

**MASTER SERVICES AGREEMENT**

**THIS AGREEMENT** made as of the 16<sup>th</sup> day of September, 2019.

**BETWEEN:**

**Global Transportation Hub Authority (herein the "GTHA")**

-and-

**CIR Commercial Realty Inc. (herein the "Manager")**

**WHEREAS:**

- A. The GTHA issued a Request for Proposals dated March 7, 2019 (the "RFP"), in which it requested proposals from parties interested in and qualified to provide the Deliverables described in the RFP.
- B. The Manager submitted a proposal dated April 22, 2019 (the "Proposal") and was chosen as the selected proponent.
- C. The RFP contemplated the execution of a formal agreement (the Agreement) between the GTHA and the selected proponent based on the Proposal and the form of agreement attached to the RFP as Appendix C.
- D. The parties are now prepared to enter into the following Agreement.

**NOW THEREFORE**, in consideration of the foregoing, and the mutual covenants and benefits herein contained, and for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

**1 SERVICES**

- 1.1 The Manager shall provide the Services described in Schedule "A", (the Services) to the GTHA on the terms and conditions set forth in this Agreement.

**2 OVERSIGHT BY GTHA**

- 2.1 The GTHA reserves the right, in its absolute discretion, to provide reasonable direction to the Manager with respect to time or manner in which the Services (as outlined in Schedule A) are provided and the Manager agrees to use commercially reasonable efforts to provide the Services in accordance said reasonable direction.
- 2.2 If there is a dispute over whether any such direction materially alters the costs to either party and that the compensation payable under this Agreement should be adjusted, the dispute shall be resolved in accordance with Section 11.
- 2.3 Nothing in this Agreement shall be deemed to limit, relieve or deprive the GTHA of its right to exercise its authority and responsibility under *The Global Transportation Hub Authority Act*.

### **3 TERM**

- 3.1 The initial term of this Agreement shall be for a period of twelve (12) months, commencing on the Effective Date. Notwithstanding the foregoing, the term of this Agreement shall automatically renew on each of the first four (4) anniversaries of the Effective Date for, in the case of each such renewal, an additional twelve (12) month term, unless this Agreement terminated by either party in accordance with Section 4 of this Agreement.
- 3.2 The effective date of this Agreement shall be October 1, 2019 (the "Effective Date"). A transition period will commence on October 1, 2019 and the Manager will have assumed full responsibilities as outlined in this Agreement by November 30, 2019.
- 3.3 The GTHA shall have the option to extend the term of this Agreement for up to two (2) additional terms of five (5) years each beyond the initial five (5) years (each such five (5) year renewal term to consist of five (5) automatically renewing twelve (12) month terms, on the basis as described in Section 3.1 above), on terms to be mutually agreed upon by the parties.
- 3.4 The GTHA may exercise its option to extend the term of the Agreement pursuant to Section 3.3 by providing written notice to the Manager stating that the GTHA intends to extend the Agreement. Said notice must be provided to the Manager not later than 180 days prior to the expiry of the Agreement.

### **4 TERMINATION**

#### By the GTHA

- 4.1 The GTHA may terminate this Agreement, whether during the original term or any extension thereof, by providing at least 180 day's written notice to the Manager which notice shall state the termination date.
- 4.2 In the event of termination pursuant to Section 4.1, the GTHA shall pay to the Manager in full satisfaction of its liability to the Manager, all amounts properly due under this Agreement as of the date of termination. The GTHA will not be liable to the Manager for any other claim, damage or loss and without restricting the generality of the foregoing, for loss of anticipated profit or loss of other business or commercial opportunity.
- 4.3 The GTHA may terminate this Agreement at any time for Cause (as defined herein) without judicial resolution or payment of any penalty or additional compensation to the Manager by providing written notice to the Manager stating the Cause upon which such termination right is being exercised and the date that termination is to take effect.
- 4.4 "Cause" shall mean any of the following:
- (i) the Manager breaches any term of this Agreement and if it is a breach capable of being remedied, fails to remedy the breach within sixty (60) days after notice thereof from the GTHA to the Manager;

- (ii) the Manager breaches any law that results or could result in civil, criminal or regulatory proceedings against the GTHA, or material loss or damage, including material reputational damage, to the GTHA;
- (iii) the Manager's acts or omissions might reasonably be expected to have, either immediately or in the future, a materially adverse effect on the business, properties, assets, condition (financial or otherwise), or prospects of the GTHA;
- (iv) the Manager:
  - a) becomes insolvent or generally fails to pay, or admits in writing its inability or unwillingness to pay its debts as they become due;
  - b) applies for, consents to, or acquiesces in the appointment of a trustee, receiver, sequestration, or other custodian or otherwise makes a general assignment for the benefit of creditors; or
  - c) permits or suffers to exist, as to itself, the commencement of any bankruptcy, reorganization, debt arrangement, or other action or proceeding under any bankruptcy or insolvency law, or any dissolution, winding up, or liquidation proceeding;
- (v) actual or de facto control of the Manager changes; or
- (vi) the Manager is not meeting the measures defined in the success matrix outlined in Appendix A, the GTHA has provided the Manager written notice of this, and the shortcomings have not been rectified in 180 days.

4.5 If this Agreement is terminated for Cause the GTHA shall:

- (i) pay to the Manager all amounts properly due under this Agreement;
- (ii) be entitled to set-off and deduct from any amounts due to the Manager the actual costs of remedying any damages, costs or losses incurred by the GTHA as a result of such Cause, or paying any unpaid accounts owing by the Manager to third parties, or indemnifying and saving harmless GTHA against all claims, demands and actions which may arise as a result of the acts or omissions of the Manager.

By the Manager

4.6 The Manager may terminate this Agreement, whether during the original term or any extension thereof, by providing at least 180 day's written notice to the GTHA which notice shall state the termination date.

**5 COMPENSATION**

5.1 As compensation for providing the Services, the GTHA agrees to pay to the Manager the fees and expenses set forth in Schedule B.

5.2 The GTHA is not subject to the Goods and Services Tax for Services purchased from the Manager and GST is not to be claimed by the Manager.

