

CN CENTRE NAMING RIGHTS - RENEWAL AGREEMENT

This Renewal Agreement is dated for reference 1st day of April, 2020.

BETWEEN:

CANADIAN NATIONAL RAILWAY COMPANY, a corporation duly constituted under the laws of Canada having its principal place of business at 935 De La Gauchetiere West
Montreal, PQ, Canada H3B 2M9

(herein called "CN")

OF THE FIRST PART

AND:

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

(herein called "City")

OF THE SECOND PART

WHEREAS:

- A. The City is the owner of a multi-purpose arena facility having a civic address of 2187 Ospika Boulevard, Prince George, BC, named the "CN Centre" (the "Facility").
- B. By an agreement (the "Naming Rights Agreement") made April 1, 2005 between the City and CN, the City granted the right to CN to name the Facility the "CN Centre" for a term of fifteen (15) years commencing on April 1, 2005 and ending on March 31, 2020.
- C. A true copy of the duly executed Naming Rights Agreement is attached hereto as Appendix "A".
- D. The City and CN wish to renew the Naming Rights Agreement on the terms and conditions set forth in this renewal agreement ("Renewal Agreement").

- E. The municipal council of the City, at its meeting on March 23, 2020, authorized the City to enter into this Renewal Agreement.

IN CONSIDERATION of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Naming Rights Agreement is hereby renewed for a renewal term of five (5) years commencing on April 1, 2020 and ending on March 31, 2025 (the "Renewal Term"), upon all the terms, covenants, agreements, and provisos contained in the Naming Rights Agreement, except as modified pursuant to this Renewal Agreement.
2. CN will pay to the City a total fee of \$375,000.00 plus applicable Goods and Services Tax ("GST"), in lawful money of Canada, for the naming rights granted hereunder (the "Renewal Licence Fee") during the Renewal Term.
3. The Renewal Licence Fee will be payable in annual instalments of \$75,000.00 plus GST on April 1st in each year of the Renewal Term, from and including April 1, 2020 to and including April 1, 2024.
4. Provided CN pays the Renewal Licence Fee when due and observes and performs the provisions of the Naming Rights Agreement as modified and renewed by this Renewal Agreement, and provided CN gives written notice to the City not later than 365 days prior to the last day of the Renewal Term of this Agreement, CN will have the right to renew the Naming Rights Agreement for a second renewal term (the "Second Renewal Term") of five (5) years upon the same terms and conditions as contained in the Naming Rights Agreement, except for the Renewal Licence Fee and except for the Option to Renew. The Second Renewal Term will be the last renewal term under the provisions of the Naming Rights Agreement, and paragraph 10.01 of the Naming Rights Agreement is hereby amended accordingly.
5. This Renewal Agreement is expressly made a part of the Naming Rights Agreement to the same extent as if incorporated in the Naming Rights Agreement, and the parties agree that all agreements, covenants, conditions, and provisos contained in the Naming Rights Agreement, except as amended or altered in this Renewal Agreement, will be and remain unaltered and in full force and effect during the Renewal Term. The City and CN each acknowledge and agree to perform and observe, respectively, the obligations of the City and CN under the Naming Rights Agreement as renewed and modified hereby. The City and CN each hereby confirm and ratify the Naming Rights Agreement and renewal of it as hereby renewed and amended.

6. Any communication (including any notice, consent, approval or instructions) provided for under the Naming Rights Agreement or this Renewal Agreement shall be in writing in the English language and may be given to the person to whom it is addressed by delivering the same to or for such person at the address or email address of such person as set out hereinafter or at such other address or number as such person shall have notified to the other party hereto. Any communication so addressed and delivered as aforesaid shall be deemed to have been sufficiently given or made on the date on which it was so delivered:

If to CN:

Attention: Sean Finn, Executive Vice-President, Corporate Services
935 De La Gauchetière West, 16th Floor
Montreal, PQ, Canada, H3B 2M9
Email: sean.finn@cn.ca

If to the City:

Attention: Kathleen Soltis, City Manager
1100 Patricia Boulevard
Prince George, BC V2L 3V9
Email: kathleen.soltis@princegeorge.ca

7. All terms capitalized in this Renewal Agreement and not otherwise defined in this Renewal Agreement will have the same meaning as in the Naming Rights Agreement.
8. This Renewal Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns.
9. This Renewal Agreement may be executed by the parties in any number of counterparts, each of which when executed and delivered is deemed to be an original, but all of which when taken together will constitute one and the same instrument.

