

CITY OF PRINCE GEORGE

DOWNTOWN AQUATICS FACILITY NAMING RIGHTS AGREEMENT

THIS License Agreement is dated for reference May 9, 2022.

BETWEEN:

CITY OF PRINCE GEORGE, a municipal corporation, of
1100 Patricia Boulevard
Prince George, British Columbia,
V2L 3V9

(the “City”)

AND:

CANADIAN FOREST PRODUCTS LTD. , a company with an office at
100-1700 West 75th Avenue
Vancouver, BC
V6P 6G2

("Canfor")

WHEREAS:

- A. The City is the owner of a newly constructed public aquatic facility located at 7th Avenue and Dominion Street, Prince George, British Columbia (the “**Facility**”).
- B. Canfor is a sustainable forest products company operating throughout western Canada, and in particular northern British Columbia.
- C. Canfor wishes to obtain from the City the rights to name the Facility.
- D. The City has agreed to grant to Canfor specific naming rights with respect to the Facility on the terms and conditions herein set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties hereto each hereby covenant and agree as follows:

1. TERM

- 1.1. This Agreement commences on May 9, 2022 (the “**Commencement Date**”) and extends for a period of five (5) years to May 8, 2027 (the “**Expiry Date**”), subject to earlier termination in accordance with the terms of this Agreement or renewal of the Renewal Term.

2. NAMING AND SIGNAGE RIGHTS

2.1. As of the Commencement Date, the City grants to Canfor the exclusive right:

2.1.1. to name the Facility as the “Canfor Leisure Pool”; and

2.1.2. to display the name “Canfor Leisure Pool”, with or without a logo, in the dimensions and using a design, selected by Canfor and approved by the City acting reasonably, on signage placed on the south facing exterior aspect of the Facility, the west facing exterior aspect of the Facility, near the main entrance of the Facility, and in the reception area of the Facility (the “Signage”).

2.2. Canfor shall be responsible for and pay all costs associated with the design, construction and creation of the Signage.

2.3. During the term of this Agreement and any renewals hereof, the Signage and the name of the Facility shall not be changed without the prior written consent of both parties, provided that if Canfor changes its legal name it shall have the right to change the name of the Facility by replacing the term “Canfor” with the new legal name or a derivative of the new legal name. Canfor shall be responsible for and pay all costs associated with changing the name “Canfor Leisure Pool” on the Signage.

2.4. The City reserves the right to grant to third parties naming rights to portions of the interior of the Facility; provided that the City shall not, without the prior written consent of Canfor, grant any naming rights or display the name (or a derivative of the name) of any Third Party Competitor of Canfor. Under this Agreement “**Third Party Competitor**” means any entity or person that:

2.4.1. directly or indirectly advises, manages, carries on or otherwise engages in the business of selling forest products in Canada; or

2.4.2. Canfor has designated, from time to time, as a “Third Party Competitor by written notice to the City.

2.5. Notwithstanding this Agreement, the City reserves the right to permit any group hosting an event to display temporary advertising signage within the Facility, except the City will not permit any such advertising signage for a Third Party Competitor.

3. ADDITIONAL PROMOTIONAL RIGHTS

3.1. The City grants to Canfor the right to use photographs and videos of the Facility in any Canfor promotional materials, subject to the requirements of the City under the *Freedom of Information and Protection of Privacy Act*.

3.2. Digital Display:

- 3.2.1. The City grants to Canfor the right to install a digital display in the reception area of the Facility (the “**Digital Display**”) at Canfor’s cost and expense.
- 3.2.2. The Digital Display shall be limited to visual media only, and will not have any sound.
- 3.2.3. The specific location of the Digital Display will be chosen by Canfor, provided that the City, acting reasonably, must approve such location.
- 3.2.4. The City shall be responsible for the daily operation of the Digital Display and will ensure that the Digital Display continues to operate in good working order.
- 3.2.5. The City shall ensure the Digital Display actively and properly operates in a good working condition during the normal hours of operation of the Facility (the “**Screen Time**”).
- 3.2.6. Canfor shall be entitled to utilize 50% of the Screen Time to promote their business and the community, and the City shall be entitled to utilize the remaining 50% of the Screen Time as it so chooses provided that such utilization is not otherwise in breach of the terms of this Agreement (including, without limitation, utilized to promote or advertise a Third Party Competitor).
- 3.2.7. Canfor is not entitled to sell, transfer, or assign in any way Screen Time to third parties for advertisements or otherwise, provided that it will be entitled to advertise or promote the business of Canfor’s affiliates.
- 3.2.8. Canfor shall submit all digital media materials and information to a representative, designated by the City from time to time, for approval, acting reasonably, prior to being broadcast on the Digital Display.
- 3.2.9. Canfor shall be responsible for all costs associated with production of Canfor’s digital media materials.
- 3.2.10. Subject to Section 3.2.11, Canfor shall be responsible for all costs associated with repair and replacement of the Digital Display, save and except for damage to the Digital Display caused by the City or its servants, agents, employees or contractors.
- 3.2.11. If, at any time during the term of this Agreement, the City deems it necessary to make repairs at the Facility which require the temporary removal or relocation of any Digital Display, Canfor agrees that the City may remove or relocate the Digital Display, at the sole cost and expense of the City, upon receipt of 30 days' prior written notice from the City, except in the case of emergency in which case the City will at liberty to temporarily remove or relocate the Digital Display without notice to Canfor, it being understood that the City shall endeavour to repair and/or re-install the Digital Display as soon as reasonably possible.

