

CORPORATION OF THE COUNTY OF PERTH

BY-LAW NUMBER 3138-2009

**AUTHORIZE THE EXECUTION OF AN AGREEMENT WITH
THE CORPORATION OF THE CITY OF STRATFORD AND
STRATFORD-PERTH MUSEUM ASSOCIATION**

WHEREAS the County of Perth has approved by Resolution No. 2009-191 a one year loan to the Stratford-Perth Museum subject to the approval of the City of Stratford;

AND WHEREAS the City of Stratford has approved the one year loan to the Stratford-Perth Museum on April 27, 2009;

NOW THEREFORE, the Municipal Council of the Corporation of the County of Perth enacts as follows:

That an agreement with The Corporation of the City of Stratford and the Stratford-Perth Museum defining the terms and conditions of the one year loan be entered into.

That the Warden and the Clerk are hereby authorized to execute the said agreement and to affix the corporate seal thereto.

Read a first and second time this 30th day of April, 2009

Read a third time and finally passed this 30th day of April, 2009.

“Julie Behrns”

Julie Behrns, Warden

“R. William Arthur”

R. William Arthur, Clerk

This Agreement made this 30th day of April, 2009.

B E T W E E N:

THE CORPORATION OF THE CITY OF STRATFORD,

(the "City")

Party of the FIRST PART,

and

THE CORPORATION OF THE COUNTY OF PERTH,

(the "County")

Party of the SECOND PART,

and

STRATFORD-PERTH MUSEUM ASSOCIATION

(the "Museum Association")

Party of the THIRD PART,

WHEREAS City Council, County Council and the Museum Association entered into an agreement dated the 12th day of December, 2005 to carry out and implement the recommendations of the Museum Task Force for the operation of the Stratford Perth Museum (the "Museum") (the "Original Museum Agreement");

AND WHEREAS subsequent to the signing of the Original Museum Agreement, the Museum Association determined it desirable to relocate the Museum to a building located at 4275 Huron Road West, Township of Perth South (the "Museum Building");

AND WHEREAS the City Council and County Council have provided mortgage financing (the "Mortgage") to the Museum Association to purchase the Museum Building and to make necessary improvements to same. The Mortgage contains insurance provisions with respect to the replacement value of the Museum Building and public and other liability;

AND WHEREAS the Museum Association has embarked on a fundraising campaign for the capital expansion of the new Museum site;

AND WHEREAS in the interim the Museum has requested bridge-financing from the City and the County (the "Loan"), to be repaid within one-year (the "Request");

AND WHEREAS City and County Councils, at their meetings of 27 April and 30 April, 2009 respectively, agreed to the Request, provided that the Museum Association enter into this Loan Agreement (the "Agreement");

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the covenants contained herein and the payment of the sum of two dollars and other good and valuable consideration each to the other, the sufficiency of which is hereby acknowledged by each of the Parties, the City, the County and the Museum Association hereby agree as follows:

1. The Parties warrant that the Recitals are accurate and, along with the Schedule "A" to this Agreement, form an integral part of the Agreement. The defined terms contained in the Recitals have the same meaning when used in the body of this Agreement.
2. To assist the Museum Association with its capital expansion, the City and the County hereby agree to provide the Loan to Museum Association in an amount not to exceed Four Hundred Thousand (\$400,000) Dollars Canadian. The contribution of the City and the County for the Loan shall be as follows: the City's portion of the Loan shall be sixty percent (60%), or Two Hundred and Forty Thousand (\$240,000) Dollars, and the County's portion of the Loan shall be forty percent (40%), or One Hundred and Sixty Thousand (\$160,000) Dollars.
3. The Museum Association agrees and acknowledges that the Loan is separate and apart from the Mortgage.
4. The Museum Association shall repay the Loan with interest by April 30, 2010. The interest rate to be charged by the City and the County to the Museum Association on the Loan shall be 0.5% with interest calculated on the date(s) of payment(s) received.
5. As further security for the Loan, the signing authorities of the Museum Association shall provide the City and the County with signed promissory notes in the forms attached hereto as **Schedule "A"** confirming that the Loan shall be repaid in full, with interest.
6. The Museum Association shall indemnify and save harmless the City and the County from and against any and all liability, loss, costs, damages and expenses whatsoever, which the City and/or the County may incur or be liable for, resulting directly or indirectly from the provision of the Loan and/or the entering into of this Agreement.
7. Should the Museum Association be in default of the Loan repayment at the end of the year, the Museum Association acknowledges and agrees that either the City or the County, in addition to any other remedies available to them at law, may require that the Museum Association convey its ownership interest in the Museum Building to the City and the County. Should either the City or the County exercise this option, the ownership share of each in the Museum Building shall be in proportion to their contribution to the Loan.

