

THIS AGREEMENT made this _____ day of _____, 20 _____

BETWEEN:

**40 MILE PARK COMMITTEE, a Committee of
the County of Forty Mile No. 8**
of the Village of Foremost,
in the Province of Alberta

- and -

AGREEMENT FOR SUBLEASE

PREAMBLE:

- A. **WHEREAS the purpose of this Sublease is to set out the terms which will govern the individual, developable, short and long term sites for recreational use by a Co-operator within the specified boundaries of the 40 Mile Park;**
- B. **AND WHEREAS the Areas presently available are shown on Schedule 1 (A map of the Area in the 40 Mile Park is attached as Schedule 1);**
- C. **AND WHEREAS the Site is under the administration of the Lessor pursuant to the Head Agreement;**
- D. **AND WHEREAS the Co-operator wishes to lease or continue to lease the Site, by way of Sublease, from the Lessor;**
- E. **AND WHEREAS the Site is identified on Schedule I (Lot in red) and described as follows:**

AREA _____ LOT _____

NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:

1 DEFINITIONS

- 1.1 "Areas" means one or more of the Areas identified in Schedule 1, or as are created or amended by the Lessor, from time to time. "Area" means one only of the Areas as the context requires.
- 1.2 "Assessed Value" means the current value of the land, excluding improvements, as established from time to time by the County of Forty Mile's Assessor in accordance with the *Municipal Government Act* of Alberta.
- 1.3 "Base rent" shall have that meaning ascribed to it in Paragraph 4.1 to this Agreement.
- 1.4 "Commencement date" means that date identified in Paragraph 3.1 as the Commencement date.
- 1.5 "40 Mile Park" means that the area within the park boundaries as approximately drawn on Schedule 1, and legally described on Schedule 1.

- 1.6 "40 Mile Park Committee" means that committee authorized by the County of Forty Mile No. 8 to operate the 40 Mile Park.
- 1.7 "40 Mile Park Guidelines and Policies" means any rule, policy, guideline or regulation created by the 40 Mile Park Committee or the County of Forty Mile No. 8, with respect to the 40 Mile Park, the Site or any matter related thereto.
- 1.8 "Head Agreement" means that agreement or agreements, if any, now or in the future, between the Lessor and SMRID, with respect to the 40 Mile Park, and includes any subsequent amendment, addition to or other variation of such agreement or agreements, and includes all affiliated agreements. The Co-operator acknowledges that he is aware that the Lessor may, without notice to or obtaining the consent of; the Co-operator, enter into such amendments, additions, deletions or replacements; and that notwithstanding anything herein this Agreement shall be automatically amended in any way necessary to comply with requirements of the Head Agreement then existing from time to time.
- 1.9 "Lessor" means the 40 Mile Park Committee, a committee of the County of Forty Mile No. 8 created to manage and otherwise govern the 40 Mile Park, and referred to in By-Law No. 3/2008 as the "Park Management Committee".
- 1.10 "Notice Date" means that date which is identified as the date of the notice within any written notice given pursuant to this Agreement, whether or not the written notice is actually received by the Co-operator on that date.
- 1.11 "Owner" means the SMRID.
- 1.12 "Reservoir" means the Forty Mile Coulee Reservoir bordering on the 40 Mile Park.
- 1.13 "Guidelines and Policies" unless the context otherwise requires, includes the policies, guidelines, rules or regulations created by the Lessor from time to time, and any rules or regulations arising from the policies, any statute or by-law relevant to the operation or use of the 40 Mile Park Mile Park.
- 1.14 "Schedule 1" means the existing Schedule 1 attached to this Agreement and **any** replacement Map which might be made in the future, and which would reflect changes to, additions to, or deletions from, the Areas of the 40 Mile Park or any other which the Lessor deems in its discretion should be properly shown on a map of the 40 Mile Park to reflect its borders, the Areas within its borders, its usage or other relevant matters. On request of the Co-operator the Lessor will at all reasonable times during the term of this Agreement and at a reasonable cost make available a current Schedule 1.
- 1.15 "Site" means that site identified in Preamble Paragraph E and any improvements thereon.
- 1.16 "SMRID" means the St. Mary River Irrigation District.
- 1.17 "Term" means that term of this Agreement identified in Paragraphs 3.1 (b) and (c).
- 1.18 "Capital Recovery Fee" shall mean a fee which is charged by the Lessor when the Lessor initially provides a lease for a newly created site and which is intended for past or future capital projects in relation to 40 Mile Park or any part thereof.
- 1.19 "Capital Reserve" means a reserve fund specifically created for the funding of past or future capital projects.
- 1.20 "Agreement" means this agreement inclusive of all schedules.

2 RECITALS/PREAMBLE

- 2.1 The Recitals under the Preamble of this Agreement shall form an integral part of this Agreement.
- 2.2 The headings in this Agreement are set out for reference only, and not for purposes of interpretation of this Agreement.