## 6 INVOICING AND PAYMENT

6.1 The Manager shall submit invoices to:

**Global Transportation Hub Authority**  
**Attention:** Chief Executive Officer  
**Telephone:** (306) 798-4605  
**Fax:** (306) 798-4600  
**Email:** [inquiry@thegth.com](mailto:inquiry@thegth.com)

6.2 Invoices shall include a report of the Services provided with sufficient details and particulars to permit the GTHA to determine the service for which payment is claimed.

6.3 If the GTHA believes, in good faith, that the Services were not provided in accordance with the terms of this Agreement, or if the GTHA suffers loss, damage or costs due to the errors or omissions of the Manager, then without limiting any other right or remedy available to the GTHA, it may set off such loss, damage or costs against any sum owing to the Manager or withhold further payment, any portion thereof. Notwithstanding the foregoing, if the Manager, in good faith, disputes the position of the GTHA in this regard, such dispute shall be resolved pursuant to Section 11 of this Agreement. Notwithstanding anything else herein contained, any such hold back or set off shall be proportionate to : (i) the amount of the Services which were allegedly not provided in accordance with the terms of this Agreement or (ii) the loss, damage or costs suffered by the GTHA as a result of the Manager's alleged errors or omissions.

6.4 Payment, use or approval by the GTHA does not constitute acceptance or a waiver of any right or claim that it has against the Manager or relieve the Manager of liability or responsibility for Services that are not performed in accordance with, or do not comply with, the terms of this Agreement.

6.5 The GTHA shall pay all undisputed invoices for the Manager received within 30 days of receipt of the invoice. Should payment not be made within 45 days, the Manager may add interest at the prime rate of GTHA's principal financial institution.

## 7 INDEPENDENT CONTRACTOR

7.1 The Manager shall be fully responsible for payment of any applicable employer and employee contributions or deductions for its employees, imposed by law or other authority, including but not limited to contributions or deductions owing under the *Income Tax Act* (Canada), the *Canada Pension Plan Act*, the *Employment Insurance Act* (Canada), or workers' compensation legislation.

7.2 The Manager's employees are not, nor shall they be deemed to be at any time during the term of this Agreement, employees of the GTHA or under the direction of the GTHA.

7.3 In the performance of its duties under this agreement, the Manager shall occupy the position of an independent contractor with respect to the GTHA. Nothing contained in this agreement shall be construed as making the parties partners or a joint venture, nor, except as expressly herein otherwise provided for, construed as making the Manager an agent or employee of the GTHA.

## **8 STANDARD OF WORK**

- 8.1 The Manager shall observe, keep and perform all laws, ordinances, rules and regulations of any governmental unit or agency affecting the performance of any aspect of the Services including, without limitation, legislation respecting workers' compensation and occupational health and safety, including regulations promulgated under such statutes and will require compliance therewith by its employees, agents and subcontractors.
- 8.2 The Manager warrants that it is fully and properly experienced, authorized, qualified, licensed, equipped, organized and financed based on accepted industry standards to provide the Services.
- 8.3 The Manager shall exercise the degree of skill, care and diligence that is required to provide the Services in a good and professional manner, in accordance with good and recognized standards, methods, practices and principles employed in the industry for similar work and in accordance with the terms of this Agreement and all applicable codes, laws and regulations.

## **9 INDEMNITY**

- 9.1 The Manager shall indemnify and hold harmless the GTHA, its ministers, officials, respective directors, officers and employees from and against all claims, actions and other proceedings of any kind without limitation, criminal, civil, administrative or regulatory proceedings, including costs, that are made, brought or prosecuted against the GTHA, or its ministers, board members, officials, or employees ("Claims") that arise from, are based upon or are attributable to the acts or omissions of the Manager or its officers, employees, agents or contractors for whom the Manager is responsible at law, including any infringement on any third party "Intellectual Property Rights" (patents, trademarks, copyrights, trade secrets), provided that:
- (i) GTHA promptly, upon receipt of notice of any Claims against it, notifies the Manager in writing of the receipt thereof and provides it with full particulars thereof to the extent known to the GTHA;
  - (ii) the Manager will assume the defence of any Claims in respect of which the GTHA claims indemnity hereunder provided that the GTHA will be entitled to employ separate counsel at its own expense; and
  - (iii) the GTHA will act as trustee for the benefit of its directors, officers, employees or representatives as regards the covenants of the Manager.
- 9.2 The GTHA shall indemnify and hold harmless the Manager, its officials, respective directors, officers and employees from and against all Claims that are made, brought or prosecuted against the Manager, its officials, directors, officers or employees that arise from, are based upon or are attributable to the acts or omissions of the GTHA or its officers, employees, agents or contractors for whom the GTHA is responsible at law, including any infringement on any third party "Intellectual Property Rights" (patents, trademarks, copyrights, trade secrets), provided that:
- (i) the Manager promptly, upon receipt of notice of any Claims against it, notifies the GTHA in writing of the receipt thereof and provides it with full particulars thereof to the extent known to the Manager;

- (ii) the GTHA will assume the defence of any Claims in respect of which the Manager claims indemnity hereunder provided that the Manager will be entitled to employ separate counsel at its own expense; and
- (iii) the Manager will act as trustee for the benefit of its directors, officers, employees or representatives as regards the covenants of the GTHA.

## **10 GOOD FAITH AND REASONABLE**

- 10.1 The parties represent to one another that they will act in all respects reasonably and in good faith when carrying out their obligations under this Agreement.
- 10.2 The parties agree to act reasonably in exercising any discretion, judgment, approval or extension of time which may be required to affect the purpose and intent of this Agreement. Whenever the approval or consent of a party is required under this Agreement, such consent shall not be unreasonably withheld or conditioned or unduly delayed.
- 10.3 The GTHA will make available to the Manager all relevant information and expertise in a timely manner and cooperate with the Manager in all reasonable respects.

