

THIS AGREEMENT DATED THE 6TH DAY OF NOVEMBER, 2023

BETWEEN:

THE CORPORATION OF THE TOWN OF GODERICH
(hereinafter the "Town")

and

GODERICH TOYOTA
(hereinafter "Goderich Toyota")

In consideration of the payments and agreements contained herein to be paid and observed by Goderich Toyota, the Town rents to Goderich Toyota and Goderich Toyota rents from the Town the lands outlined as follows:

1. LANDS

The specific Lands to be rented by Goderich Toyota consist of the old Champion test track located at 222 Huckins Street, Goderich, ON.

2. TERM

The term of the rental by Goderich Toyota is for a period commencing on November 6, 2024 and ending on December 31, 2025. At the conclusion of this period, based on a review by the Parties, the Parties will consider an extension of this Agreement.

3. RENT

For the use of the test track, Goderich Toyota is to pay to the Town the sum of One Dollar (\$1.00), payable upon execution of this Agreement.

4. USE OF THE LANDS

Goderich Toyota confirms that it will use the test track solely for the low-speed testing of rebuilt Land Cruisers from the Compass Minerals Goderich Salt Mines and for no other purpose.

5. INSURANCE

Goderich Toyota shall secure on its own account and its sole expense, policies of insurance with insurers duly licensed to do business in the Province of Ontario and having an AM Best Rating of B+++ or above, of the following types and limits:

- (a) General liability including products and completed operations and including broad form property damage, blanket contractual coverage sufficient to cover obligations assumed in this Agreement and in "occurrences" form in an amount of not less than

three million (\$3,000,000) dollars;

- (b) Motor vehicle liability insurance covering all owned, non-owned and borrowed licensable highway vehicles and off-road vehicles which are or may from time to time be operated by Goderich Toyota on the Lands in an amount of not less than two million (\$2,000,000) dollars;

The foregoing coverages may be satisfied through a combination of primary and excess/umbrella policies. All such policies shall include the Town as additional insured as its interest may appear. The issuer of such policies shall provide the Town as certificate holder and additional insured with notice of any material alteration or amendment to, or the cancellation of or non-renewal of such policies and shall provide a waiver of subrogation in favour of the Town with respect to any insurance proceeds paid under such policies.

Goderich Toyota shall supply to the Town as a condition precedent to the use of or access to the Lands, a certificate of insurance evidencing full compliance with the insurance coverage requirement specified above. If applicable, Goderich Toyota shall supply to the Town prior to the expiration of each and all policies specified above, a renewal certificate as required above, evidencing renewal of policies; Provided however, if such certificate is not then available, Goderich Toyota shall supply to the Town a certification from an officer of Goderich Toyota that such policies have been renewed and thereafter a renewal certificate from the issuer as soon as it becomes available. In the event of cancellation or lapse of any policies specified above whether for non-payment of premium, non-renewal or for any other reason, Goderich Toyota shall replace any such cancelled policies as soon as practicable but in no event later than the effective date of cancellation.

The Town shall reserve the right from time to time to review the insurance needs and requirements pursuant to this Agreement and require additional or other insurance which the Town determines to be reasonably required to meet reasonable exposure to loss.

6. **INDEMNITY**

At all times, Goderich Toyota shall indemnify the Town and save the Town, its elected officials, officers, employees, servants and agents harmless against any and all liabilities, claims damages, interest, penalties, fines, monetary sanctions, losses, costs and expenses whatsoever (including, without limitation, counsel and solicitor's fees on a substantial indemnity basis, reasonable costs of professional advisors, consultants and experts) arising from injury to property or injury to any person, firm, partnership or corporation caused by the use, occupancy, or presence of Goderich Toyota or any entity for whom Goderich Toyota is legally responsible, at, in or upon the Lands.

7. **LICENSING**

The Land Cruisers to be tested on the Lands will at all times be licensed for use on highways in the province of Ontario. The Land Cruisers will at all times be operated by persons who possess a valid Ontario Driver's License of not less than a Class G.

