon the expiry of such 30 days.
- 20. ONTC may terminate this Agreement upon 30 days prior written notice if the Train Service is discontinued.
- 21. At the expiration of the Original Term or the final Extended Term, as the case may be, or upon the earlier termination of this Agreement, ONTC shall, at its sole risk and expense, within ninety (90) days following the expiration or termination remove from the Municipal Land all structures or other things installed or placed on the Municipal Land by ONTC, other than walkways and other immovable items (the "ONTC Improvements"), leaving the Municipal Land in as good condition in all respects as it was in at the beginning of the Term. Failure to

remove the ONTC Improvements will result in title transferring to the Municipality without any compensation therefore or ONTC may remove the ONTC Improvements at the expense of ONTC who shall pay the Municipality for the cost of removal and/or disposal.

GENERAL

- 22. Assignment. The rights contained in this Agreement may not be sublicenced, transferred, assigned or disposed of in any manner whatsoever in whole or in part without the other party's prior written consent, such consent not to be unreasonably withheld, except that Licensee shall upon written notice to ONTC be permitted to assign this Agreement and the rights herein to an affiliated entity or in connection with any form of corporate reorganization involving Licensee. Any assignee shall confirm in writing its agreement to abide by the terms of this Agreement.
- 23. **Notice**. Any notice required by this Agreement shall be in writing and shall be deemed to have been sufficiently given sent by personal delivery, e-mail or by prepaid courier addressed to:

ONTC	Licensee
Attn: Legal Services & Corporate Governance	The Corporation of The Municipality of Temagami
555 Oak Street East, North Bay, ON P1B 8L3	
T: 705-472-4500, Ext 361	P.O. Box 220, 7 Lakeshore Drive, Temagami, ON, P0H 2H0
F: 705-472-4267	T: 705-569-3421
E: legal@ontarionorthland.ca	E: cao@temagami.ca

Such notice shall be deemed to have been received on the date of which it was delivered or sent by e-mail or if sent by prepaid courier, on the second business day following the date of consignment to the courier. Any party may change its address for the purpose of this section by giving ten (10) business days prior written notice of such change to the other party in the manner set out above.

- 24. **No Waiver.** No waiver by a party of any breach by the other party of any of its covenants, agreements or obligations in this Agreement shall be a waiver of any subsequent breach or the breach of any other covenants, agreements or obligations, nor shall any forbearance by a party to seek a remedy for any breach by the other party be a waiver by the party of its rights and remedies with respect to such breach or any subsequent breach.
- 25. **Relationship.** Nothing contained in this Agreement shall be deemed or construed by the parties nor by any third party as creating the relationship of principal and agent, landlord and tenant, or of partnership or of joint venture between the parties.

- 26. **Governing Law.** This Agreement shall be governed by and constituted in accordance with the laws in force in the Province of Ontario, excluding any conflict of laws principles. The Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario for any legal proceedings arising out of this Agreement or the performance of the obligations hereunder.
- 27. **Severability.** Should any section or part or parts of any section in this Agreement be illegal or unenforceable, it or they shall be considered separate and severable from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon ONTC and the Service Provider as though such section or part or parts thereof had never been included in this Agreement.
- 28. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties and supersedes all prior understandings, discussions, negotiations, commitments, representations, warranties, and agreements, written or oral, express or implied between them with respect to the subject of this Agreement. No amendment, variation or change to this Agreement shall be binding unless the same shall be in writing and signed by the parties.
- 29. Survival. In addition to those provisions which are expressly stated to survive the termination or expiration of this Agreement, the provisions of this Agreement that are by their nature intended to survive termination or expiration of this Agreement shall continue in full force and effect subsequent to and notwithstanding termination or expiration until or unless they are satisfied.
- 30. **Counterparts and Electronic Delivery.** This Agreement may be executed and delivered by electronic transmission of a .pdf of the executed Agreement and the parties may rely upon the .pdf document as though the .pdf document was an original hard copy of the Agreement. This Agreement may be executed in any number of counterparts and all such counterparts shall, for all purposes, constitute one agreement binding on the parties.
- 31. **Language of Agreement.** This Agreement was prepared in English at the express request of the Parties. Cette entente a été préparée en anglais à la demande expresse des Parties. No rule of strict construction will be applied against ONTC as the result of the language chosen for this Agreement.