## **11 DISPUTE RESOLUTION**

- 11.1 In the event that any dispute arises between the Manager and the GTHA concerning the interpretation, rights, obligations or performance of this Agreement:
- (i) either party may give written notice describing the dispute to the other party;
  - (ii) the operational team members of the parties shall thereafter promptly meet and negotiate in good faith to resolve the dispute;
  - (iii) if the dispute cannot be resolved through negotiation at the operational level within 60 days of the date that notice of the dispute is first given, the parties shall refer the matter to the GTHA Chief Executive Officer and the head of the Manager in Saskatchewan;
  - (iv) if the dispute cannot be resolved through negotiation at the senior executive level, either party may refer the matter to a professional mediator;
  - (v) if mediation is unsuccessful either party may refer the dispute to be resolved before a single arbitrator in accordance with *The Arbitration Act, 1992* and Section 20 of this Agreement.
- 11.2 The fees and expenses of the mediator and arbitrator shall be shared equally by the parties.
- 11.3 Unless otherwise instructed in writing by the GTHA the Manager shall continue to carry out its duties under this Agreement during proceedings under this section. The GTHA shall continue to make all required payments due and owing to the Manager during the proceedings under this section unless:
- (i) the Manager has been asked to discontinue Services (provided the GTHA shall pay for all Services which were rendered by the Manager before the Manager was asked to discontinue Services); and
  - (ii) except for any payment that is the subject of the dispute.

## **12 CONFIDENTIALITY**

- 12.1 Information related to the GTHA or its affairs acquired by the Manager, either verbally or in writing or through observation, is considered by the GTHA to be confidential information and shall not be used or disclosed by the Manager either during the term of this Agreement or at any time thereafter, except as may be reasonably necessary for the Manager to perform the Services or such disclosure is required in response to a valid order of a court or other governmental body or otherwise required by law, including *The Freedom of Information and Protection of Privacy Act*, or as otherwise authorized by the GTHA Board of Directors.
- 12.2 The foregoing restriction shall not apply to information which: (a) was known to the Manager before receipt of same from the GTHA; (b) becomes publicly known other than through the Manager; or (c) is disclosed pursuant to the requirements of a governmental authority or judicial order.

### **13 CONFLICT OF INTEREST**

- 13.1 Subject to the restrictions set forth in this Section, the GTHA agrees that the Manager may be engaged in other businesses and may provide services to persons other than the GTHA.
- 13.2 The Manager will disclose in writing to the GTHA any interest it has, either direct or indirect, that will or could reasonably be seen by the GTHA, to place the interests of the Manager in material conflict with the interests of the GTHA.
- 13.3 Where the GTHA, acting reasonably, has determined that a material conflict of interest exists, the GTHA may require the Manager to take such measures as the GTHA, acting reasonably, considers necessary to eliminate or mitigate such material conflict of interest.
- 13.4 Any dispute as to whether there is a conflict of interest, or whether the measures required by the GTHA are reasonable, shall be resolved in accordance with section 11.
- 13.5 The GTHA acknowledges and agrees that in accordance with the Standard of Conduct and Realtor Code of the Canadian Real Estate Association, the Manager has disclosed that it may, during the course of normal business, enter into an arrangement with a potential buyer whereby the Manager would be in Limited Dual Agency and that any such Limited Dual Agency shall not be considered a conflict of interest under this Agreement.

### **14 INTELLECTUAL PROPERTY RIGHTS**

- 14.1 All Intellectual Property developed by the Manager for use in or as a consequence of providing the Services will be the exclusive property of the GTHA. GTHA's exclusive rights are to extend to use and exploitation in all manner and media, whatsoever, including without limitation, as computer software, as laser discs, in print form, in electronic media, and as consumer and other products.
- 14.2 The Manager hereby assigns to the GTHA the sole and exclusive right, title and interest in and to the Intellectual Property and all copies thereof in whatever form, without additional consideration, and agrees to assist the GTHA, at the GTHA's request and cost, to register and enforce all patents, copyrights and other rights and protections relating to the Intellectual Property in any and all countries. The Manager agrees to execute and deliver all documents requested by the GTHA in

connection with such registration and enforcement, and in order to perfect any such rights in the GTHA, its licensees, successors and assigns.

- 14.3 At no time, without the prior written consent of the GTHA, will the Manager use, copy, disclose to any third party, license, transfer or otherwise exploit the Intellectual Property except for legitimate purposes contemplated by this Agreement.

## 15 INSURANCE

- 15.1 The Manager shall, without limiting any of its obligations and liabilities, procure and maintain at its own expense, with respect to and for the duration of the Agreement, insurance as required within this Section.

- (i) Workers' Compensation to the full extent required in jurisdiction in which the services are being performed and wherever the Manager's personnel contracts of employment are made or expressed to be made.
- (ii) Commercial General Liability insurance, with a minimum limit not less than ten million (\$10,000,000) for each occurrence of personal injury, bodily injury (and death) and property damage.
- (iii) Automobile Liability Insurance covering all motor vehicles owned, operated or licensed by Manager with a minimum bodily injury and property damage limit of two million dollars (\$2,000,000) inclusive.
- (iv) Professional Liability/ Errors and Omissions Insurance - The Manager shall maintain and effect such insurance covering claims arising out of any actual or alleged errors, acts or omissions of the Manager or its employees in the performance of services as part of this Agreement with a limit of not less than five million dollars (\$5,000,000). Such insurance shall remain in force from the date of execution of the Agreement and for two years after the date of performance of the work or services.
- (v) Property Insurance covering loss of or damage to property and equipment of the Manager or for which the Manager is legally liable or responsible and used in performance of the services for the full replacement value.
- (vi) Any other insurance which:
  - : is required by law;
  - : is imposed by any government authority;
  - : a party, acting reasonably, determines is necessary to protect its interests for risks assumed in this Agreement.

- 15.2 The insurance provided by the Manager pursuant to this Article shall be provided in accordance with the following terms and conditions:

- (i) such policies shall provide that a thirty (30) day written notice shall be given to the GTHA prior to any cancellation of any such policy or policies;
- (ii) the Manager shall provide the GTHA with a duly authorized certificate of insurance within ten (10) days of signing this Agreement;
- (iii) the Manager will be responsible for any deductibles or self-insured retentions;
- (iv) before commencing any services under this Agreement, the Manager will deliver to GTHA a certificate from the appropriate Workers' Compensation Board showing the Manager has registered and is in good standing with such Board or Commission.