3.3. The City shall during the term of this Agreement refer to the Facility as the “Canfor Leisure Pool” in all marketing and information aspects, including without limitation on the City of Prince George website, all City of Prince George promotional materials, media releases, advertisements and external communications to third parties. If Canfor changes its name under Section 2.3, the City will be responsible for all costs and expenses associated with updating its marketing and information aspects to reflect Canfor’s new name. Canfor grants the City a limited, non-exclusive licence to reproduce and display the “Canfor” trademark for those purposes in accordance with this Agreement.

3.4. The City shall require as part of any future agreement for the use of the Facility that any user group of the Facility use only materials or documents which refer to the Facility with the name “Canfor Leisure Pool”, and otherwise comply with Section 3.3 which will be read *mutatis mutandis* except that references to the City will be replaced by the user group.

3.5. Canfor shall be entitled to participate in all promotional events at the Facility by sending a delegate to provide a brief message from Canfor and to have temporary physical advertisements displayed at or near the entrance of the Facility. The promotional events shall include but not be limited to the grand opening of the Facility, which is estimated to occur in the fall of 2022.

4. FEES AND DISBURSEMENTS

4.1. Canfor shall pay to the City a total of \$375,000.00 CAD plus applicable Goods and Services Tax (“GST”) for the naming rights granted in this agreement (the “Licence Fee”).

4.2. The Licence Fee shall be payable by Canfor to the City in annual installments of \$75,000 plus GST, on or before June 9 of each and every year during the term of this Agreement, with the first annual installment paid by June 9, 2022, and the final annual installment paid by June 9, 2026.

4.3. For the purposes of this Agreement "Goods and Services Tax" or "GST" means and includes any and all goods and services taxes, sales taxes, value added taxes, business transfer taxes, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, or any other taxes imposed on the City or Canfor from time to time in respect of any fees payable by Canfor to the City under this Agreement or for the provision of any goods, services, or utilities whatsoever by the City to Canfor under this Agreement, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax, or otherwise.

5. INSTALLATION AND MAINTENANCE OF SIGNAGE

- 5.1. Canfor shall deliver to the City the Signage for installation on the exterior of the Facility by July 22, 2022.
- 5.2. The City shall, upon receipt of the Signage, install the Signage on the Facility prior to the opening of the Facility, at the sole cost and expense of the City.
- 5.3. Subject to Section 5.4, the City shall be responsible for the general annual maintenance of the Signage, and the sole costs and expenses associated with such annual maintenance.
- 5.4. Canfor shall be responsible for any repairs to the Signage or replacement of the Signage if such repairs or replacement exceed \$500 in expense, save and except for repairs or replacement required as a result of the acts or omissions of the City or its servants, agents, employees or contractors.
- 5.5. If, at any time during the term of this Agreement, the City deems it necessary to make repairs at the Facility which require the temporary removal or relocation of any Signage, Canfor agrees that the City may remove or relocate the affected Signage, at the sole cost and expense of the City, upon receipt of 30 days' prior written notice from the City, except in the case of emergency in which case the City will at liberty to temporarily remove or relocate the Signage without notice to Canfor, it being understood that the City shall endeavour to repair and/or re-install the Signage as soon as reasonably possible.

6. INDEMNITIES

- 6.1. Save and except to the extent caused by the negligence of the City, its servants, agents, employees and contractors, Canfor will indemnify and save harmless the City against all actions, suits, claims, damages, costs and liabilities arising out of or as a result of:
 - 6.1.1. any breach, violation, or non-performance of the terms, covenants and obligations on the part of Canfor as set out in this Agreement;
 - 6.1.2. any damage to the Facility or the property of the City or Canfor occasioned by the installation, operation, repair, maintenance or removal of the Signage by Canfor, its servants, agents, employees or contractors; and
 - 6.1.3. any injury to or death of, or any damage to property of, any person resulting from the installation, operation, repair, maintenance or removal of the Signage by Canfor, its servants, agents, employees or contractors.