3 SITE USE AND TERM

- 3.1 (a) Subject to the terms and conditions of this Agreement, the Lessor hereby leases to the Co-operator the Site.
- (b) The Term of this Agreement shall be that term as identified in Schedule 2 attached.
- (c) The above Term may be terminated early by the Lessor prior to the ending date upon the happening of certain events as later set out in this Agreement for early termination.
- 3.2 The Co-operator shall not use the Site for any use other than that which is specifically allowed for under the terms of this Agreement. The use which can be made of the Site from time to time will be determined from time to time by the Lessor. The present designation of uses which may be made of the Site are those which are identified in Schedule 3 attached hereto, having regard to the Area which the Site is presently contained in. The Lessor may amend the Areas and use which may be made of the Site from time to time but will not unreasonably do so. Notwithstanding the foregoing, the Lessor may make specific arrangements for use of any particular site irrespective of the Area it is located in. The Co-operator understands and agrees that any breach of this provision will entitle the Lessor to terminate this Agreement by notice to the Co-operator, unless the offending use ceases within thirty (30) days after the Notice Date. Where notice to terminate a particular use is given by the Lessor to the Co-operator, and the Co-operator temporarily ceases such use, but within one year again uses the property for the purpose complained of, or for a similar purpose to that complained of, the Co-operator agrees that he shall be deemed to have "used the Site for a use in violation of the terms of this Agreement for a continuous period of one year", and this Lease shall be subject to "**Immediate Cancellation**".
- 3.3 From time to time where a new Map of the 40 Mile Park is created by the Lessor for use as a replacement of that existing in Schedule 1, the newer more current Map shall be deemed to replace the existing Schedule 1 and shall form a binding part of this Agreement.

4 **RENT AND OTHER PAYMENTS**

- 4.1 The Co-operator shall pay to the Lessor, without deduction or set-off during the term of this Agreement that Base rent identified in Schedule 2 in the manner identified in Schedule 2.
- 4.2 **Additional Charges** In addition to the Base rent, the Co-operator shall pay to the Lessor such additional amounts (which shall be considered additional rent) as the Lessor may assess, pursuant to the 40 Mile Park Guidelines and Policies or assessments, for sites within the particular Area in which the Site is located or generally for all Co-operators. The Co-operator acknowledges that items such as the capital cost of installation of services, real property taxes, assessments relating to the Site or infrastructure around the Site or related to the general operations of the 40 Mile Park or to special projects of the 40 Mile Park may be assessed as additional charges by the Lessor, from time to time, and are payable as rent. On the initial signing of the lease where the lease is for a newly created lot, the Lessor may charge a Capital Recovery Fee for the purpose of adding money to a Capital Reserve intended for past or future capital projects in relation to the 40 Mile Park. The Capital Reserve Fee may be set by the 40 Mile Park Committee.

5 **ADDITIONAL OBLIGATIONS OF THE CO-OPERATOR**

- 5.1 The Co-operator shall:
- (a) Regularly pay, when due, all charges for services and/or utilities supplied to the Site, including, where applicable: sewage removal, gas, garbage collection, electrical, water, telephone and cable television; and
- (b) Pay, when due, all taxes, rates, duties, assessments and license fees that may be levied, rated, charged or assessed against the Site, any part thereof, and any improvements thereon, or upon the Co-operator in respect of his use thereof. The Lessor may direct such payments be made direct to the relevant authorities or through the Lessor, at the Lessor's option; and
- (c) Not use the Site for any purpose which would be deemed "objectionable" to other occupants of sites within the Area or adjacent Areas or to the Lessor or the Owner; nor create, permit or suffer any active thing on the Site which is a nuisance; and

- (d) Provide and maintain an approved, sanitary waste disposal system, or such alternative system as is required by the Lessor, and otherwise ensure that all sanitation procedures comply with all pertinent provincial and federal health standards and environmental standards; and
- (e) At the Lessor's option, and as though 40 Mile Park were a Provincial Park, comply with the provisions of the Provincial Parks Act, and the regulations thereunder that relate hereto, both as may be amended, revised or substituted, from time to time, including directives issued by the Lessor, from time to time, which are consistent with the Provincial Parks Act and regulations, whether or not the same actually apply by statute to the Site; and
- (f) Comply with the provisions of
 - (i) Any act of the Legislature of the Province of Alberta and Parliament of Canada, now in force, or enacted hereafter; and
 - (ii) Any regulations in force, from time to time, under any of the Acts referred to above; and
 - (iii) Any by-law or resolution of any municipal government in the Province of Alberta, and any regulations or rules thereto; that expressly or by implication applies to the 40 Mile Park or the Co-operator or the Site; and
- (g) Obtain all required permits, reports, assessments or other instruments as may be required in the legislation referred to above or by the Lessor, pursuant to the 40 Mile Park Guidelines and Policies; and
- (h) In the event of any damage to the Site, or any structure on the Site, by any cause whatsoever, give notice, where reasonable, to the Lessor of the damage immediately upon becoming aware of such damage, and where the damage relates to structures or improvements placed on the Site by the Co-operator, repair such damage as soon as reasonably practicable; and
- (i) Keep the Site and any structure erected thereon in a clean and attractive condition, compatible with the 40 Mile Park decor and environment, and keep any improvements in a good and serviceable state of repair, and locate all improvements at an elevation above the top of the Forty Mile Reservoir elevation or as otherwise required by the Lessor or SMRID from time to time; and
- (j) Comply strictly with all fire and environmental rules or guidelines, in effect from time to time, whether rules of the Lessor or rules of any other competent authority having jurisdiction in relation to the Site; and
- (k) Comply with the 40 Mile Park Guidelines and Policies which the Lessor may have or has created, from time to time, during the Term of this Agreement, or by general law; and
- (l) Not restrict or hamper the public use of the water or shoreline adjacent to the Site; and
- (m) Assure that all docks comply with Federal Government regulations regarding construction and placement in water bodies. Docks must be removed from the water by October 15th of each year. Docks shall be installed in such manner that they cannot become a drifting hazard in the Reservoir, or to any other part of the 40 Mile Park where public access is desired by the 40 Mile Park Committee; and
- (n) On the demand of the Lessor, fully and immediately reimburse the Lessor, County of Forty Mile No. 8 or SMRID, as the case may be, for any costs of remedying, cleanup of or protection against environmental damage due to the actions or omissions of the Co-operator. Cost shall mean one hundred and ten percent (110%) of the actual costs incurred; and
- (o) Refrain from removal of any water from the Forty Mile Reservoir unless such removal is approved by all of the Lessor, County of Forty Mile No. 8 and SMRID.