## 16 REPRESENTATIONS, WARRANTIES AND COVENANTS

16.1 The Manager represents, warrants to, and covenants with, the GTHA as follows:

- (i) The Manager is a duly formed and validly existing business corporation in good standing under the laws of the Province of Saskatchewan with full power and authority to conduct its business as contemplated in this Agreement.
- (ii) This Agreement has been duly authorized, executed and delivered by the Manager and constitutes the valid and legally binding agreement of the Manager enforceable in accordance with its terms against the Manager.
- (iii) The execution and delivery of this Agreement by the Manager and the performance of its duties and obligations hereunder do not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement or understanding, or any license, permit, franchise or certificate, to which the Manager is a party or by which it is bound or to which its properties are subject, or require any authorization or approval under or pursuant to any of the foregoing, or violate any statute, regulation, law, order, injunction, judgment or decree to which the Manager is subject, which breach, default, failure to obtain authorization or violation would materially adversely impair the Manager's ability to carry out its obligations under this Agreement.
- (iv) The Manager is not in default (nor has any event occurred which with notice, lapse of time, or both, would constitute a default) in performance of any obligation, indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness or any lease or other agreement or understanding, or any license, permit, franchise or certificate, to which it is a party or by which it is bound or to which its properties are subject, nor is it in violation of any statute, regulation, law, order, writ, injunction, judgment or decree to which it is subject, which default or violation would materially adversely impair the Manager's ability to carry out its obligations under this Agreement.
- (v) There is no litigation, investigation or other proceeding pending or, to the knowledge of the Manager, threatened against the Manager or its owners or employees, which, if adversely determined, would materially impair the Manager's ability to carry out its obligations under this Agreement.
- (vi) No consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority on the part of the Manager is required for the execution and delivery of this Agreement by the Manager.
- (vii) The Manager shall ensure that its activities undertaken pursuant to this Agreement either on its own behalf or on behalf of the GTHA comply with all applicable Canadian laws, including but not limited to all laws governing privacy and money laundering.

16.2 The GTHA represents and warrants to, and covenants with, the Manager as follows:

- (i) The GTHA is a duly formed and validly existing corporation in good standing under the laws of the Province of Saskatchewan, with full power and authority to conduct its business as contemplated in this Agreement.

- (ii) This Agreement has been duly authorized, executed and delivered by the GTHA and constitutes the valid and legally binding agreement enforceable in accordance with its terms against the GTHA.
- (iii) The execution and delivery of this Agreement by the GTHA and the performance of its duties and obligations hereunder do not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement or understanding, or any license, permit, franchise or certificate, to which the GTHA is a party or by which it is bound or to which its properties are subject, or require any authorization or approval under or pursuant to any of the foregoing, or violate any statute, regulation, law, order, writ, injunction, judgment or decree to which the GTHA is subject, which breach, default, failure to obtain authorization or violation would materially adversely impair the GTHA's ability to carry out its obligations under this Agreement.
- (iv) The GTHA is not in default (nor has any event occurred which with notice, lapse of time, or both, would constitute a default) in performance of any obligation, indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness or any lease or other agreement or understanding, or any license, permit, franchise or certificate, to which it is a party or by which it is bound or to which its properties are subject, nor is it in violation of any statute, regulation, law, order, writ, injunction, judgment or decree to which it is subject, which default or violation would materially adversely impair the GTHA's ability to carry out its obligations under this Agreement.
- (v) There is no litigation, investigation or other proceeding pending or, to the knowledge of the GTHA, threatened against the GTHA, which, if adversely determined, would materially impair the GTHA's ability to carry out its obligations under this Agreement.
- (vi) No consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority on the plan of the GTHA is required for the execution and delivery of this Agreement by the GTHA.
- (vii) The GTHA will deliver, at its expense, any plans, drawings, specifications and architectural or engineering assistance which may be necessary or desirable to enable the Manager to discharge its duties pursuant to this agreement.

## **17 CONTRACT REVIEW**

- 17.1 After two years from the Effective Date, the parties agree to review this Agreement and to make any changes that the parties mutually agree to be appropriate.

## **18 PERFORMANCE REVIEW**

- 18.1 The performance of the Manager will be reviewed annually, or more frequently (but not more than twice per year), if requested by the GTHA. The annual (or more frequent) reviews are intended to provide the GTHA with the opportunity to assess comprehensively the performance of the Manager over the preceding period and to raise with the Manager any questions or concerns regarding the standard of performance in the provision of the Services. The Manager agrees that it will use

commercially reasonable efforts to give effect to any adjustments or variations in the manner, timeliness or other aspects of the performance of its Services required by GTHA arising out of the performance reviews, provided that such adjustments or variations are not inconsistent with the terms of this Agreement.

## **19 FORCE MAJEURE**

19.1 If the Manager is delayed in the performance of its obligations under this Agreement by fire, flood, insurrection, riots, strikes, acts of the enemy, acts of governments including governmental agencies and other bodies, acts of God, or by default by the GTHA in the supply to the Manager of necessary information or instructions, or any other causes reasonably beyond the control of the Manager (not including insolvency or bankruptcy), then the time for performance of the obligation of the Manager under this Agreement shall be extended for a period equivalent to the time lost by reason of the cause or causes aforesaid.

## **20 ARBITRATION**

20.1 If either party refers a matter to arbitration the determination of such issue shall be made by arbitration conducted in accordance with The Arbitration Act, 1992 (Saskatchewan), subject to the following provisions and principles:

- (i) the party desiring to refer the matter to arbitration shall notify the other party in writing of the details, nature and extent of the matter to be arbitrated;
- (ii) within 30 days of the date of such notice, the parties shall attempt to agree upon an arbitrator who shall be a retired Justice of the Court of Queen's Bench of Saskatchewan, the Saskatchewan Court of Appeal or the Saskatchewan Provincial Court;
- (iii) the arbitrator shall, within 45 days of the appointment, decide and determine the matter in controversy, subject to unavoidable delay; and
- (iv) the decision and determination of the arbitrator shall be set out in writing, and shall be final and binding upon the parties and the parties shall abide by the award and perform the terms and conditions thereof.