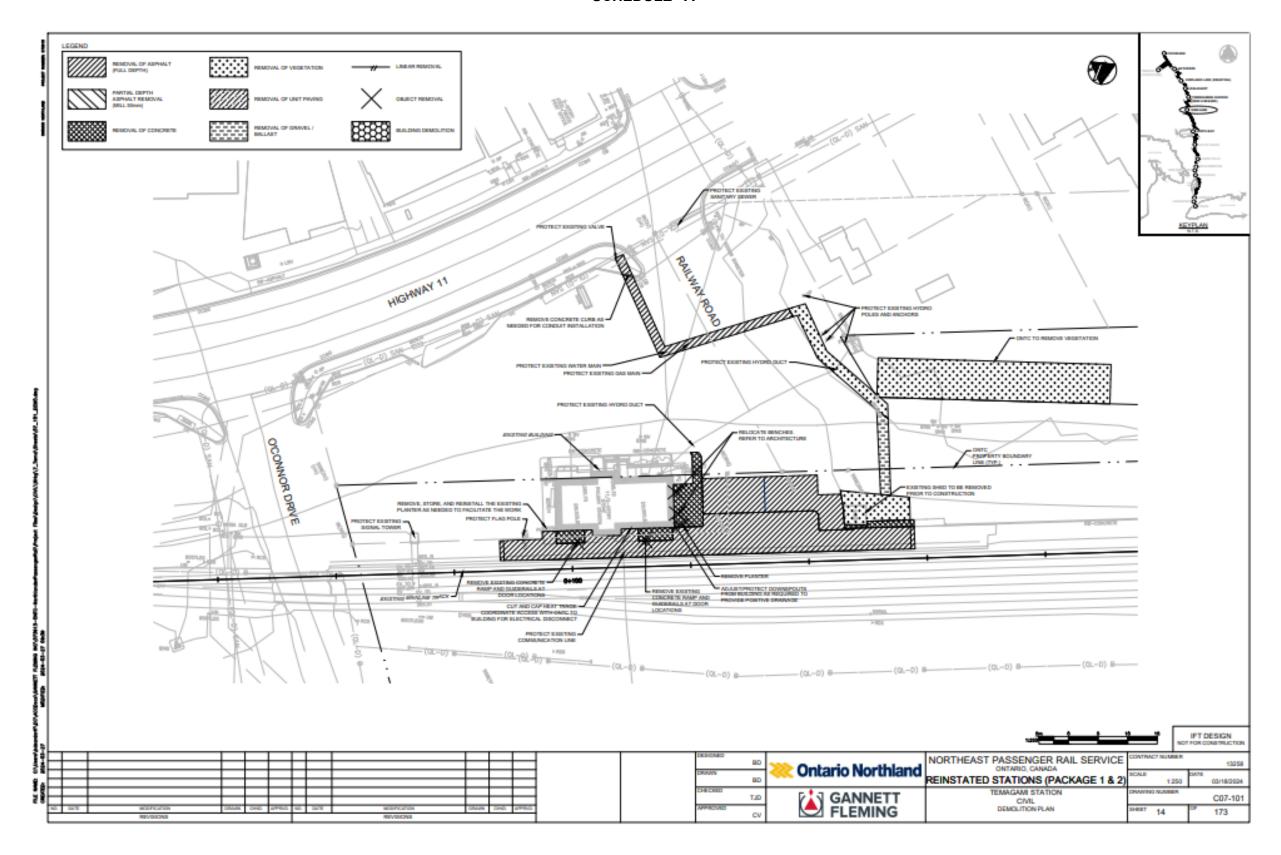
[SIGNATURE PAGE FOLLOWS]