10. The Naming Rights Agreement attached as Appendix "A" forms part of this Renewal Agreement.

IN WITNESS WHEREOF the City and CN have executed this Renewal Agreement as of the day and year first above mentioned.

CANADIAN NATIONAL RAILWAY COMPANY)

by its authorized signatory(ies):)

)

Name:)

Name:)

I/We have the authority to bind CN.

CITY OF PRINCE GEORGE)

by its authorized signatory(ies):)

)

Name:)

Name:)

I/We have the authority to bind the City.

Appendix "A"

CITY OF PRINCE GEORGE ARENA NAMING RIGHTS AGREEMENT

"CN Centre"

This Agreement is dated for reference the 1st day of April, 2005.

BETWEEN

CANADIAN NATIONAL RAILWAY COMPANY

a corporation duly constituted under the laws of Canada

having its principal place of business at

935 De La Gauchetiere West, Montreal, Quebec, Canada, H3B 2M9

(herein called "CN")

OF THE FIRST PART

AND

CITY OF PRINCE GEORGE

a municipal corporation having its administrative offices at

1100 Patricia Boulevard, Prince George, B.C., Canada, V2L 3V9

(herein called "City")

OF THE SECOND PART

WHEREAS:

- A. The City is the owner of a facility now called the "Prince George Multiplex" (the "Facility").
- B. The City wishes to grant the right to name the Facility, and CN wishes to acquire that right on the terms and conditions set forth in this Agreement; and
- C. The council of the City, at its meeting dated March 21, 2005 authorized the entering into of an agreement between CN and the City for the aforementioned purpose.

In consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **TERM**

- 1.01 This Agreement commences on April 1, 2005 (the "Commencement Date") and extends for a period of Fifteen (15) Years to March 31, 2020 (the "Expiry Date").

2. **NAMING AND SIGNAGE RIGHTS**

- 2.01 As of the Commencement Date, the City grants to CN the exclusive right:
- (a) to name the Facility as the "CN Centre"; and
 - (b) to display the name "CN Centre" with or without a logo selected by CN and approved by the City acting reasonably (the "Facility Logo").
- 2.02 CN will cause all existing signage or identification at the Facility that identifies the name of the Facility be changed to "CN Centre", including, without limitation, the signage referenced in Schedule "A" hereto and at such other locations, if any, in respect of the Facility as may be agreed to in writing by CN and the City.
- 2.03 During the Term of this Agreement, and renewals hereof if any, the name "CN Centre" will not be changed without the written agreement of the parties to this Agreement. Provided always however, if CN changes its name and wishes to change the name of the Facility, then CN will have the right to change the name of the Facility to the new name of CN but all costs associated with the change of name of the Facility will be the responsibility of CN.
- 2.04 Notwithstanding this Agreement, the City reserves the right to sub-name parts of the Facility, provided the sub-name is not the name of a person, firm or corporation that is a freight competitor of CN.
- 2.05 Notwithstanding this Agreement, the City reserves the right to permit any tenants or other related event sponsors in respect of the Facility to display advertising or identification signage within the Facility.
- 2.06 CN acknowledges the importance to the City and CN of attracting events to take place at the Facility and therefore CN agrees, subject to the terms and conditions of this Agreement, not to do anything that would reduce the ability of the City to attract events to the Facility. Without limiting the generality of the foregoing, both the City and CN agree to cooperate and use their best efforts to ensure that the Facility has the best opportunity to attract and host events while causing the least possible disruption, if any, in the rights granted to CN pursuant to this Agreement.

3. ADDITIONAL PROMOTIONAL RIGHTS

- 3.01 In addition to the naming and signage rights set out in Part 2 above, as of the Commencement Date, the City grants to CN additional promotional rights so that the name of the Facility in printed materials, media releases, staff uniforms, web-site references, and telephone greetings will be changed to "CN Centre", including, without limitation, in the matters referenced in Schedule "B" hereto and in such other similar items, if any, in respect of the Facility as may be agreed to in writing by CN and the City.
- 3.02 The City will cause all printed materials, media releases, staff uniforms, web-site references, and telephone greetings in respect to the Facility to be changed to "CN Centre", including, without limitation, in the matters referenced in Schedule "B" hereto and at such other locations, if any, in respect of the Facility as may be agreed to in writing by CN and the City;
- 3.03 The City will require as part of any future agreement for the use and occupancy of the Facility that any user or tenant of the Facility use only materials or documents that refer to the Facility with the name "CN Centre".

4. ADDITIONAL BUSINESS RIGHTS

- 4.01 The City will provide CN with additional business rights, benefits and use of City facilities, including without limitation the matters referenced in Schedule "C" hereto and such other similar items, if any, in respect of City facilities as may be agreed to in writing by CN and the City.