## **21 NOTICES**

21.1 Any notice, demand, request, statement or instrument required or permitted to be given under this Agreement must be in writing and will be sufficiently given if delivered in person to the parties hereto, or mailed in Canada by prepaid registered mail addressed as follows:

- (a) in the case of the GTHA:

Attention: GTHA Chief Executive Officer  
Address: Unit 300 – 12222 Ewing Avenue, Regina SK, S4M 0A1  
Email: inquiry@thegth.com  
Phone: 306-798-4605

(b) in the case of the Manager:

Attention: Richard Jankowski  
Address: 728 Spadina Crescent East, Saskatoon SK, S7K 3H2  
Email: Richard.jankowski@colliers.com  
Phone: 306-664-1644

21.2 A notice, demand, request, statement or other instrument will be deemed to have been given to the party to which it is addressed (i) if delivered in person, on the date of such delivery, and (ii) if mailed as aforesaid, on the fifth (5) business day following the date of mailing, provided that there is not at that date of mailing a postal disruption in progress and that no postal disruption occurred between the date of mailing and the date the notice will be construed to have been given; (iii) by Email or Fax on the date it was sent by Email or Fax. A party may at any time give notice to the other party of a change of address and after giving of the notice the address therein specified shall be considered to be the address of the party which gave the notice.

## **22 GENERAL**

22.1 The Manager shall not assign its obligations under this Agreement without the written consent of the GTHA.

22.2 This Agreement constitutes the entire agreement between the parties and supersedes all previous negotiations. No implied terms or obligations of any kind by or on behalf of the GTHA shall arise from anything in this Agreement or otherwise, and the express provisions and agreements contained herein are the only provisions and agreements upon which any rights against the GTHA may be founded.

22.3 No change or modification of this Agreement shall be valid unless it is in writing and signed by each party hereto.

22.4 Each provision of this Agreement shall be considered severable, and if for any reason any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable or contrary to any applicable law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid. In such event, this Agreement shall be construed so as to limit any such provision so as to make it enforceable or valid within the requirements of any applicable law, and, to the extent any such term or provision cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable provisions.

22.5 Each party agrees from time to time to execute and deliver all such further documents and instruments and provide such assistance as the other party may reasonably require to effectively carry out or perform the full intent and meaning of this Agreement.

22.6 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

- 22.7 No waiver or delay in enforcement of any breach of any provision of this Agreement shall constitute a waiver of any preceding or succeeding breach or delay in enforcement of any other provision.
- 22.8 Time is of the essence in this Agreement.
- 22.9 In this Agreement, including (for greater certainty, the Appendices attached hereto), except as expressly contemplated herein, the terms 'sale', 'sell', 'sold' and similar terms shall include 'lease' and 'leased', as applicable.
- 22.10 This Agreement shall be governed by and construed in accordance with the laws of Saskatchewan. All proceedings whether by arbitration or otherwise to determine rights and obligations of the parties shall be conducted in the City of Regina in the Province of Saskatchewan unless otherwise agreed in writing.

IN WITNESS WHEREOF the parties hereto have executed this Agreement in duplicate on the dates set forth below their signatures.

Global Transportation Hub Authority

CIR Commercial Realty Inc.

Printed: TERRY BAKER

Printed: RICHARD JANKOWSKI

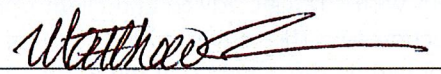
Signature: 

Signature: 

Date: SEPT 16, 2019

Date: SEPTEMBER 16, 2019

Printed: Matthew Schroeder

Signature: 

Date: September 16, 2019

## **Schedule A – Scope of Services and Deliverables**

### **Section A1: Overall Objectives**

The objective of this Agreement is for the GTHA to engage the Manager as a private management services provider with required expertise to:

- assume management of the GTHA including marketing & sales, property management and land development;
- leverage industry expertise and networks to sell land and facilitate increased development and economic benefit to the region; and
- reduce overall operating and administrative costs.

The three functions that the Manager will fulfill are:

- Marketing & sales
- Property management
- Land development

### **Section A2: GTHA Mandate**

The GTHA holds a mandate to advise on, plan, develop, construct, operate, manage, and promote the growth and diversification of the Saskatchewan economy. The Manager will be a partner with the GTHA to achieve the following in a cost effective manner:

- create an investment and operating environment for business that is secure, efficient, coordinated, and orderly; and,
- evolve the development consistent with the economic development of the province.

The Manager will work with the GTHA to support the development of the GTHA as an economic engine for the province in the areas of agri-food supply chains, manufacturing, green economy, etc. The Manager will consider the location and nature of new clients such that it supports logistics and transportation growth and develops clusters of synergistic or dependent entities to further economic objectives.

It is anticipated that the Manager will provide the GTHA with strategic advice and client opportunities to support the achievement of the overall objectives in Section A1. This may include the Manager providing additional development opportunities that compliment or extend the mandate of the GTHA.

### **Section A3: Assigned Team**

The members of the Manager team assigned to provide the Services will include the following individuals and roles:



Personnel changes may be required over time for a variety of normal business reasons. In the event of changes to the designated the Manager team the GTHA will be notified and have the opportunity to provide input into the changes in resources in particular for project leadership and sales team.

There is a recognition that team members will change over time. Any new individuals added to the team will have the requisite industry knowledge and skills to undertake their role.

**Section A4: Specific Responsibilities of the Manager**

The Manager will assume the following responsibilities based on the three functions identified in Section A1 of this Appendix.

**Marketing and Sales**

**Key Responsibilities**

The Manager will be responsible for all aspects of Marketing and Sales which continue to be the most important area for delivery for the GTHA. The Manager has committed to delivering a professional and industry leading marketing and sales plan. This marketing and sales approach is anticipated to include, but not be limited, to the following:

The Manager will work with proposed purchaser to sign a land purchase agreement using the GTHA's template. In the event that updates need to be made to this contract the Manager will work with the GTHA to approve changes to the standard agreement. The Manager will be responsible for all conveyancing associated with sales including retaining legal counsel.