6.2. Save and except to the extent caused by the negligence of Canfor, its servants, agents, employees and contractors, the City will indemnify and save harmless Canfor against all actions, suits, claims, damages, costs and liabilities arising out of or as a result of:

6.2.1. any breach, violation, or non-performance of the terms, covenants and obligations on the part of the City as set out in this agreement;

6.2.2. any damage to the Facility or the property of the City or Canfor occasioned by the installation, operation, repair, maintenance or removal of the Signage by the City, its servants, agents, employees or contractors; and

6.2.3. any injury to or death of, or any damage to or loss of property of, any person at the Facility that is not directly caused by Canfor.

7. NO ASSIGNMENT WITHOUT CONSENT

7.1. This Agreement and the rights arising hereunder, may not, either in whole or in part, be assigned, sold, transferred, licensed, or otherwise disposed of (collectively referred to as an "**Assignment**") by a party (the "**Assigning Party**") without the prior written consent of the other party (the "**Other Party**"), which consent may be withheld by the Other Party in its sole discretion for any reason. The Other Party shall not be required to give reasons for withholding its consent to an Assignment. No Assignment will relieve the Assigning Party from its obligations and liabilities under this Agreement, and if this Agreement is assigned without the prior written consent of the Other Party as required under this paragraph, then the Other Party may, at its option, terminate this Agreement upon giving seven (7) days' notice to the Assigning Party. If the Other Party does consent to an Assignment the Other Party shall be entitled to attach to its consent such conditions as the Other Party may in its sole discretion decide upon.

7.2. As a condition of the Other Party's consent, the assignee shall agree (and will be deemed to have agreed) with the Other Party to observe the obligations of the Assigning Party under this Agreement by entering into an assumption agreement with the Other Party and the Assigning Party, in such form as the Other Party may require, and shall pay the Other Party's costs and solicitor's fees and disbursements for preparing such assumption agreement. The Assigning Party further agrees that if the Other Party consents to any such Assignment, the Assigning Party shall be responsible for and shall hold the Other Party harmless from any and all costs and expenses arising under this Agreement (including without limitation, arising from any changes to the Signage, or items arising under Section 3 and all other expenses, costs, and charges incurred by the Other Party with respect to or arising out of or caused by any such Assignment). Any consent by the Other Party to any Assignment

shall not constitute a waiver of the requirement for consent by the Other Party to any subsequent Assignment by the Assigning Party or by any assignee.

8. OPTION TO RENEW

8.1. Provided Canfor pays the Licence Fee when due and punctually observes and performs the provisions of this Agreement, and provided Canfor gives written notice to the City not later than 365 days prior to the last day of the term of this Agreement, Canfor will have the right to renew this Agreement for a renewal term (the “**Renewal Term**”) of FIVE (5) years upon the same terms and conditions as contained in this Agreement (including, without limitation, without any amendment or change to the Licence Fee), except that Canfor will not be entitled to any additional renewal term. For certainty, unless the parties otherwise agree in writing, there will be only one renewal term of FIVE (5) years.

9. TERMINATION AND REMOVAL OF SIGNAGE

9.1. The term of this Agreement (including the Renewal Term, if applicable) are as set out herein. Unless renewed (including by a Renewal Term), extended or terminated in accordance with its terms, this Agreement shall expire on the Expiry Date. Except in the event of termination under Section 9.3, the provisions regarding liability, indemnity, accrued but unpaid payment obligations, and other terms which by their nature are intended to survive the expiration or termination of this Agreement, will survive expiration and termination of this Agreement for any reason.

9.2. In addition to any other right that either party may have to terminate this Agreement, if a party is in default (the “**Defaulting Party**”) of the performance of any of its obligations set forth in this Contract (each an “**Event of Default**”), then the other party (the “**Non-Defaulting Party**”) may, by written notice to the Defaulting Party require such Event of Default to be corrected. If within seven (7) days after receipt of such notice such Event of Default has not been corrected or reasonable steps to correct such Event of Default have not been taken, the Non-Defaulting Party may, without limiting any other right or remedy it may have, immediately terminate this Contract on notice, provided that the Non-Defaulting Party is not also a Defaulting Party. In the event of the City being the Non-Defaulting Party and terminating this Agreement under this Section 9.2, the City shall be entitled to all costs associated with removal of the Signage. The City shall otherwise be responsible for the costs associated with the removal of the Signage after the expiry of this Agreement.

- 9.3. Canfor may terminate this Agreement (without liability or penalty or prejudice to any remedies Canfor has at law, in equity or under this Agreement) upon written notice to the City, if the City sells, transfers, disposes, leases or otherwise assigns any of its interest in, or abandons, all or any portion of the Facility.