5. TIMING

- 5.01 By December 31, 2005 CN will convert existing signage or install new signage identifying the Facility as "CN Centre" at the locations identified in Schedule "A" hereto, as required by paragraph 2.02 hereof;
- 5.02 On or before December 31, 2005 the City will endeavour to complete the additional promotional rights identifying the Facility as "CN Centre" in the matters referenced in Schedule "B" hereto and at such other locations, if any, in respect of the Facility as may be agreed to in writing by CN and the City.

5.03 As of the Commencement Date the City will endeavour, by way of a media release, to:

- (a) ensure that all press releases, publicity, and references to the Facility within the control of the City by all media announcements, including television, radio and public address announcements, web sites, internet, and other communications regarding the Facility will be to "CN Centre"; and
- (b) ensure that all forms of media, including, without limitation, television and radio, will be notified to refer to the Facility as "CN Centre".

6. FEES AND COSTS

6.01 CN will pay to the City a total fee of \$1,000,000.00 plus applicable Goods and Services Tax ("GST"), in lawful money of Canada, for the naming rights granted hereunder (the "Licence Fee"). The Licence Fee will be payable in annual instalments on April 1st in each year of the Term in the following amounts:

- (a) the sum of \$100,000.00 plus GST on April 1st in each year from and including April 1, 2005 to and including April 1, 2009; and
- (b) the sum of \$50,000.00 plus GST on April 1st in each year from and including April 1, 2010 to and including April 1, 2019.

6.02 Upon receiving written confirmation that this Agreement has been executed by both parties hereto CN will immediately:

- (a) direct that the deposit of \$25,000.00, which was paid by CN into trust upon the signing of the Letter of Intent for this Agreement with the City, be released to the City to be applied by the City in part payment of the first annual instalment of the Licence Fee due under paragraph 6.01(a);
- (b) pay to the City the sum of \$75,000.00 representing the balance of the first annual instalment of the Licence Fee due under paragraph 6.01(a); and
- (c) pay to the City the sum of \$7,000.00 representing the GST due on the total amount of the first annual instalment of the Licence Fee due under paragraph 6.01(a).

6.03 CN will also pay to the City a total fee of \$300,000.00 plus applicable Goods and Services Tax ("GST"), in lawful money of Canada, for the licence to occupy Suite #1 in the Facility pursuant to the City's Private Suite Licence Agreement (the "Suite Licence Fee"). The Suite Licence Fee will be payable in annual instalments of \$20,000.00 each plus GST on

April 1st in each year of the Term of this Agreement from and including April 1, 2005 to and including April 1, 2019.

6.04 Upon receiving written confirmation that this Agreement and the Private Suite License Agreement have been executed by both parties hereto CN will immediately pay to the City the sum of \$21,400.00 representing the balance of the first annual instalment of the Suite Licence Fee plus GST due under paragraph 6.03.

6.05 With reference to the matters set forth in paragraph 12.02 hereof, each year CN will also pay to the City an Opt-Out Activity Cost as set forth in paragraph 12.02(h) hereof, as follows:

- (a) the sum of \$2,000.00 plus GST in lawful money of Canada per year (the "Initial Opt-Out Activity Cost") will be payable on April 1st in each year of the Term of this Agreement from and including April 1, 2005 to and including April 1, 2019. This Initial Opt-Out Activity Cost will be paid to the City each year whether or not there are any Opt-Out Activities that year. If there are Opt-Out Activities in any given year, the Initial Opt-Out Activity Cost paid to the City in respect of that year will be deemed to cover the City's costs in connection with up to the first two (2) Opt-Out Activities (the "Initial Opt-Out Activities") that year; and
- (b) subject to paragraph (e) below, the sum of the sum of \$1,000.00 plus GST in lawful money of Canada for each Opt-Out Activity, if any, in excess of the Initial Opt-Out Activities each year (the "Excess Opt-Out Activity Cost") will be payable to the City within 30 days after receipt by CN of an invoice from the City stating the excess Opt-Out Activity in respect of which such Excess Opt-Out Activity Cost is payable; and
- (c) the cost of the alternate "Station" signage to be used at the venue main entrance in respect of Opt-Out Activities will be payable to the City within 30 days after receipt by CN of an invoice from the City showing the cost to the City of such alternate signage;
- (d) provided always that the amount such Initial Opt-Out Activity Cost and Excess Opt-Out Activity Cost shall be increased each year during the Term of this Agreement by an amount equal to the amount of the increase in the Consumer Price Index for the previous year calculated in respect of all items excluding fuel; and
- (e) notwithstanding anything in this Agreement to the contrary, it is understood and agreed that the total of the Initial Opt-Out Activity Cost plus any Excess Opt-Out Activity Cost payable by CN to the City pursuant to this paragraph 6.05 in any given year shall not under any circumstances exceed the sum of \$5,000.00 plus GST in lawful money of Canada.