**Action Plan Summary**

The Manager shall be responsible for the following items identified in their action plan summary related to marketing and sales and improving the narrative of the GTHA within their proposal:

Marketing & Sales



### Additional Contract Terms

In addition to the terms set forth in this Agreement, the following terms apply with respect to marketing and sales:

1. The Manager represents that it is a brokerage in good standing within the meaning of *The Real Estate Act of Saskatchewan*.
2. The GTHA has agreed to appoint the Manager as its exclusive agent for the purposes of selling or leasing the GTHA's land.
3. The Manager has agreed to accept such appointment.
4. Definitions:
  - a. Brokerage, broker and salesperson have the meaning given to them in *The Real Estate Act of Saskatchewan*.
  - b. Buyer includes a lessee and selling includes lease or leasing.
  - c. Property means the lands or part thereof, owned by the GTHA that lies within the boundaries of the Global Transportation Hub.
5. Appointment:
  - a. Subject to 5b. hereof, the GTHA hereby appoints and the Manager hereby accepts, the appointment to be the GTHA's exclusive agent for the purposes of selling or leasing the Property.
  - b. The GTHA shall not, during the term of this Agreement, use any other brokerage, broker or salesperson to provide the GTHA with similar services to those provided by the Manager pursuant to the Agreement. It is, however, understood and agreed that the GTHA may still employ business development staff who may continue to be actively engaged in marketing, leasing and selling the Property without violating the terms of this Agreement. Fees as per Schedule B would still be applicable.
6. Responsibilities of the Brokerage – the Manager shall use its best efforts at all times to sell or lease the Property. In addition to the activities noted above and without limiting the generality of the foregoing, The Manager shall:
  - a. identify itself as the exclusive Selling agent;
  - b. identify, market, solicit and actively advertise and promote the Property in its day-to-day activities and contacts with prospective buyers;
  - c. if requested to do so by the Seller, assist in the preparation of additional promotional material and of an advertising program for the Property;

- d. assist the Seller to negotiate favorable terms with a buyer and obtain legally enforceable commitments from such prospective buyers;
  - e. work cooperatively with agents representing prospective buyers;
  - f. follow the Seller's instructions and report to the Seller on a regular basis;
  - g. advise the Seller on all matters relevant to the sale of the Property; and
  - h. maintain, both during the term of this agreement and after the expiry hereof, the confidentiality of all information that it received in connection with the performance of its responsibilities hereunder, concerning the Seller, the Property and any buyers, save only for such information which is clearly within the public domain.
7. In no event, shall the Manager have authority to enter into an agreement with or make any promises or commitments to prospective buyers, other than as directly authorized in writing by the GTHA;
  8. The provisions of Appendix "C" attached hereto are incorporated herein and form an integral part of this Agreement.

### **Property Management**

#### **Key Responsibilities**

1. The Manager will be responsible for all aspects of the management, maintenance, repair and security of the GTHA, other than those items which are specifically reserved to the GTHA hereunder. The Manager agrees and the GTHA authorizes the Manager to manage the property on behalf of the GTHA during the term of this agreement in a faithful, diligent and honest manner and to enter into such contracts and agreements as agent of the GTHA as may be necessary in the performance of the following duties.
2. The Manager would act as the GTHA's representative with stakeholders to advance and protect the GTHA's interests based on the scope of responsibilities outlined in this Agreement.
3. The Manager will assume responsibility for property management at the GTHA based on the effective date of the Agreement. This will entail the Manager taking responsibility of all physical maintenance and provision of municipal services at the GTHA including maintenance of existing permits, bylaw enforcement and managing concerns of existing clients located at the GTHA. The Manager has indicated that they intend to maintain existing service providers in the short term. The performance and costs of these service providers will be monitored and could be changed in the future if there is an alternative service provider that will provide better value for the GTHA. The Manager will have the discretion to select the appropriate service provider at any point based on the needs of the GTHA and its clients. The Manager will do so in a manner that does not expose the GTHA to penalties or liabilities from the outgoing service provider. The GTHA will be consulted in advance on any changes to the property management supplier(s).
4. The Manager will be responsible for assisting clients with identified concerns. Depending on the nature of these concerns the Manager may need to contact the GTHA. Historically, the GTHA has facilitated periodic client meetings to discuss items of common concern among GTHA clients. The Manager will assess the need for these meetings into the future.
5. The Manager shall keep and maintain details and proper records regarding all financial transactions involved in the management of the GTHA and shall forward to the GTHA on or before the 20<sup>th</sup> day of each month a statement of receipts and disbursements in a form designated by the GTHA showing all monies collected and receivable and all disbursements made during the preceding month; all such records shall be made available to the GTHA and the GTHA's auditors or other designated representatives at reasonable times whenever requested.

6. The Manager shall have the right on behalf of the GTHA, but shall not be obligated, to commence any action or other legal proceeding or to take any legal remedies available for the recovering of any owing and unpaid amounts, to settle, compromise or discontinue any such proceeding and to enter and to recover by distress all sums of moneys on non-payment of rent or other moneys on which distress may be made and in case of breach of covenant by any tenant or occupant, to take such proceedings by re-entry or action as it may think fit, and in connection with all of the foregoing shall have the right as attorney of the GTHA, and the GTHA appoints The Manager as its attorney to execute any and all documents which it may consider necessary or desirable to enable it to fully carry out the powers granted to it.
7. The Manager, in the performance of its duties shall to the extent it is able, enforce the terms of *The Global Transportation Hub Authority Act*, bylaws and other rules of the Authority and any amendments thereto which presently exist or which may be made and notified to The Manager in writing, unless otherwise directed by the GTHA and any legal expenses incurred therewith shall be paid by the GTHA.
8. The Manager will provide criminal record checks for all employees and individuals approved as cheque signors and involved in the accounting and the property management team assigned to the GTHA.
9. The Manager will be responsible for the financial management of the GTHA. This will include the management of all revenues, expenses, deposits, disbursements and financial reporting. All financial transactions related to the GTHA will be managed through a Dedicated Bank Account<sup>1</sup> that is solely reserved for the interests of the GTHA. The Manager will be responsible for developing and maintaining financial reporting based on the legislative requirements of the GTHA and other considerations mutually agreed upon. Financial statements for the previous month will be prepared and provided to the GTHA by the 20<sup>th</sup> of the month. At year end additional records will be requested by the GTHA in order to facilitate the annual financial statement audit.