5.2 The obligations of the Co-operator listed in Paragraph 5.1 are **NOT** intended to be an "exhaustive" list of those obligations of the Co-operator under this Agreement. The Co-operator acknowledges he/she is bound additionally by other obligations created pursuant to the other terms of this Agreement.

5.3 Notwithstanding that any particular use of the Site or other matter has been consented to or approved by the Lessor at any time during the Term of this Agreement, the Lessor shall by notice to the Co-operator be entitled to require the Co-operator to cease such use, or otherwise remedy the situation complained of; where due to Guidelines and Policies, whether those of the Lessor or others, the activity or matter previously consented to is no longer acceptable.

6 GUIDELINES AND POLICIES AND USE OF SITE

6.1 (a) The Co-operator acknowledges that each Area may have special requirements which relate to sites in that Area. The Co-operator further agrees that the borders and number of Areas may be varied by the Lessor from time to time, and will not necessarily be the same as those identified in Schedule 1 (Map) attached.

(b) The Co-operator agrees to strictly comply with the 40 Mile Park Guidelines and Policies set out in Schedule 3, as amended from time to time by the Lessor during the Term of this Agreement. Amendments include creation of, additions to, or deletions from existing Guidelines and Policies.

6.2 Notwithstanding anything, the Term of this Agreement will terminate forthwith in the event the Lessor, for any reason loses its right to continue to grant to the Co-operator the rights and obligations outlined in this Agreement. The Co-operator acknowledges that the Lessor's right to grant this Agreement for Sublease is dependent upon agreements and understandings the Lessor may have from time to time with the SMRID.

6.3 Expiration or termination of the Term of this Agreement shall in no way prejudice the Lessor's rights to recover unpaid monies, or exercise any right of action, with respect to breach of any term or covenant in this Agreement.

7 EXPIRATION OR TERMINATION

7.1 In the event that the Co-operator has, throughout the Term of this Agreement, substantially complied with his/her obligations under this Agreement, and there exists no special circumstances by which the Lessor may reasonably require use of the Site for the general benefit of the public or other park users, the Lessor will, offer to allow the Co-operator to continue to use the Site for such length of time and upon such terms, as the Lessor, in its normal business practice, is then offering with respect to sites in the Area in which this Site exists. The Co-operator understands it is the sole obligation of the Cooperator, **not more than one (1) year nor less than thirty (30) days prior to the expiration** of the term of this Agreement to notify the Lessor of the Co-operator's desire to continue to use the Site. The Co-operator further understands the Cooperator is not by this provision agreeing to allow continued use for any particular length of time, or use of the Site if it is not covered by a Head Agreement with SMRID at the relevant time.

7.2 The Lessor, upon serving written notice in person or by registered mail to the last known address of the Co-operator, may require the Co-operator to vacate and remove any properties from the Site within thirty (30) calendar days after expiration of the Term of this Agreement or early termination of the Term of this Agreement arising out of any default by the Co-operator of his/her obligation under this Agreement. If all properties are not removed within the specified thirty (30) day period, then entitlement to such property shall be forfeited to the Lessor and thereafter the Lessor may dispose of, or use, such properties as its own property free of any claim by the Co-operator.

7.3 The Co-operator acknowledges and agrees that in the event that the 40 Mile Park Committee ceases to exist or ceases to operate the 40 Mile Park and the property is returned to the St. Mary Irrigation District (or its successor organization), the County of Forty Mile No. 8 may upon written notice to the Co-operator, either by person or by registered mail to the last known address of the Co-operator, terminate the Term of this Agreement forthwith, and require the Co-operator to vacate and remove any property from the Site within thirty (30) calendar days of the Notice Date.

8 WAIVERS AND RELEASE OF LIABILITY

8.1 The Co-operator acknowledges that he/she is aware the Reservoir is a live storage primarily for irrigation, and it is understood that no claims or demands can be made on the Lessor, the County of Forty Mile No. 8 or the SMRID, arising from the fluctuation in water level in the Reservoir. It is further understood that, with or without notice, a sudden water level increase or decrease may occur, from time to time, and that the Co-operator is responsible for moving any property that may be affected. The Co-operator hereby waives any claim of liability against the

SMRID, the County of Forty Mile No. 8 or the Lessor, their employees, subcontractors or agents for any damages, claims or liabilities resulting from or relating to such water level increase or decrease. The Co-operator acknowledges he/she is aware that the relevant authorities will generally NOT provide prior notice of water level changes.