6.06 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 CN from time to time in respect of any fees payable by CN to the City under this Agreement or for any use by CN of any part of the Facility, or the provision of any goods, services, or utilities whatsoever by the City to CN under this Agreement, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax, or otherwise.

7. INSTALLATION AND MAINTENANCE OF SIGNAGE

- 7.01 CN will purchase as required under Part 2 above (the "Signage"), and subject to the prior written approval of the City acting reasonably, CN will install the Signage, including making all structural modifications to the Facility as deemed necessary by the City acting reasonably, to accommodate the Signage.
- 7.02 The City will arrange for the additional promotional rights as required under Part 3 above in regard to printed materials, media releases, staff uniforms, web-site references, and telephone greetings (the "Promotional Rights"). CN will be responsible for all costs associated with the Promotional Rights in the first year of the Term of this Agreement, and thereafter the costs associated with the Promotional Rights will be the responsibility of the City for the balance of the Term of this Agreement.
- 7.03 All costs associated with the conversion of existing signage and logo replacement, logo development, cost of production, and the purchase and installation of new signage and logo, pursuant to this Agreement shall be the responsibility of CN and shall be paid by CN.
- 7.04 The City will maintain and repair the signage and all replacements thereof to a first class quality and standard, and all costs associated with such maintenance and repair and replacements shall be the responsibility of CN and shall be paid by CN to the City within 30 days of receipt from the City of an invoice detailing such costs.
- 7.05 If, at any time during the Term, the City deems it necessary to make repairs at the Facility which require the temporary removal or relocation of any Signage, CN 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 CN, it being understood that the City shall endeavour to replace the Signage as soon as reasonably possible.

8. INDEMNITIES

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

- (a) any breach, violation, or non-performance of the terms, covenants and obligations on the part of CN as set out in this Agreement;
- (b) any damage to the Facility or the property of the City or CN occasioned by the installation, operation, repair, maintenance or removal of the Signage by CN, its servants, agents, employees or contractors; and
- (c) 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 CN, its servants, agents, employees or contractors.

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

- (a) any breach, violation, or non-performance of the terms, covenants and obligations on the part of the City as set out in this Agreement;
- (b) any damage to the Facility or the property of the City or CN occasioned by the installation, operation, repair, maintenance or removal of the Signage by the City, its servants, agents, employees or contractors; and
- (c) 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 the City, its servants, agents, employees or contractors.

9. NO ASSIGNMENT WITHOUT CONSENT

9.01 This Agreement and the rights arising hereunder, may not, either in whole or in part, be assigned, sold, transferred, licensed, or otherwise disposed of by CN (collectively referred to as an "Assignment") without the prior written consent of the City, which consent may be withheld by the City in its sole discretion for any reason. The City shall not be required to give reasons for withholding its consent to an Assignment. No Assignment will relieve CN from its obligations and liabilities under this Agreement, and if this Agreement is assigned

without the prior written consent of the City as required under this paragraph, then the City may, at its option, terminate this Agreement upon giving seven (7) days' notice to CN. If the City does consent to an Assignment the City shall be entitled to attach to its consent such conditions as the City may in its sole discretion decide upon.

- 9.02 If the City terminates this Agreement, such termination shall be effective on the date stipulated in the notice of termination, which shall not be less than 60 days or more than 90 days following the giving of such notice, and CN shall surrender back to the City all of its rights granted by this Agreement in accordance with such notice, and all fees payable to the City pursuant to this Agreement shall be apportioned and paid to the date of surrender stipulated in the notice of termination.
- 9.03 As a condition of the City's consent, the assignee shall agree (and will be deemed to have agreed) with the City to observe the obligations of CN under this Agreement by entering into an assumption agreement with the City and CN, in such form as the City may require, and shall pay the City's costs and solicitor's fees and disbursements for preparing such assumption agreement. CN further agrees that if the City consents to any such Assignment, CN shall be responsible for and shall hold the City harmless from any and all costs arising from any changes to the signage, or items arising under the Additional Promotional Rights and Additional Business Rights, and all other expenses, costs, and charges incurred by the City with respect to or arising out or caused by any such Assignment. Any consent by the City to any Assignment shall not constitute a waiver of the requirement for consent by the City to any subsequent Assignment by CN or by any assignee.