10. MISCELLANEOUS

- 10.1. Canfor will own all rights to the name "Canfor" and "Canfor Leisure Pool" and may seek registration of any trademarks and logos used in connection with such names or any variations thereof. Any and all reference to use of the name "Canfor Leisure Pool" herein will also mean reference to any trademarks or logos designed and approved by Canfor. Nothing in this Agreement gives the City any ownership interest in or to the CANFOR trademark or any of Canfor's other trademarks. All the benefit and goodwill associated with any use of Canfor's trademarks by the City under this Agreement will enure entirely to Canfor's benefit. Provided always however, Canfor will not during the Term of this Agreement and any renewal hereof permit the use of the name "Canfor Leisure Pool" in connection with any other venue within the City of Prince George.
- 10.2. Canfor, in the course of exercising its rights under this Agreement, agrees not to post or permit to be posted any advertisement, promotion, notice or reference which, in the reasonable opinion of the City, is of a disreputable character or appearance or is vulgar, indecent, political and/or controversial. Canfor agrees that the decision of the City in this regard will be final and binding.
- 10.3. For the purposes of this Agreement, "**Force Majeure**" means an event or circumstance beyond the reasonable control of a party that prevents or delays that party's ability to perform its obligations under this Agreement, including Acts of God, strikes, lockouts and labour disputes, fires, floods, earthquakes, inclement weather, war, riots, declaration of emergency, pandemic, epidemic, or other outbreak of communicable disease or illness, insurrection or civil disobedience or violence, strike lockout or other labour disputes, inability to procure materials, restrictive governmental law or regulations enacted subsequent to the date of this Agreement, but excludes a lack of money, credit, or financing. In all cases, despite anything else in this Agreement, if Force Majeure delays or prevents a party from wholly or partly performing its obligations under this Agreement, it will be relieved of those obligations to the extent, and for the period, that it is affected by such Force Majeure, provided that it: (a) notifies the other party as soon as practicable, and (b) uses commercially reasonable efforts to mitigate the Force Majeure.

11. NOTICE

11.1. Any written notice to either party to this Agreement may be delivered as noted below and shall become effective as follows:

11.1.1. if delivered by hand, on the day it is delivered;

11.1.2. if sent by regular mail, three (3) days after it is mailed;

11.1.3. if sent by electronic mail prior to 4:00 p.m. pacific time on a business day, the day it is sent; and

11.1.4. if sent via electronic mail after 4:00 p.m. on any business day or on a non-business day, the following business day.

11.2. Any Notice to the City shall be addressed as follows:

Attention: Walter Babicz, City Manager

1100 Patricia Boulevard

Prince George, BC V2L 3V9

Fax: (250) 561-0183

Email: walter.babicz@princegeorge.ca

11.3. Any Notice to Canfor shall be addressed as follows:

Attention: Michelle Ward, Senior Director, Communications and Government Relations

100-1700 West 75th Ave.

Vancouver, B.C.

Email: communications@canfor.com

11.4. Either party may change either address for Notice by providing written notice to the other party.

12. GENERAL

12.1. **Time of the Essence:** Time shall be of the essence hereof.

12.2. **Governing Law:** This Agreement shall be governed by and construed in accordance with the law of the province of British Columbia and the parties submit and attorn to the jurisdiction of the courts of the province of British Columbia.

12.3. **Severability:** If a court of other tribunal of competent jurisdiction determines that any one or more of the provisions contained in this Agreement is invalid, illegal or

unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

- 12.4. **Entire Agreement:** This Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings, whether written or verbal. This Agreement will only be amended or modified by written amendment signed by both parties.
- 12.5. **Further Assurances:** The parties shall with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each party shall provide such further documents or instruments required by the other party as may be reasonably necessary or desirable to give effect to the purpose of this Agreement and carry out its provisions whether before or after the date hereof.
- 12.6. **Enurement:** This Agreement and each of the terms and provisions hereof shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, personal representatives, successors and assigns.
- 12.7. **Effective Date:** Once signed by the parties hereto, this Agreement shall be deemed to have taken effect as of May 9, 2022.
- 12.8. **Counterparts:** This Agreement may be executed by the parties in separate counterparts and may be delivered to each party by way of facsimile, email or other electronic transmission, and each of which, when so executed and delivered, shall be deemed to constitute an original but all of which together shall constitute one and the same document.

Authorized Signatory (for Canfor)

Name and Title

Date

Authorized Signatory (for Canfor)

Name and Title

Date

Authorized Signatory (for the City of Prince George)

Name and Title

Date

Authorized Signatory (for the City of Prince George)

Name and Title

Date

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