

PARTNERING AGREEMENT

THIS AGREEMENT dated for reference the 25th day of July, 2018

BETWEEN:

DISTRICT OF SICAMOUS, a local government under the laws of British Columbia and having an office at 446 Main Street, Box 219, Sicamous, British Columbia, V0E 2V0

(the “**District**”)

AND:

DISTRICT OF SICAMOUS DEVELOPMENT CORPORATION, a corporation incorporated under the laws of British Columbia, having an office at 446 Main Street, Box 219, Sicamous, British Columbia, V0E 2V0

(the “**Company**”)

WHEREAS:

- A. The District is the legal and beneficial owner of all of the shares of the Company;
- B. The *Community Charter* authorizes the District to enter into a partnering agreement with a person pursuant to which the person agrees to undertake or provide an activity, work or facility on behalf of the District; and
- C. The District and the Company wish to enter this partnering agreement for the Company to acquire and develop lands on behalf of the District;

NOW THEREFORE in consideration of \$1.00 paid by the District to the Company, and other good and valuable consideration, the receipt and sufficiency of which the Company acknowledges, the parties agree as follows:

1. In this Agreement,
 - (a) “**Assistance**” has the same meaning as in the *Community Charter*, S.B.C. 2004, c. 26;
 - (b) “**Business**” means any business in respect of economic development on behalf of the District, consisting of the following activities:
 - (i) Wellness Centre;

- (ii) Downtown revitalization;
 - (iii) MRDT initiative;
 - (iv) COMFOR;
 - (v) Housing development;
 - (vi) Hotel development;
 - (vii) Natural gas;
 - (viii) New projects as directed or approved by the District; and
 - (ix) Administrative and legal matters ancillary to the Business of the Company;
- (c) “**Services**” means the services detailed in Section 2 of this Agreement.
2. The Company agrees to undertake or provide the following Services on behalf of the District:
- (a) represent the District’s interest in the Company Business;
 - (b) develop lands held by the Company or the District and obtain all necessary permits and approvals; and
 - (c) do all things as may be necessary to further the interests of the District with respect to the Business.
3. The Company will comply with all District directives with respect to any matter set out in this Agreement.
4. The Company covenants and agrees that it will, at all times during the currency of this Agreement:
- (a) perform promptly and safely all of its obligations under this Partnering Agreement and perform promptly and safely all of its obligations under every other agreement between the Company and any other party in respect of the Business, the breach of which will materially adversely affect the Company’s ability to carry out the terms of this Partnering Agreement;
 - (b) be just and faithful in the performance of its obligations under this Partnering Agreement and in its dealings with the District under this Partnering Agreement and other agreements entered into between the Company and the District or any

other person in respect of this Agreement. Without limiting the generality of the foregoing, the Company shall make full, frank and immediate disclosure to the District of all matters coming to the attention of the Company or any of its officers, directors employees, agents, servants or consultants in relation to the Services under this Partnering Agreement;

- (c) perform its obligations itself or through such reputable and competent agents or independent contractors as it may engage from time to time;
 - (d) perform its obligations under this Agreement and exercise all of its rights in respect of the Project in a lawful and orderly manner in full compliance with all applicable federal, provincial, municipal and other laws, bylaws (including bylaws of the District), regulations and statutes;
 - (e) not do or suffer or permit to be done any act, activity or thing which may render void or voidable, or which may conflict with the requirements of any policy or policies of insurance in respect of the Business of which the Company is aware;
 - (f) not release, compromise, assign or transfer any claim, right or benefit of the District;
 - (g) not dispose of any interest in the Business or enter into any agreement for the disposition of any interest in the Business except on terms and conditions that are agreed to by District Council; and
 - (h) keep the District fully informed of all of its activities and to fully disclose all records and dealings as may reasonably be required or requested by the District.
5. The District and the Company disclaim any intention to create a partnership or joint ventureship or to constitute either of them the agent of the other and nothing contained in this Agreement shall be construed to constitute the District or the Company a partner, joint venturer, agent or legal representative of or with the other. Neither the District nor the Company shall have, or represent that it has the authority or power to act for or to undertake or create any obligations or responsibilities, express or implied, on behalf of, or in the name of the other.
6. The District may, as and when it considers it appropriate to do so, provide any type of Assistance whatsoever to the Company in connection with any activity of the Company under this Agreement or otherwise in connection with the investigation, implementation and development of the Project, including, without limitation, any one or more of the following:
- (a) guarantee of debts assumed or incurred by the Company;



- (b) loans of money to the Company;
- (c) grants or other benefits to the Company; and
- (d) permissive tax exemptions in accordance with Section 255 of the *Community Charter*.

- 7. Nothing herein restricts the ability of the District to invest in the Company through the acquisition of further share capital in the Company, and for greater certainty, such share acquisition is not to be considered Assistance.
- 8. The term of this Agreement shall commence on August 1, 2018 and shall continue until terminated by the parties in writing.

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement as follows:


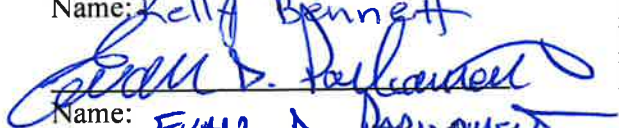
Date: October 11, 2018

DISTRICT OF SICAMOUS by its)
 authorized signatories:)


 Mayor: _____)

 Corporate Officer: _____)

Date: October 11, 2018

DISTRICT OF SICAMOUS)
DEVELOPMENT CORPORATION)
 by its authorized signatories:)


 Name: Kelly Bennett)

 Name: EVAN D. PARLIAMENT)