10. OPTION TO RENEW

- 10.01 Provided CN pays the Licence Fee when due and punctually observes and performs the provisions of this Agreement, and provided CN gives written notice to the City not later than 365 days prior to the last day of the Term of this Agreement, CN will have the right to renew this Agreement for a renewal term ("the Renewal Term") of TEN (10) years upon the same terms and conditions as contained in this Agreement, except for the Licence Fee and except for this Option to Renew. There will be only one Renewal Term of TEN (10) years.
- 10.02 The Licence Fee during the Renewal Term will be the then-current fair market value for the benefits CN will receive during the Renewal Term in accordance with this Agreement as renewed ("Fair Market Fee") as at the commencement of the Renewal Term provided the Fair Market Fee will not be less than Licence Fee set out herein. Following receipt by the City of notice from CN exercising the renewal option, the parties will immediately commence negotiations to determine the Fair Market Fee. Failing agreement by the parties

as to the amount of the Fair Market Fee within 180 days prior to the expiry of the Term of the Agreement, CN will have the choice to either:

- (a) rescind the notice exercising the renewal option, in which case this Agreement will terminate on the expiry of the initial Term of this Agreement; or
- (b) to refer the determination of the amount of the Fair Market Fee to a single arbitrator mutually acceptable to the parties and appointed under the *Commercial Arbitration Act*, R.S.B.C. 1996, c. 55, and amendments thereto, or any like statute in effect from time to time (the "CAA"). If the parties are unable to agree upon the identity of a single arbitrator, a single arbitrator will be appointed by order of the court under the CAA.

10.03 The parties agree that s. 22 of the CAA pertaining to the British Columbia International Commercial Arbitration Centre rules will not apply. The costs of the arbitration will be borne equally by the parties. Each party will bear their own costs of legal counsel. Except as otherwise provided for in this paragraph, the provisions of the CAA will apply.

10.04 Once the Fair Market Fee has been determined it will take effect as at the commencement date of the Renewal Term. If the Fair Market Fee is not determined on or before the commencement date of the Renewal Date, the Fair Market Fee once determined will be retroactive to the commencement date of the Renewal Term and all payments then due will be paid by CN to the City together with interest thereon, calculated from the commencement date of the Renewal Term to the date of payment at the prime rate of interest posted by the City's bankers from time to time during the period from the commencement date of the Renewal Term to the date of payment.

10.05 If CN fails to give the appropriate notice within the time limit set out in paragraph 10.01 for renewing the Term of this Agreement then the option to renew this Agreement will be null and void and of no further force or effect. If CN gives appropriate notice within the time limit set out in paragraph 10.01, and provided CN and the City agree upon the Fair Market Fee, CN and the City will forthwith execute the documentation submitted by the City to record the parties' agreement regarding the Renewal Term.

10.06 If CN gives appropriate notice within the time limit set out in paragraph 10.01, and if the Fair Market Fee is determined by arbitration, CN and the City will forthwith execute the documentation submitted by the City to record the parties' arbitrated agreement regarding the Renewal Term.

11. TERMINATION AND REMOVAL OF SIGNAGE

11.01 In addition to other rights it may have, either party may terminate this Agreement under the following circumstances:

- (a) if the other party persists in violation of any provision of this Agreement;
- (b) in the case of CN, if it becomes insolvent or commits any act of insolvency or makes any assignment for creditors

provided that any declaration as to any determination made under this paragraph will be made in writing and delivered by the non-defaulting party to the other. If the circumstances giving rise to the default has not been corrected within 14 days of the date that notice of default was given to the defaulting party, this Agreement will be deemed to be at an end on the day following the giving of such notice.

11.02 In the event of the expiry or termination of this Agreement CN will, at its sole cost and expense, remove all of its Signage and logo placement then existing at the Facility. This obligation will survive the expiry or termination of this Agreement.

12. MATERIAL REDUCTION OF ACTIVITY AND OPT-OUT ACTIVITY

12.01 CN's obligation to pay the annual fee is contingent on the absence of any material sustained reduction of activity at the Facility. For the purpose of this Agreement the expression "material sustained reduction of activity at the Facility" means a drop of more than 30% in the activity at the Facility from any one year to the next year of the Agreement. In the event that, in any given year throughout the term of this Agreement, (i) the Facility is closed (other than temporary scheduled closures) or (ii) there is a material reduction of activity, then, CN may, at its option, suspend the payment of the annual fee until CN and the City have agreed on a strategy to cure the material sustained reduction of activity at the Facility, it being understood that this Agreement shall be extended by a number of days equal to the number of days between the issuance of a notice of default by CN and such date as an agreement is reached between CN and the City as aforesaid.