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<sup>1</sup> This account will be the bank account identified to the Manager by the GTHA and shall be used for the purpose of receiving and holding all revenues received by the Manager, whether from the GTHA or third parties and for the purpose of paying all expenses, that are related to the performance by the Manager of its duties and responsibilities under this agreement.

14. It is anticipated the Manager may be audited at some point during the term of Agreement by the Provincial Auditor or the Ministry of Finance. The Manager agrees to full cooperate with any such audits or reviews.

**Action Plan Summary**

The Manager shall be responsible for the following items identified in their action plan summary related to ensuring existing clients are well served, management of costs and development of sold acres within their proposal:

Ensure Existing Clients are Well Served

Management of Costs

Development of Sold Acres

### **Land Development**

The Manager will be responsible for all aspects of land development other than those items specifically reserved to the GTHA hereunder.

The Manager will proactively monitor the supply of developed land at the GTHA relative to future land sales and qualified opportunities. The Manager will recommend a phased in approach to the development of undeveloped land to best align with market demand. Based on GTHA approval, the Manager will coordinate the preparation of additional land to become serviceable and ready for sale.

In addition, the Manager will act as the project manager for the development of all un-serviced land (171 rough graded and 258 unserviced acres). The Manager's duties will include without limitation the responsibility to bring roads, water, sewer and all other necessary utilities and services to prepare the land for sale. The Manager will also be responsible to engage or provide all engineering, surveyors, legal, and other contractors required to develop the lands. The Manager will when appropriate undertake land economic, pro-forma analysis and business case studies to explore re-purposing of land to maximize land uptake and use.

All land use and development activities will require a two stage approval by the GTHA Board of Directors. The first approval will take place when a need for additional land is identified prior to commencement of any engineering or other work. The second approval will take place once all planning is done and costs are estimated prior to tender.

### **Section A5: Specific Responsibilities of the GTHA**

Under the Agreement the specific responsibilities of the GTHA include, but are not limited to, the following:

- Approval of all permit applications;
- Approval of all land sales;
- Approval of marketing strategies prior to being implemented;
- Approval of land pricing model including all incentives;
- Oversight of the Manager and the effective implementation of its responsibilities;
- Monitor the performance and results of the Manager in all areas to ensure accountability for outcomes (including those identified in the Success Matrix);
- Approval of annual business plans prepared by the Manager;
- Review and monitor monthly, quarterly and annual financial statements;
- Flexibility to conduct an internal audit of financial transactions at its full discretion including access to source documentation;
- Receive an annual performance summary from the Manager;
- Support the Manager with the development of annual business plans;
- Act as a liaison for the Manager with government ministries to support larger land use clients that represent significant economic growth for the Saskatchewan economy;
- Bylaw and zoning changes;
- Approval of proposed capital plans;
- Overall responsibility for contracts with the City of Regina (the Manager will be responsible for the day to day aspects of these contracts);
- Media, freedom of information and other enquiries;
- Maintain appropriate legislative and other responsibilities for the Authority.

## **Section A6: Success Matrix**

The following success matrix (the "Success Matrix") has been based on the Manager's Proposal and confirmed through negotiation. The Success Matrix defines key outcomes for the business relationship including specific commitments on behalf of the Manager. The parties agree to review the Success Matrix from time to time and, if agreed by the parties to be appropriate, to amend the Success Matrix to be in line with actual budgeted goals.

The Manager will be responsible for developing annually a business plan that will communicate how it will achieve the goals on these specific measures. This business plan for the following year will be communicated and approved annually at the September Board meeting and will include budgeted financial statements for the upcoming year as well as goals for each of the following success measures. Due to the timing of the signing of this contract, the business plan for the 2020-2021 year will not be presented to the Board and approved until the December 5, 2019 Board meeting. As business plans are prepared current circumstances will be considered on an annual basis when considering goals and action plans. Additionally, the Manager will be responsible to report on the progress on each of these measures and the year to date financial results at each quarterly Board Meeting.

In addition to the above noted annual business plan, the Manager will prepare an establishment plan covering the 180-day period between the Effective date and March 31, 2020 that will detail key actions and desired outcomes to build momentum and put the foundations in place to begin to achieve the following success measures.

**Land Sales**

The GTHA was established to provide an environment to support business and economic development in the Province. Sale of land for third party companies to establish their business and operate at the GTHA helps is the first step in achieving this objective. Additionally, this revenue is needed for the financial viability of the GTHA.

| <b>Topic Area</b> | <b>Measure</b> | <b>Goal</b> |
|-------------------|----------------|-------------|
| Land Sales        |                |             |

**Development of Sold Acres**

This outcome supports the achievement of the objectives of the GTHA to act as an economic driver for the Province. This outcome entails working with land owners within the GTHA to construct buildings and facilities to utilize the lands for permitted use.

| <b>Topic Area</b>      | <b>Measure</b> | <b>Goal</b> |
|------------------------|----------------|-------------|
| Development Sold Acres |                |             |

**Management of Costs**

This outcome supports the goal to run the most efficient operation possible and through cost reductions the GTHA can better manage available funds to get closer to a balanced budget.

| <b>Topic Area</b>   | <b>Measure</b> | <b>Goal</b> |
|---------------------|----------------|-------------|
| Management of Costs |                |             |

### **Improving the Narrative of the GTHA**

Improvement to the overall narrative related to the GTHA will improve the prospects for positive interactions with clients and stakeholders and allow the GTHA to be seen as the support for economic development that it was meant to be.

| <b>Topic Area</b>                   | <b>Measure</b> | <b>Goal</b> |
|-------------------------------------|----------------|-------------|
| Improving the Narrative of the GTHA |                |             |

### **Ensure Existing Clients are Well Served**

Current clients could potentially be most impacted by the transition to the management services provider. We want to ensure that they receive a high level of service and the transition does not impact their client satisfaction.

| <b>Topic Area</b>                       | <b>Measure</b> | <b>Goal</b> |
|---|----------------|-------------|
| Ensure Existing Clients are Well Served |                |             |

### **Section A7: Amendment of Appendix A**

The focus of the Manager and the GTHA is to establish an outcomes focused business relationship that fulfills the mandate of the GTHA and serves the interest of taxpayers. It is important to provide flexibility to revise this Appendix. Therefore, Appendix A can be amended as required based on the mutual agreement of the GTHA Board of Directors and the designated officers of the Manager to best support the achievement of outcomes. Any amendments will require approval and sign-off by both parties. An updated Appendix A will be attached the most recent version of the Agreement. The most recent signed copy of Appendix A will be in effect.