- 8.2 The Lessor shall not be held liable for damages to property caused by water, fire, wind, hail, snow or any Act of God, whether or not the Lessor has been negligent or otherwise in breach of its obligations to the Co-operator or other user of the Site.
- 8.3 The Co-operator acknowledges that the Reservoir is a live irrigation storage, with water levels which at times rapidly fluctuate, and that there can be no assurance of the stability of the banks of the Reservoir, or other soil conditions at the Site. The Co-operator hereby waives any claim (whether in negligence or otherwise) against the Lessor, the SMRID and/or the County of Forty Mile No. 8 arising out of or related to any instability of the banks or soil conditions of the Site. The Cooperator shall be solely responsible to satisfy himself/herself of the stability and proper soil conditions relating to the Site or adjacent area from time to time.
- 8.4 The Co-operator acknowledges that there are certain archaeological sites which may be present within the 40 Mile Park, and that there may be certain interruptions that are necessarily caused to the Co-operator's use of the Site. The Co-operator acknowledges that there can be no assurance that there will be no interruption of the Co-operator's use of the Site due to archaeological or environmental excavations or other matters outside of the control of the Lessor. The Co-operator hereby waives any claim against the Lessor, the SMRID and/or the County of Forty Mile No. 8 arising out of or related to any interruption of the Co-operator's use of the Site.
- 8.5 Any reference to the "Lessor", with respect to release or waiver of liability, or with respect to any indemnification in favour of the Lessor, shall be taken to include the 40 Mile Park Committee members and directors, officers, employees, subcontractors to and agents of the Lessor or the 40 Mile Park Committee.
- 8.6 The Co-operator hereby waives any claim against the Lessor, the Owner or the County of Forty Mile No. 8, arising out of the failure to provide, or interruption of, any utilities or services to the Site.
- 8.7 Unless waiver be given in writing by the Lessor, the Lessor shall not be deemed to have waived any breach by the Co-operator of any of the terms or covenants contained in this Agreement and a waiver will relate only to the specific breach to which it refers, and shall in no way be interpreted to constitute a waiver of any subsequent breach.
- 8.8 Reference to the term "claim" when used in this Agreement in relation to a claim against the Lessor, the Owner or the County of Forty Mile No. 8, means and includes any claim, whether past, present, or future, and whether in tort, contract or otherwise.
- 8.9 Without in any way limiting other waiver provisions herein, the Lessor shall not be liable nor responsible for any personal or bodily injury or property damage of any nature which may have been suffered by the Co-operator or his/her invites or licenses in relation to the use, occupation of, control of, or Ownership of the Site or the 40 Mile Park.

9 INDEMNITY AND SURVIVAL OF TERMS

- 9.1 A Co-operator shall indemnify and save harmless the Lessor, its officers, directors, employees, and agents from and against any and all claims, demands, actions, and costs, (including solicitor client costs) whatsoever that may arise out of the Cooperator's performance of this Agreement, or by reason of any matter of things done, permitted, or omitted to be done, by the Co-operator or any other person for whom the Co-operator is responsible by law with respect to this Agreement or with respect to the use, occupation, or Ownership of the Site, or any other matter related to the Site or the 40 Mile Park.
- 9.2 Any indemnification granted by the Co-operator to the Lessor under this Agreement shall survive termination or expiration of this Agreement.
- 9.3 Where requested by the Lessor, the Co-operator shall, at its own expense, have his/her home owners or tenants liability insurance extended to cover his occupancy of the Site, including any structure erected thereon. The insurance shall contain third party liability coverage in a minimum amount of Three Million (\$3,000,000.00) dollars or such other higher amount as the Lessor shall require from time to time, and upon the written demand of the

Lessor, contain a waiver of any subrogation claim as against the Lessor (including the 40 Mile Park Committee), the Owner, and the County of Forty Mile No. 8. The Co-operator shall forthwith upon the demand of the Lessor produce a written evidence of such coverage. This insurance provision may be varied from time to time by the Lessor including alternative provisions within the 40 Mile Park Guidelines and Policies and in such event the requirements of the 40 Mile Park Guidelines and Policies shall take priority and be complied with by the Co-operator.

10 **SITE IMPROVEMENTS**

10.1 Any improvements or changes to the Site must first be authorized by the Lessor.

11 **LEASES FOR TRAILER PARKING**

11.1 Notwithstanding the existing Schedule 3, the Lessor hereby notifies the Co-operator that the Lessor may from time to time, designate certain sites and leases within certain Areas for the purpose of trailer parking or truck mounted RV units.

12 **REMEDIES FOR DEFAULT**

12.1 The provisions contained in this Section 12 "Remedies for Default" are in addition to and not in substitution for any other rights or remedies of the Lessor contained in this Agreement.

12.2 On the occurrence of any of the following events:

- (a) Any portion of the rent hereby reserved is unpaid after becoming due, whether formally demanded or not; or
- (b) The Co-operator fails to perform, observe or keep any of the terms, covenants or agreements as contained herein; or
- (c) The Co-operator violates any provision of any municipal by-law, 40 Mile Park Guideline or Policy, Provincial statute or regulation or the laws of any other competent governmental or 40 Mile Park authority; the Lessor may require the Co-operator to remedy any such default under any one or more of the above clauses within fifteen (15) days or any such longer time as the Lessor may deem warranted, and if the Co-operator does not remedy such default within the time prescribed by the Lessor the Lessor may, by notice in writing, terminate this Agreement and any rights and privileges of the Co-operator hereunder, and thirty (30) days after such notice of termination the Term will expire and terminate, together with all the Co-operator's rights and privileges, whether or not the Lessor has entered the premises, and the Co-operator will have no claim against the Lessor, the County of Forty Mile No. 8 or the SMRID for any of their omissions or actions.