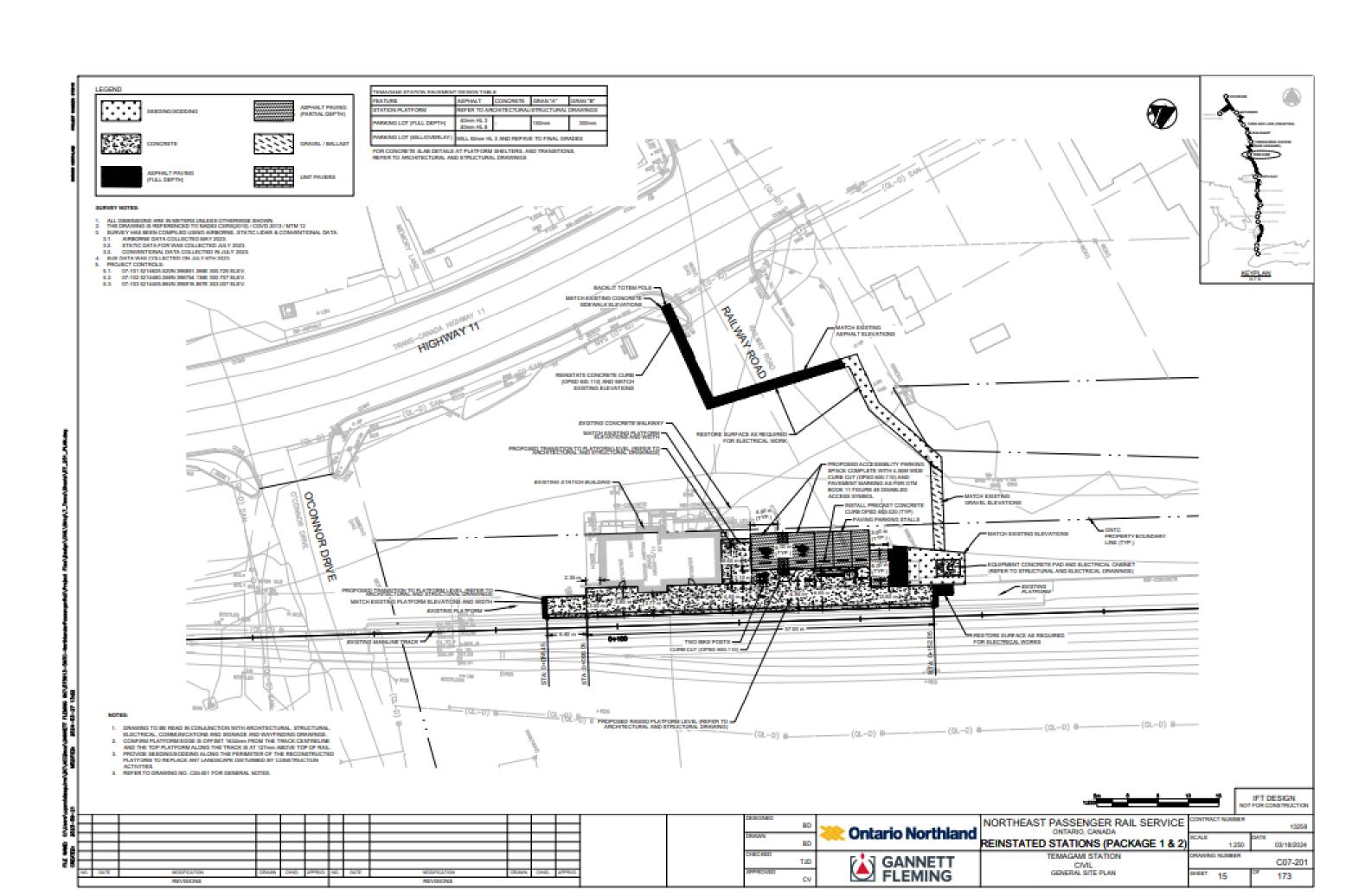
IN WITNESS WHEREOF the parties have duly executed this Agreement.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION

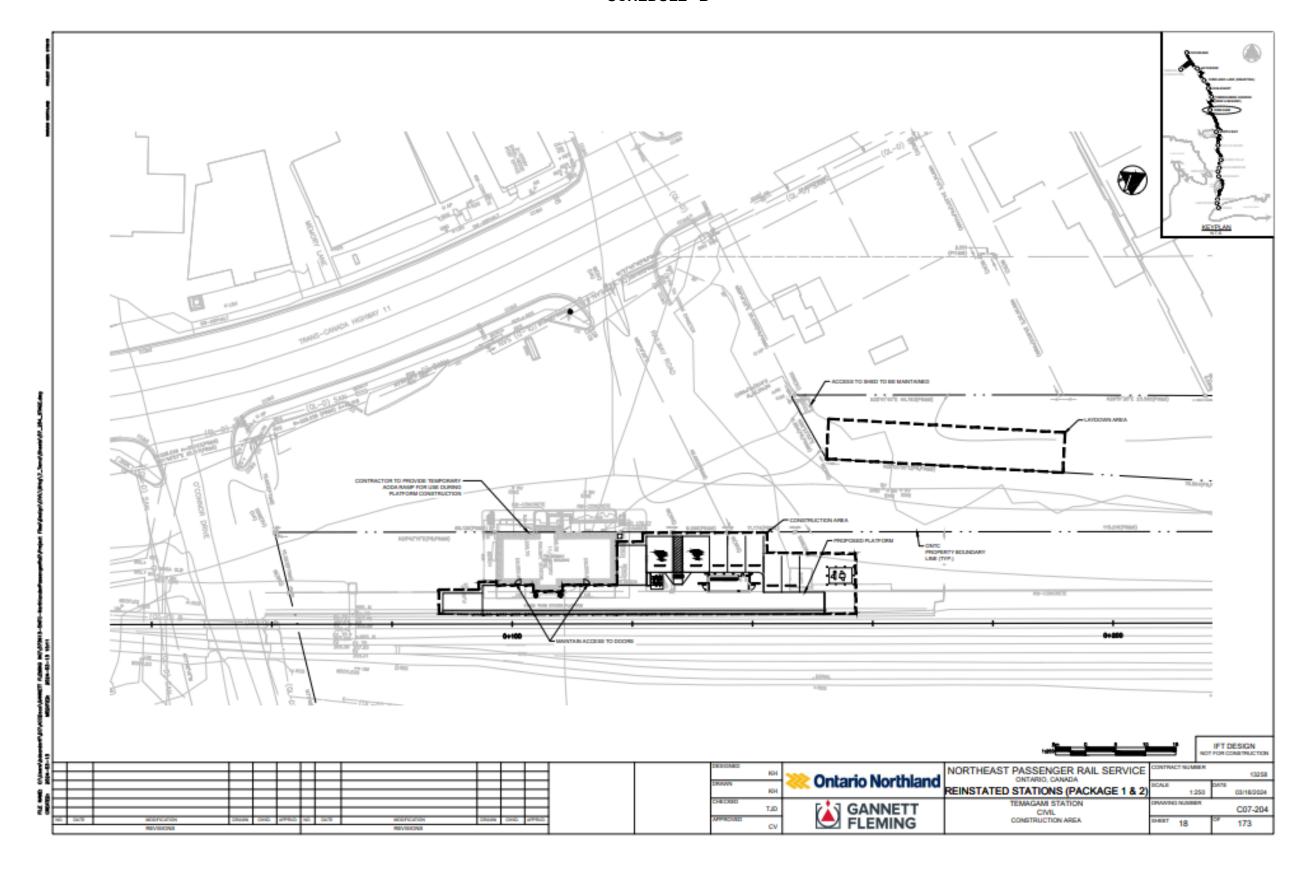
Per:	
Jonathan Corley, VP Rail Operations	
Date:	
I have authority to bind the corporation.	
THE CORPORATION OF MUNICIPALITY OF TEMAGAMI	THE
Per:	
Name:	
Title:	
Date:	
I have authority to bind the corporation	