12.02 The City shall use its best efforts to give CN from time to time, via email sent to an email address provided by CN, prior notice of all activities or events to be hosted/held at the Facility (a "Prior Notice of Activity").

- (a) If any such activity or event on a Prior Notice of Activity is likely to:
- (i) be of a defamatory, obscene, or pornographic nature; or
 - (ii) be scandalous, inflammatory, violent, profane, disreputable or controversial; or
 - (iii) include conduct that would constitute a criminal offence or give rise to civil liability or otherwise violate any law;
- (an "Elected Opt-Out Activity") then CN shall have the option to opt-out in relation to such activity or event.

- (b) Set forth in Schedule "D" attached hereto from time to time is a list of activities or events:
- (i) in relation to which CN will automatically opt-out of (a "Deemed Opt-Out Activity"); and
 - (ii) in relation to which CN will not opt-out of (a "Deemed Acceptable Activity").

The parties will work together to develop, prior to April 1 of each year, an updated list of activities or events to be added to or removed from Schedule "D" as a Deemed Opt-Out Activity or Deemed Acceptable Activity, as the case may be, on April 1 of that year.

- (c) If an activity or event is an Elected Opt-Out Activity as set forth in paragraph 12.02(a), or if an activity or event is a Deemed Opt-Out Activity as set forth in paragraph 12.02(b)(i), CN shall have the right to publicly dissociate itself from such activity or event by way of communiqués, media releases or otherwise as it sees fit.

- (d) If an activity or event is an Elected Opt-Out Activity as set forth in paragraph 12.02(a) CN shall send a notice to the City, via email sent to an email address provided by the City, that CN wishes to opt-out in relation to such activity or event (an "Elected Opt-Out Notice"). Such Elected Opt-Out Notice, if any, will be sent by CN to the City by email on or before one of the following deadlines (the "Election Deadline"), whichever is applicable as the case may be:
- (i) if the Prior Notice of Activity from City has clearly indicated the need for CN to expedite the process, then the Election Deadline will be the end of business on the date that is two (2) business days after receipt of the Prior Notice of Activity by CN from the City; or

- (ii) in all other cases, then the Election Deadline will be the end of business on the date that is five (5) business days after receipt of the Prior Notice of Activity by CN from the City.

For the purposes of this paragraph: the words "business day" or "business days" means any day other than a Saturday, Sunday, or holiday; and "holiday" means "holiday" as defined by the *Interpretation Act* of British Columbia. If the City does not receive an Elected Opt-Out Notice from CN on or before the appropriate Election Deadline, then each of the activities or events listed in that particular Prior Notice of Activity will be deemed to be an acceptable activity, unless such activity or event is already listed in Schedule "D" hereto as a Deemed Opt-Out Activity.

- (e) If an activity or event is a Deemed Opt-Out Activity as set forth in paragraph 12.02(b)(i) CN will be deemed to have opted-out of that activity or event and CN will be deemed to have sent to the City a notice in relation to that activity or event (a "Deemed Opt-Out Notice").
- (f) Forthwith upon receipt of an Elected Opt-Out Notice from CN, or in the event of a Deemed Opt-Out Notice, the City shall use its best efforts to take all measures and do such things, acting reasonably, as may be required such that:
 - (i) the CN name and logo are not used in any promotional material, souvenirs, advertising, broadcasting, printed material, media releases or staff uniforms with respect to that Elected Opt-Out Activity or Deemed Opt-Out Activity;
 - (ii) all local advertising with respect to that Elected Opt-Out Activity or Deemed Opt-Out Activity at CN Centre will refer to that activity or event as an event at "the Station" if it is to occur at the former Multiplex, or at "Kin 1", "Kin 2", or "Kin 3", as the case may be, if it is to occur at the Kin Centre;
 - (iii) all out of town advertising with respect to that Elected Opt-Out Activity or Deemed Opt-Out Activity at CN Centre will refer to that event or event as an event "in Prince George"; and
 - (iv) event website advertising shall be through a hyperlink from a City page to a "Station" page.
- (g) CN will provide (and replace when needed) to the City for all CN Centre staff a set of uniforms that do not display the CN name or logo, which uniforms will be used by the CN Centre staff during any Elected Opt-Out Activity or Deemed Opt-Out Activity.
- (h) In respect of each Elected Opt-Out Activity and Deemed Opt-Out Activity each year (together called the "Opt-Out Activities"), and whether or not there are Opt-

Out Activities in any given year, each year CN will pay to the City the Initial Opt-Out Activity Cost plus, as the case may be, any Excess Opt-Out Activity Costs on the terms and conditions set forth in paragraph 6.05 hereof.