12.3 In the event that the Co-operator fails to perform, observe or keep any of the covenants, terms or agreements as herein contained, the Lessor may require the Co-operator to remedy such default within fifteen (15) days or such longer time as the Lessor may deem warranted, and if the Co-operator does not remedy such default within the time prescribed by the Lessor, the Lessor or anyone authorized by the Lessor may enter the Site, pay all such sums and do all such things as are necessary to remedy the default promptly, and all the costs of the Lessor including all such amounts paid to third parties plus an administration fee equal to the greater of:

- (a) twenty percent (20%) of the costs incurred by the Lessor; or
- (b) a minimum sum of \$100.00;

shall be reimbursed to the Lessor by the Co-operator forthwith upon demand made by the Lessor. The Co-operator further agrees that where it becomes necessary for the Lessor to remove unsightly or dangerous goods or any other chattels from the Site, the Lessor will store such goods for a period of fifteen (15) days only, unless otherwise agreed to in writing by the Lessor. In the event that the Co-operator fails to take possession of the removed goods within the fifteen (15) day period, or such longer period as the Lessor has agreed to, the Co-operator agrees that he/she/it is, by failing to claim possession of such goods, transferring the entire property interest in such goods to the Lessor and authorizing the Lessor to dispose of such goods as the Lessor's own property and in such way as the Lessor in its unfettered discretion determines appropriate. In such event the Co-operator is further agreeing to indemnify and save harmless the Lessor against any claim against any third parties

who might later claim a property interest in the said chattels or goods disposed of Notwithstanding anything, the Lessor shall not be required to release any goods until the Co-operator has fully paid to the Lessor all sums owing to the Lessor under this Agreement, and in the event of disposal pursuant to this paragraph the full proceeds shall become the sole property of the Lessor.

12.4 In the event that any amounts owing (herein called the "original amount") by the Co-operator to the Lessor pursuant to this Lease are not paid forthwith when due, the Lessor shall be entitled to charge in addition to the amounts so due a monthly service fee (which includes the administration fee) equal to the greater of:

- (a) one percent (1%) of the amount due; or
- (b) \$10.00 per month.

The service fee shall be payable in advance and in full commencing on the 5th day of the month following the month when the original amount became due to the Lessor and thereafter on the 5th day of each consecutive month thereafter.

12.5 The Lessor may cut off, or cause to be cut off, all services to the Site (including but not restricted to water, power and road access) where the Co-operator is in default of this Agreement. Any attempt by the Co-operator to interfere with such cut off of access or services will entitle the Lessor to immediately terminate the Term of this Agreement.

12.6 The remedies of the Lessor in this Agreement are cumulative, and the exercise of any particular remedy by the Lessor shall not preclude the Lessor from additionally and independently exercising any other remedy available to it at law, equity, under this Agreement or otherwise.

12.7 Reference to the "Lessor" within this Article 12 - "Remedies for Default" shall be taken to include 40 Mile Park Committee, the County of Forty Mile No. 8 and SMRID, and any one or more of the aforementioned parties may exercise any one or more of the remedies either independently, simultaneously or in any other combination.

13 **MISCELLANEOUS PROVISIONS**

13.1 All sums are required to be paid by the Co-operator under this Agreement and shall be deemed to be rent and shall be collectable by the Lessor as rent.

13.2 If any term in this Agreement shall be to any extent invalid or unenforceable, the remainder of the terms herein cannot be affected thereby and shall continue to be a full force effect.

13.3 Notwithstanding anything herein to the contrary, the Lessor shall not be deemed in default with respect to the performance of any obligations under this Agreement if the same shall be due to any strike, lock out, civil commotion, war-like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, government regulations or controls, Acts of God, inability to obtain any materials, services, or financing or otherwise beyond the control of the Lessor. The Co-operator shall not be entitled to compensation for any inconvenience, lost, nuisance, or discomfort thereby occasioned.

13.4 The Lessor may perform all or any of its' obligation by or through any employees, agents, subcontractors, or other third parties as it, from time to time, may determine to be appropriate.

13.5 All schedules attached to this Agreement shall be read and be enforceable as part of this Agreement.

13.6 This Agreement shall be binding upon and of benefit to the parties, their respective heirs, executors, administrators and successors.

13.7 Except as otherwise set out in this Agreement, this Agreement shall not be charged or modified except in writing and signed by both parties.

13.8 The word "Co-operator" shall mean and taken to indicate each and every person or party mentioned as a Co-operator, and if there shall be one or more person or party, any notice required by the terms of this Agreement may be given to any one thereof, and shall have the same force and effect as if given to all thereof. Use of the singular pronoun, shall be deemed to be a proper reference even though such party may be an individual, partnership, association, foundation, corporation, other legal entities, or a group of two or more individuals. The

other necessary grammatical changes required to make the provisions of this Agreement apply in the plural sense where there is more than one party shall in all instances be assumed as though in each case fully expressed.