## Schedule B – Professional Fees and Compensation

### Section B1: Approach and Principles

The objective of this Agreement is for the GTHA to engage the Manager as a private management services provider with required expertise to:

- assume management of the GTHA including marketing & sales, property management and land development;
- leverage industry expertise and networks to sell land and facilitate increased development and economic benefit to the region; and
- reduce overall operating and administrative costs.

The following principles will provide a basis for determining and managing the compensation model for the Agreement:

- **Value for Money for the GTHA and Taxpayers:** it is important that the compensation model for the Agreement provides strong overall value to the GTHA and taxpayers.
- **Lower Operating Costs:** the intent of the compensation model is to ideally lower the operating costs of the status quo model compared to the solution proposed by the Manager.
- **Market Based:** connected to value for money, compensation needs to be reasonable based on accepted industry norms and standards.
- **Success Based:** the compensation approach should provide strong incentives for the Manager to deliver measurable outcomes, in particular in the area of land sales.
- **Recognition for Risk:** the compensation model needs to consider the level of risk that the GTHA and the Manager are assuming.
- **Simplicity:** the approach to compensation should be simple and clearly understandable. The goal is to minimize administrative overhead and time requirements to manage the process.
- **Balanced Approach:** the compensation model needs to be balanced and fair to both parties in order to support a long-term working relationship that is focused on delivering outcomes.

### Section B2: Compensation Model

The compensation model is designed to align to the three specific work elements identified in Appendix A. The compensation models consider the initial costs of establishment by the Manager team, plus providing specific compensation associated with the implementation responsibilities related to marketing and sales, property management and land development. The components of the financial model are outlined below.

#### **B2.1 Establishment Phase**

The GTHA and the Manager have agreed on a compensation model for the establishment phase for specific activities that will be important for creating a successful operating model aligned to achieving outcomes. The four identified components of the establishment phase are:

1. Development and execution of the transition plan
2. Property management transition and start-up fees

3. Specialized marketing & communications strategy
4. Land development project initiation and benchmarking

It is acknowledged that a variety of actions will need to be undertaken related to each of these components and they are described in more detail as follows:

**B2.1.1 Development and execution of the transition plan**

**B2.1.2 Property management transition and start-up fees**

**B2.1.3 Specialized marketing & communications strategy**

**B2.1.4 Land development project initiation and benchmarking**

**B2.1.5 Payment for Establishment Phase**

In the event that, prior to the expiration of the first 24 months of this Agreement, the GTHA terminates this Agreement pursuant to Section 4.1 then, in such case, the GTHA shall be obligated to pay, as compensation to the Manager reimbursement for direct costs and expenses incurred related to the establishment phase services in excess of the Transition Cost Reimbursement and other above noted payments already paid to the Manager.

### **B2.2 Marketing & Sales**

The Manager will be compensated for achieving results in terms of land sales. There are two components to marketing and sales compensation described as follows:

### **B2.3 Property Management**

The Manager is assuming responsibility for property management at the GTHA. There are two specific components to compensation that have been identified related to property management discussed as follows:



**B2.4 Land Development**

The Manager will provide Development Management services for unserviced and undeveloped areas of the GTHA. Scope and fees for service are as outlined below:

1. Quarterly / Annual Reporting
  - Provide updated Pro Forma analysis of GTHA development program and future forecasts, current to report date
  - Provide Development Management content to Manager for presentations/reporting
  
2. Development of Raw, Graded, and Serviceable Land – Costs to be determined on a case by case basis:
  - Review needs with purchaser;
  - Hard and Soft cost estimating / budgeting;
  - Procure consultants and manage design process – Colliers will manage this process, GTHA will hold contracts directly with the consultants and third parties;
  - Coordinate municipal approvals;
  - Financial Analysis (coordination with brokerage and marketing);
  - Site servicing (tender, clarifications, award, management and monitoring) - Colliers will manage this process, GTHA will hold contracts directly with the consultants and third parties;
  - Coordination meetings with purchaser/tenant;
  - GTHA Board Approval document preparation – Capital development (presentation & meetings);

The Manager and GTHA will evaluate each project on an individual basis and develop an agreed fee as projects arise. Fees will be based on scope and effort required to complete each project.

| Land Development Labour Rates |
|-------------------------------|
|                               |

Agreed upon pricing will assume that there are no issues regarding environmental, water course management, geotechnical, natural heritage, etc. If and when discovered, pricing will be adjusted based on our hourly rates with proposals for additional services provided to GTHA at the time of development of those lands. These will be on demand flow through costs and shall be paid by the GTHA.

Expenses for land development will be billed at 4% of project fees and any required air travel will be billed in excess of this.

Proposed fees are based on 2019 rates and will increase at inflation consistent with the Consumer Price Index for subsequent years.

### **Section B3: Payment**

The following section provides guidance on how payments will be managed under this agreement:

### **Section B4: Amendment of Appendix B**

The focus of the Manager and the GTHA is to establish an outcomes focused business relationship that fulfills the mandate of the GTHA and serves the interest of taxpayers. It is important to provide flexibility to revise this Appendix. Therefore, Appendix B can be amended as required based on the mutual agreement of the GTHA Board of Directors and the designated officers of the Manager to best support the achievement of outcomes. Any amendments will require approval and sign-off by both parties. An updated Appendix B will be attached the most recent version of the Agreement. The most recent signed copy of Appendix B will be in effect.

## Schedule C – Formal Listing Agreement