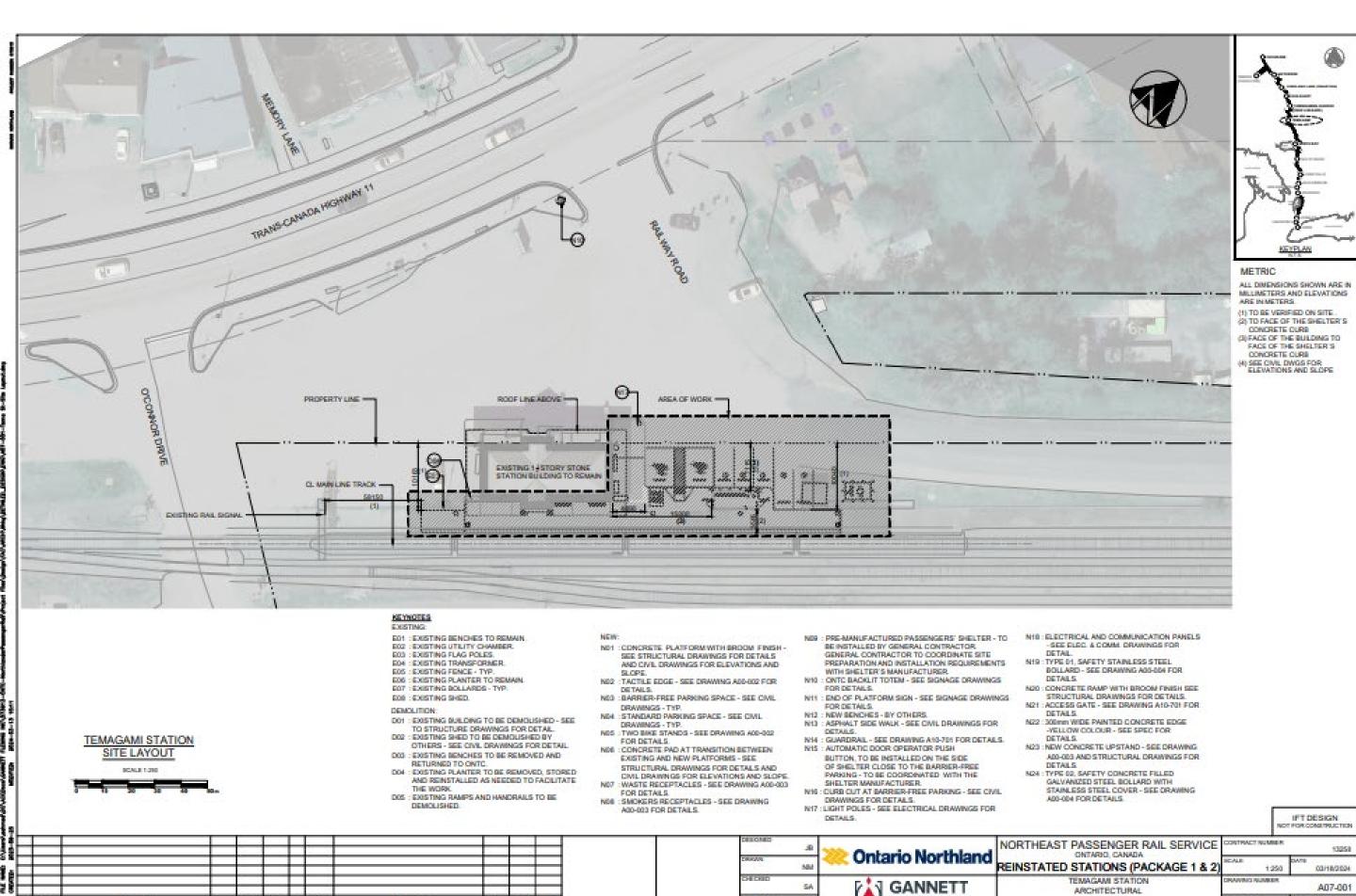
SCHEDULE "A"





SCHEDULE "B"