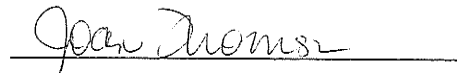
8. This Agreement shall enure to the benefit of the Parties hereto and bind all successors and assigns. The Museum Association shall not assign this Agreement without the prior consent in writing of both the City and the County.
9. This Agreement may be signed in counterparts all of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have affixed their corporate seals duly attested by the hands of their proper officers, duly authorized in that behalf.

THE CORPORATION OF THE CITY OF
STRATFORD

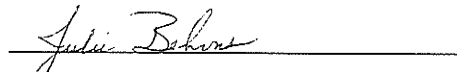


Mayor – Daniel B. Mathieson



Clerk – Joan Thomson

THE CORPORATION OF THE COUNTY OF
PERTH



Warden – Julie Behrns

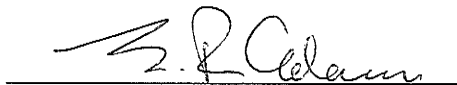


Clerk – Bill Arthur

STRATFORD-PERTH MUSEUM ASSOCIATION



President – Bert Vorstenbosch



Treasurer – Eric Adams

SCHEDULE "A"

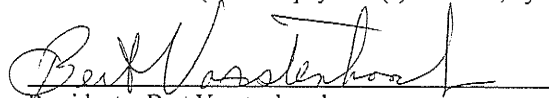
PROMISSORY NOTE

TO: The Corporation of the City of Stratford (the "City")

The Stratford-Perth Museum Association (the "Museum Association") hereby acknowledges receipt of a payment totalling Two Hundred and Forty Thousand (\$240,000) Dollars from the City to the Museum Association. This payment represents a portion of the Four Hundred Thousand (\$400,000) Dollar loan agreed to between The Corporation of the City of Stratford, The Corporation of the County of Perth, and Stratford-Perth Museum Association, the terms of which are set out in the Agreement dated 30 April, 2009.

The Museum Association undertakes and agrees to repay in full this \$240,000 loan to the City, with interest set at 0.5% calculated on the date(s) when payment(s) received, by April 30, 2010.

Signature:



President – Bert Vorstenbosch
Stratford-Perth Museum Association



Treasurer – Eric Adams
Stratford-Perth Museum Association

Date:

6 May 2009

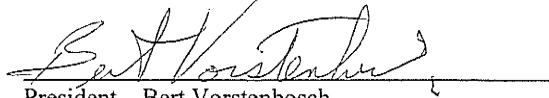
PROMISSORY NOTE

TO: The Corporation of the County of Perth (the "County")

The Stratford-Perth Museum Association (the "Museum Association") acknowledges receipt of a payment totalling One Hundred and Sixty Thousand (\$160,000) Dollars from the County to the Museum Association. This payment represents a portion of the proceeds of the Four Hundred Thousand (\$400,000) Dollar loan agreed to between The Corporation of the City of Stratford, The Corporation of the County of Perth, and Stratford-Perth Museum Association, the terms of which are set out in the Agreement dated 30 April, 2009.

The Museum Association agrees to repay in full this \$160,000 loan to the County, with interest set at 0.5% calculated on the date(s) when payment(s) received, by April 30, 2010.

Signature:



President – Bert Vorstenbosch
Stratford-Perth Museum Association



Treasurer – Eric Adams
Stratford-Perth Museum Association

Date:

6 May 2009