- (i) Nothing herein shall create an obligation on the City to remove any of the Signage listed in Schedule "A" hereto.

13. MISCELLANEOUS

- 13.01 CN will own all rights to the name "CN Centre" and may seek registration of any trademarks and logos used in connection with such name or any variation thereof. Any and all reference to use of the name "CN Centre" herein will also mean reference to any trademarks or logos designed and approved by CN. Provided always however, CN will not during the Term of this Agreement and any renewal hereof permit the use of the name "CN Centre" in connection with any other venue in the provinces of British Columbia, Alberta, Saskatchewan or Manitoba.
- 13.02 CN, 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 opinion of the City, is of a disreputable character or appearance or is vulgar, indecent, political and/or controversial. CN agrees that the decision of the City in this regard will be final and binding.
- 13.03 CN will at all times during the Term and any renewal thereof fully observe and comply with all statutory requirements and regulations, by-laws and rules of every municipal or other authority which in any manner is applicable to, affects or relates to its use of the Facility.
- 13.04 CN and the City agree that all signage and additional promotional rights pursuant to this Agreement shall comply with the Intellectual Property Rights License Agreement entered into by CN and the City concurrently with this Agreement, and shall comply with such other specifications, if any, as are mutually agreed upon in writing by the parties to this Agreement.
- 13.05 CN and the City will each use their reasonable best efforts to encourage the use of the name "CN Centre", and where possible to limit the use of the name "Multiplex", by the City, sponsors, and tenants of the Facility, when referring to the Facility in their promotional material.
- 13.06 The City will not be responsible to CN to refund the License Fee or the Suite License Fee any part thereof or to otherwise compensate CN if the performance of any term or condition of this Agreement is prevented by anything beyond the reasonable control of the City,

including, without limitation, any strike, lockout or other labour dispute, civil disobedience or violence, inability to procure materials, failure of electricity or other utilities, restrictive governmental law or regulations enacted subsequent to the date of this Agreement, riots, insurrection, war, acts of God, inclement weather or otherwise.

14. NOTICE

- 14.01 Any communication (including any notice, consent, approval or instructions) provided for under this Agreement shall be in writing in the English language and may be given to the person to whom it is addressed by delivering the same to or for such person at the address or facsimile number or email address of such person as set out hereinafter or at such other address or number as such person shall have notified to the other party hereto, provided that a copy of any communication sent by fax or by email shall be immediately deposited in the mail. Any communication so addressed and delivered as aforesaid shall be deemed to have been sufficiently given or made on the date on which it was so delivered:

If to the Licensor

Canadian National Railway Company
935 De La Gauchetière West,
Montreal, Quebec, Canada, H3B 2M9
Attention: Olivier Chouc,
General Counsel
Telephone: [514] 399-5081
Facsimile: [514] 399-4296
Email: olivier.chouc@cn.ca

If to the Licensee

City of Prince George
1100 Patricia Boulevard,
Prince George, British Columbia, Canada, V2L 3V9
Attention: Tom Madden
Director of Leisure Services
Telephone: [250] 561-7664
Facsimile: [250] 561-7714
Email: tmadden@city.pg.bc.ca
with an email copy to: drogers@city.pg.bc.ca

15. GENERAL

- 15.01 **Time of Essence:** Time shall be of the essence hereof.

- 15.02 **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.
- 15.03 **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.
- 15.04 **Entire Agreement:** Save and except for the Intellectual Property Rights License Agreement, and the Private Suite License Agreement, entered into by CN and the City concurrently with this 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.
- 15.05 **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 Closing Date.
- 15.06 **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.
- 15.07 **Effective Date:** Once signed by the parties hereto, this Agreement shall be deemed to have taken effect as of April 1, 2005.