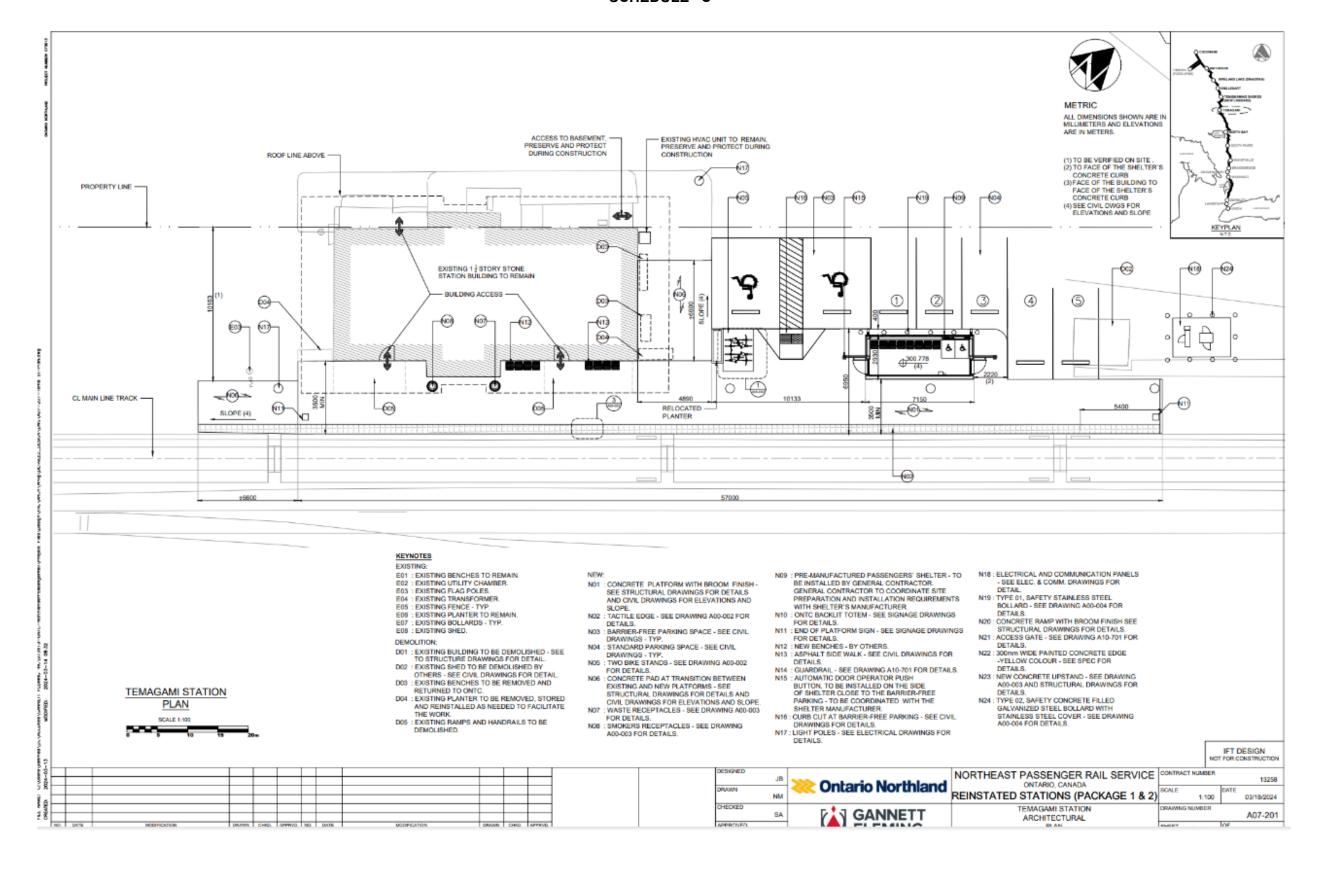
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SITE LAYOUT