8. **COMPLIANCE WITH LAWS**

Goderich Toyota covenants that at all times, the use made of the Lands shall be in conformity with all of the requirements of the zoning by-laws and any other municipal or governmental regulations which may affect the Lands.

9. **WASTE, NUISANCE**

Goderich Toyota shall not commit or suffer any waste or injury to the Lands or permit to be used or occupied the Lands or any part thereof so as to constitute a nuisance or for any illegal or unlawful purpose, nor in any manner which may contravene any lawful restrictions for the use thereof by any municipal or governmental authority. Goderich Toyota shall, at the conclusion of the rental period restore the Lands to the condition in which they existed prior to the beginning of this rental.

10. **TOWN COVENANTS**

The Town covenants with Goderich Toyota:

- (a) For quiet enjoyment of the Lands; and
- (b) To observe and perform all of the covenants and obligations of the Town herein.

11. **GODERICH TOYOTA COVENANTS**

Goderich Toyota covenants with the Town:

- (a) To observe and perform all of the covenants and obligations of Goderich Toyota herein;
- (b) To use the Lands only for the purposes stated herein;
- (c) Not to allow any public use of the Lands without the written consent of the Town, which consent may be unreasonably withheld;
- (d) Not to do, omit to do or permit to be done anything which will cause or shall have the effect of causing the cost of the Town's insurance in respect of the Lands to be increased at any time during the Term or any policy of insurance or related to the Lands to be subject to cancellation.

12. **EVENT OF DEFAULT**

If Goderich Toyota fails to observe, perform and keep each and every of the covenants, agreements and conditions herein contained to be observed, performed and kept by Goderich Toyota and persists in the failure after ten (10) days' notice by the Town requiring

Goderich Toyota to remedy, correct, desist or comply (or such longer period as may be required to cure the breach given the nature of same) then the Town may at its option in addition to and without prejudice to all rights and remedies of the Town available to it either by any other provision of this Agreement or by statute or the general law and as cumulative rights and not alternative rights, terminate this Agreement by giving Goderich Toyota prior written notice of the termination and termination shall be without prejudice to the Town's right to damages.

13. **ASSIGNMENT**

Goderich Toyota shall not assign this Agreement or sublet the Lands without first obtaining the written consent of the Town.

14. **NOTICES**

Any demand, notice or other communication to be made or given hereunder shall be in writing and shall be made or given by personal delivery, by courier, by facsimile transmission or sent by registered mail as follows:

To the Town:

The Town of Goderich
57 West Street
Goderich, ON N7A 2K5

Attention: Clerk

To Goderich Toyota:

Goderich Toyota
346 Huron Road
Goderich, ON N7A 3A3

Attention: Pat Barnes

15. **SEVERABILITY**

Should any section or part of this Agreement be illegal or unenforceable, it shall be considered separate and severable from the Agreement and the remaining provisions of the Agreement shall remain in full force and effect and shall be binding upon the Town and Goderich Toyota as though such article or section had never been in the Agreement.

16. **ENTIREMENT AGREEMENT**

There are no covenants, representations, warranties, agreements, or other conditions expressed or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Agreement. This constitutes the entire Agreement duly executed by the parties hereto and no amendment, variation or change to this Agreement shall be binding unless the same shall be in writing and signed by the parties hereto.

17. **TERMINATION**

During the Term, the Town shall have the right to terminate this Agreement by giving Goderich Toyota not less than thirty (30) days written notice of its intent to do so.

18. **SUCCESSORS AND ASSIGNS**

The rights and liabilities of the parties shall ensure to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties have duly executed this Lease.

**THE CORPORATION OF THE TOWN OF
GODERICH**

Per:

MAYOR, Trevor Bazinet

32/11/22

CLERK, Andrea Fisher

I/We have the authority to bind the Corporation

GODERICH TOYOTA

Per:

Pat Barnes, President

I have authority to bind the Corporation