- 13.9 This Agreement contains the entire agreement between the parties and it is admitted, so that they are forever stopped from asserting to the contrary, that there is no condition precedent or warranty of any nature whatsoever to the within Agreement.
- 13.10 The Co-operator shall not file a notice of this lease or caveat respecting this Agreement in the Land Titles Office or Personal Property Registry in which the Site is situate, and will not be entitled to file or register this Agreement. If the Co-operator files any instrument on the land title to the 40 Mile Park or any part thereof, the Co-operator shall forthwith on the demand of the Lessor and at the Co-operator's sole expense immediately discharge such encumbrance.
- 13.11 All sums are stated exclusive of any goods and service or other taxes and the Co-operator will pay and be solely liable for payment of such taxes in connection to amounts owing hereunder, and will where required submit to the Lessor such taxes to be forwarded on to Revenue Canada or other relevant taxing authority.
- 13.12 Notice where required under this Agreement may be given either personally, or by single registered mail to the last known address of the Corporation (in the case of notice to the Co-operator) or to the business address of the Lessor (in the case of notice to the Lessor) shown below. Notices shall be in writing. Notice given personally to the Lessor must be given to the Chairman of the 40 Mile Park Committee, or such other individual as the Lessor may indicate. Except as otherwise indicated herein, notice by registered mail shall be deemed received on the 6th clear calendar day after the date of posting.

Mailing Address for the Co-operator:

Phone No.: _____ Cell No.: _____ Fax No.: _____
Email: _____

Mailing Address for the Lessor:

Phone No.: _____ Cell No.: _____ Fax No.: _____
Email: _____

- 13.13 The address for Notice of any party hereto may be changed by notice to the other.
- 13.14 The Co-operator agrees to be bound, as though there were terms of this Agreement, by all of the 40 Mile Park Guidelines and Policies which the Lessor may create from time to time with respect to the 40 Mile Park and/or its sites.
- 13.15 This Sublease may not be assigned nor sublet either in part or in whole, without the consent of the Lessor first being obtained.

14 **ARBITRATION**

- 14.1 In the event of any dispute with respect to any matter related to this Agreement including but not restricted to the rights and obligations of each party under this agreement, either party to the dispute shall be entitled to require the dispute be arbitrated. The arbitration shall be pursuant to the provisions of the Arbitration Act of Alberta, and amendments thereto up to the time of the commencement of the arbitration proceedings. All parties hereby irrevocably consent to the arbitrator also acting as a mediator, and agree that the arbitrator's authority as an arbitrator shall be in no way affected by the arbitrator also acting in the capacity of a mediator at any time. The decision of the arbitrator shall be final and conclusive. The arbitrator is also directed by the parties that, to the extent reasonably possible, the arbitration is to be conducted in a summary and informal fashion and with as little cost as possible. The arbitrator is also directed that where the arbitrator feels it would be of assistance to the arbitration proceeding to have expert advice received directly by the arbitrator, the arbitrator shall be entitled to employ an expert or experts as he feels are appropriate for advice before making his/her decision and the parties shall be jointly and severally responsible to the agents for the cost of such experts (each to be ultimately responsible for one half (1/2) of the cost) and to be entitled to reimbursement against the party not bearing his

share. The right of appeal is hereby waived excepting only with respect to the issue of the arbitrator's decision being ultra vires, either in whole or in part.

15 **SMRID AGREEMENT**

15.1 The Co-operator acknowledges that the SMRID and the County of Forty Mile No. 8 have an agreement whereby the SMRID has leased to the County of Forty Mile No. 8 that area covered by the 40 Mile Park subject to the restrictions contained in that Lease (the present "Head Agreement"). The Co-operator agrees that where the terms of this Agreement in any way conflict with the requirement of the Head Agreement, the terms of this Agreement shall be deemed to have been amended to comply with the requirement of the Head Agreement.

15.2 Upon renewal, if any, of the Head Agreement in accordance with Article 19 of the Head Agreement, the rent payable thereunder is subject to agreement by the SMRID and the County of Forty Mile No. 8 prior to the commencement of the renewal term. The Co-operator acknowledges and agrees that any rent, levy or similar charge imposed by SMRID and payable for the renewal term shall be payable by the Co-operator to the Lessor in the Co-operator's proportionate share in the manner set out in paragraph 4 herein. Any such amount shall be in addition to and not in replacement of all of the Co-operator's other obligations pursuant to the terms of this Agreement.

16 **PROVINCIAL PARK STATUS**

16.1 Notwithstanding anything in this Agreement, in the event that the 40 Mile Park gains status as a Provincial Park in the Province of Alberta any necessary amendments to this Agreement shall automatically be deemed to have been made as are required by the Province of Alberta. In default of the aforesaid necessary amendments being made to this Agreement, the Lessor shall have the option of terminating the Term of this Agreement upon fifteen (15) days' notice to the Co-operator.

17 **SUCCESSOR LESSOR**

17.1 In the event that the 40 Mile Park Committee is replaced by the County of Forty Mile No. 8 or any other body designated by the County of Forty Mile No. 8, the definition of the Lessor shall be amended accordingly for the purposes of this lease.

17.2 In the event any decision of County of Forty Mile No. 8 is contrary to that of the 40 Mile Park Committee the decision of the County of Forty Mile No. 8 shall prevail.

17.3 In the event that any regulation, by-law, rule, or policy of SMRID or County of Forty Mile No. 8, as the same relates to 40 Mile Park, is contrary to a provision of this lease the regulation, by-law, rule or policy of SMRID or County of Forty Mile No. 8, as the case may be, shall prevail.

18 **SALE OR ASSIGNMENT**

18.1 The Co-operator may assign its interest in this Agreement, subject always to the following terms and conditions:

(a) All assignments must be approved in writing by the Lessor and such approval may be arbitrarily withheld, in the sole discretion of the Lessor.