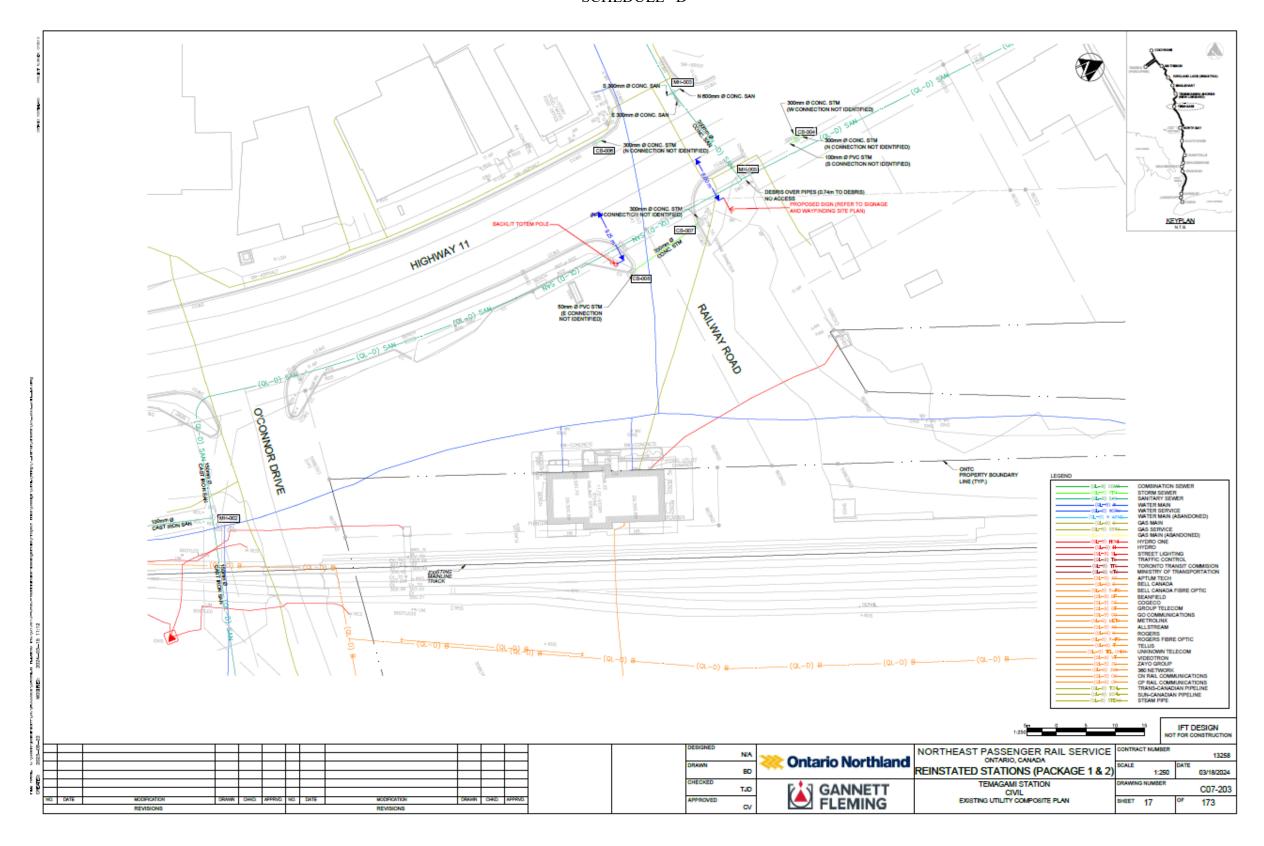
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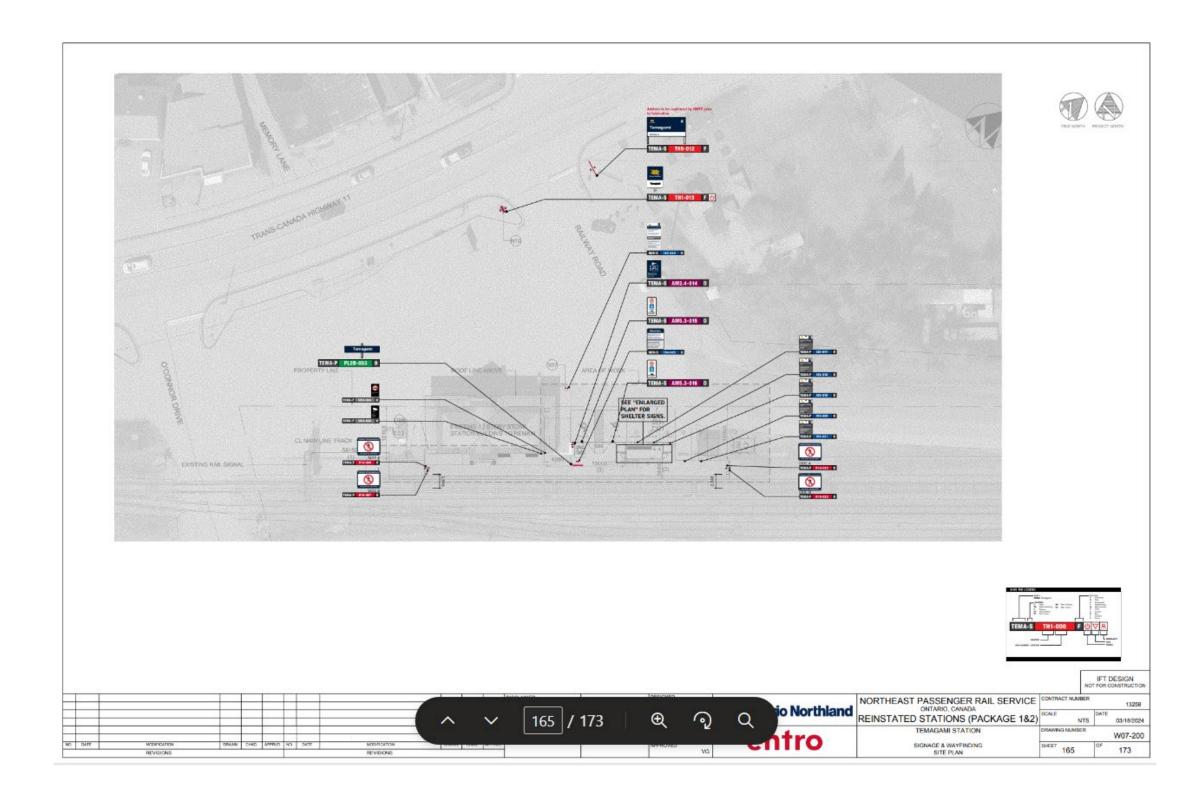
SCHEDULE "C"



SCHEDULE "D"



SCHEDULE "E"



SCHEDULE "F"