(b) Any consent granted by the Lessor shall be conditional upon and subject to the Co-operator causing any Assignee to enter into an agreement directly with the Lessor in writing whereby such Assignee covenants and agrees to assume and continue to perform and be bound by all of the terms and conditions contained in this Agreement for Sublease and the obligations of the Lessor in the Head Agreement.

(c) All assignments must be to a person or persons. Assignments to a corporation or other similar entity are prohibited. The Co-operator acknowledges that any change in control or ownership of the lease shall be deemed to be an assignment of this lease unless otherwise agreed to by the 40 Mile Park Committee.

(d) The Assignor shall pay a transfer fee in the amount equivalent to six and one-half (6.5%) percent of the Assessed Value of the land.

18.2 The Lessee may allow the assignment of an interest in this agreement to the spouse, adult interdependent partner, child, grandchild or great-grandchild and in such circumstances the Assignor shall not be required to pay the transfer fee set out in paragraph 18.1(d), but in all other respects the provisions of this Agreement shall apply to the assignment.

IN WITNESS WHEREOF the Lessor has affixed its name and corporate seal attested to by the proper officers in that behalf and the tenant have signed their names and affixed their seals the day and year first above written.

SIGNED AND DELIVERED in the presence of:)

_____))
Witness) Co-operator _____

_____))
Witness) Co-operator _____

)
) 40 MILE PARK COMMITTEE

Per: _____
Authorized Representative

LIST OF SCHEDULES

<u>Schedule</u>	<u>Description</u>	<u>Partial List of References</u>	<u>Paragraph</u>
1.	Map and Description of the Area		
2.	Term of Agreement, Base rent for the Site and Manner of Payment		
3.	40 Mile Park Guidelines and Policies	6.1 (b)	
4.	County of Forty Mile No. 8 By-Laws		

**SCHEDULE 1
Map and Legal Description of the Area - see attachment**

**SCHEDULE 2
Term of Agreement, Base Rent for the Site and Manner of Payment
See Paragraph 3.1 (b)**

Term

The Term of this Agreement shall be from the _____ day of _____, 20_____ and shall continue until the _____ day of _____, 20_____.

**Base Rent and Manner of Payment
(see Paragraph 4.1)**

The Co-operator shall pay to the Lessor, without deduction and without any set off, the following Base rent:

Annual Base rent of \$ _____, payable in advance by instalments commencing on the _____ day of _____ A.D. _____, and continuing each year thereafter, up to April 1st of the second year of the term (the "Guaranteed Period"). The Co-operator agrees that after the Guaranteed Period and for the balance of the Term, the Lessor may amend the annual Base rent rate by resolution of the 40 Mile Park Committee (or such other committee as the Lessor might appoint from time to time for that purpose) annually on or before the 1st day of April in each year (or such other date set by the 40 Mile Park Committee for the setting of annual Base rent rates) and thereafter the Co-operator shall pay that Base rent annually on the yearly due date set out in the resolution until it is similarly amended or the Term of this lease expires.

The aforesaid annual date for payment of rent may be amended by notice given by the Lessor to the Co-operator, at any time. If no notice to amend the due date is given, it will be the same day of the then current year as existed for payment of annual Base rent in the previous year. The Co-operator acknowledges the Lessor may, for administrative purposes; wish to coordinate the payment dates for annual Base rent on sites, irrespective of the Commencement date.

SCHEDULE 3
40 MILE PARK GUIDELINES AND POLICIES

The Guidelines & Policies are developed for the orderly development and operation of the Park. These may be altered, added to or deleted by motions passed at a regular or special meeting of the 40 Mile Park Committee and form Schedule 3 of the Agreement. **This is not a complete list.** The Co-operator should become familiar with the other contracts which may affect his Agreement such as the Head Agreement.

1. No pumping of water from the Reservoir will be allowed.
2. The Co-operator is to allow the Lessor, the County of Forty Mile No. 8 and SMRID, and their employees or agents over any area, at any time, whether Site or shoreline for repairs or maintenance or such other purposes as the Lessor, County of Forty Mile No. 8 or SMRID, in their discretion, deem necessary or advisable.
3. Garbage must be properly stored in containers on the site and regularly removed by the Co-operator to approved Park receptacle, or placed directly in the Park garbage receptacle.
4. The Co-operator must be familiar with and abide by the County of Forty Mile No. 8 By-Law 3/2008 and any amendments made thereto. A copy may be attached hereto.
5. When a lease is completed, the Co-operator must thereafter keep their mailing address and telephone numbers current with the Park Committee.
6. In all instances, a development permit must be completed and approved for utilization of the site or any part thereof. If the permit is for the main structure, the permit application must include the performance deposit. It is intended the Co-operator proceed with utilization of the Site within the first year of the lease.
7. In the case of the main building, the exterior must be completed before 2 years have elapsed from the time the development permit was issued.
8. If the Co-operator has complied with the terms and conditions of the development permit, the performance deposit will be refunded to the Co-operator after copies of all applicable Alberta Labor permits and compliance inspections have been provided and indicate no infringements remaining.
9. The Co-operator must be the owner named on the development permit for the structures occupying the leased area.
10. All sewage and gray water disposed must be contained in an appropriate facility designed for that purpose and in no way should be allowed to escape.
11. Each Co-operator is responsible to clearly identify their lot and the building thereon. The area and lot number must be posted and maintained so that they may be easily seen from the front roadway. The letters and numbers must be of contrasting color to the background they are mounted on and a minimum of 4" high. If the Co-operator also has a boat dock and related walkway they must also be similarly identified.
12. Not more than one holiday trailer shall be parked on the Site unless approved as per the County Land Use By-Law.
13. The keeping of livestock or poultry for pets or other purposes is prohibited.
14. The keeping of more than two (2) dogs not including unweaned pups is prohibited.
15. The Co-operator must obtain approval from the SMRID to install a portable dock on the shore and water near the designated site, but it must be removed from the water by October 15th of each year. The dock shall be installed in such a manner that it cannot become a drifting hazard in the reservoir. Failure to remove the dock will result in the Park Administration removing the dock and charging a fee (the formula of which will be set from time to time by the 40 Mile Park Committee), for the removal. The boat dock must be permanently identified with the area, lot number and anchored in place as outlined in the Park Guidelines.

16. Minimum excavation will be allowed for drinking water receptacles and pump out septic tanks only.
17. Foundations for move-in buildings or buildings constructed on site or mobile homes are limited to pilings, grade beam with pilings, or concrete footings with foundation to a maximum depth of four feet. (No basement).
18. The Co-operator may plant trees, shrubs, grass and flowers within the marked boundaries of the site.
19. The Co-operator may place walkways above the normal high water mark of the reservoir in a manner that minimizes soil erosion.
20. No building or structure is permitted outside the marked boundaries of the Site.
21. Development of each area may vary from area to area and also within the area. Therefore, the cost recovery fee, annual lease, user fees, and all other terms and assessments may also vary. **The terms of reference at this time are set out as follows:**

Area A:

Unless otherwise altered by a motion of 40 Mile Park Committee, the Co-operator may use this area on a seasonal basis for truck mounted campers, motor homes, travel trailers, fifth wheel trailers, tents and tent trailers, and newly constructed building homes or cabins.

A septic tank must be installed to contain all waste. A potable water tank may also be installed, however the volume of the tank must be less than the septic tank. Non-potable water cannot be connected to any plumbing facilities of the Co-operator's living quarters.

The Co-operator must follow lease agreement terms and conditions and the development permit application for all development activities before proceeding.

The electricity, non-potable water and other facilities will only be provided when financial and administration obligations can be met in the opinion of the Park Committee.

Area C:

Unless otherwise altered by a motion of 40 Mile Park Committee, the Co-operator may use this area for truck mounted campers, motor homes, travel trailers, fifth wheel trailers, tent and tent trailers. Also allowed are mobile homes and/or some frame construction buildings provided they are temporary in nature and mounted on skids, pilings, or blocks.

A septic tank must be installed to contain all waste. A potable water tank may also be installed, however, the volume of the tank must be less than the temporary septic tank. Non-potable water cannot be connected to any plumbing facilities of the Co-operator's living quarters.

The Co-operator must follow lease agreement terms and conditions and the development permit application for all development activities before proceeding.

The electricity, non-potable water and other facilities will only be provided when financial and administration obligations can be met in the opinion of the Park Committee.

Area D:

Unless otherwise altered by a motion of 40 Mile Park Committee, the Co-operator may use this area on a seasonal basis for truck mounted campers, motor homes, travel trailers, fifth wheel trailers, tents and tent trailers, and newly constructed building home or cabin.

A septic tank must be installed to contain all waste. A potable water tank may also be installed, however the volume of the tank must be less than the septic tank. Non-potable water cannot be connected to any plumbing facilities of the Co-operator's living quarters.

The Co-operator must follow lease agreement terms and conditions and the development permit application for all development activities before proceeding.

The electricity, non-potable water and other facilities will only be provided when financial and administration obligations can be met in the opinion of the Park Committee.

Area E:

Will be determined when development of the area occurs.

Area F:

Will be determined when development of the area occurs.

Area G:

Unless otherwise altered by a motion of the 40 Mile Park Committee, the Co-operator may use this area for truck mounted campers, motor homes, travel trailers, fifth wheel trailers, tents and tent trailers.

A septic tank may be installed to contain all waste. A potable water tank may also be installed, however the volume of the tank must be less than the septic tank. Non-potable water cannot be connected to any plumbing facilities of the Co-operator's living quarters.

The Co-operator may place a storage shed on the site that does not exceed 100 square feet and must comply with the conditions in the development permit. The Co-operator must follow lease agreement terms and conditions and the development permit application for all development activities before proceeding.

This electricity, non-potable water and other facilities will only be provided when financial and administration obligations can be met in the opinion of the Park Committee.

Initial
_____/_____

AFFIDAVIT OF EXECUTION

CANADA)
PROVINCE OF ALBERTA)
TO WIT)

I, _____
of the _____, in the Province of Alberta

MAKE OATH AND SAY:

1. I was personally present and did see the following Co-operators,

_____ named in the within [or annexed]
instrument who is [are] personally known to me to be the person[s] named therein, duly sign and execute
the same for the purpose named therein.
2. The document was executed at _____, in the Province of Alberta and I am the
subscribing witness.
3. I know the said party(s) and he/she/they is/are in my belief of the full age of eighteen years.

SWORN BEFORE me at the City of _____)
_____, in the Province of _____)
Alberta, this ____ day of _____,)
201____.)
)
)
)
)
)
)

A COMMISSIONER FOR OATHS in and
for the Province of Alberta