The Corporate Seal of
CANADIAN NATIONAL RAILWAY COMPANY
was hereunto affixed this 22 day of December, 2005
in the presence of:

Authorized Signatory

The Corporate Seal of
CITY OF PRINCE GEORGE
was hereunto affixed this 3 day of January, 2008
in the presence of: [Signature]

2 Clerk

 WILSON KING LLP

LIST OF SCHEDULES:

- SCHEDULE "A" - NAMING AND SIGNAGE RIGHTS
- SCHEDULE "B" - ADDITIONAL PROMOTIONAL RIGHTS
- SCHEDULE "C" - ADDITIONAL BUSINESS RIGHTS
- SCHEDULE "D" - DEEMED OPT-OUT ACTIVITY AND
DEEMED ACCEPTABLE ACTIVITY

SCHEDULE "A"

NAMING AND SIGNAGE RIGHTS

The City of Prince George Arena Naming Rights Agreement includes the following Naming and Signage Rights:

1. **Exterior Signage (Existing):**
 - (a) Major backlit portion of sign on Ospika Boulevard outside the Multiplex, and
 - (b) Multiplex building entrance sign visible from Ospika Boulevard.
2. **Exterior Signage (New):**
 - (a) Kin Centre entrance sign.
3. **Interior Signage (Existing):**
 - (a) Name around the centre ice circles in Multiplex, Kin 1, Kin 2 and Kin 3, and
 - (b) Exclusive profile on the three (3) ice-resurfacers (Zamboni's) in Multiplex (1), Kin 1 (1) and Kin 2/3 (1) for the first five years of the Term of this City of Prince George Multiplex Naming Agreement.
4. **Interior Signage (New):**
 - (a) Multiplex Main lobby sign, and
 - (b) Kin Centre Connector lobby sign.

SCHEDULE "B"

ADDITIONAL PROMOTIONAL RIGHTS

The City of Prince George Arena Naming Rights Agreement includes the following Additional Promotional Rights:

1. Uniforms to be branded CN Centre. The use of CN corporate colors will be mutually agreed upon between the City and CN.
2. CN Centre wordmark to be incorporated on all stationery, business cards, and printed material relating to the Facility.
3. New web page branded CN Centre with appropriate identification and corporate colors.
4. CN Centre wordmark to be included in all print advertising relating to the Facility; CN Centre brand to be referred to in all Radio and TV advertising relating to the Facility.
5. The CN Centre will receive media exposure during local, provincial and national events at the Facility.
6. The City shall facilitate wherever possible, prominent brand presence of the CN Centre logo and CN Centre wordmark during televised and radio broadcasts.



SCHEDULE "C"

ADDITIONAL BUSINESS RIGHTS

The City of Prince George Arena Naming Rights Agreement and Private Suite License Agreement include the following Additional Business Rights:

1. Use of the Multiplex or one of the Kin Centre arenas for a family fun event or community fund raising event once per year. This use of the Multiplex or one of the Kin Centre arenas includes free rent and salaried staff, but all costs associated with catering and charges for additional staff and equipment will be the responsibility of CN.
2. Free family single use passes for all active CN Prince George employees at the Aquatic Centre once per year to a maximum of the number of active CN Prince George employees in the year 2005 plus 10%. Such passes are for personal use of active CN Prince George employees and their families, and are not for resale or assignment to others.
3. Use of the Civic Centre Auditorium for a CN corporate event once a year. This use of the Civic Centre Auditorium includes free rent and salaried staff, but all costs associated with catering and charges for additional staff and equipment will be the responsibility of CN.
4. Opportunity to develop a community billboard program on the Opsika Boulevard digital sign.
5. The use of Private Suite #1 including sixteen (16) tickets per game for all WHL pre-season and regular season games. For WHL play-off games, and most other public-ticketed events, except those events that do not allow the City to keep the private suite event ticket revenue, CN will be provided with eight (8) tickets to such events and CN will have the option to buy an additional eight (8) tickets for such events. All private suite license terms and conditions apply to the use of Private Suite #1, including exclusive food beverage services.



SCHEDULE "D"

DEEMED OPT-OUT ACTIVITY AND DEEMED ACCEPTABLE ACTIVITY

1. DEEMED OPT-OUT ACTIVITY

- (a) All fight cards administered by the Prince George Athletic Commission including but not limited to boxing, mixed martial arts, wrestling and like activities.
- (b) Other sporting events that encourage or promote violence.

2. DEEMED ACCEPTABLE ACTIVITY

- (a) All sporting events (other than those constituting a Deemed Opt-Out Activity) to the extent these events are conducted under the rules of known provincial, national or international governing bodies.
- (b) All dances, graduations or commencement activities.
- (c) All trade shows, music concerts and theatre productions to the extent that they do not encourage or promote violence, cruelty to animals, or discrimination on the basis of race, religion, sex or sexual orientation.

REFERENCE DATE: APRIL 1, 2005

BETWEEN:

CANADIAN NATIONAL RAILWAY COMPANY

OF THE FIRST PART

AND:

CITY OF PRINCE GEORGE

OF THE SECOND PART

**CITY OF PRINCE GEORGE
ARENA NAMING RIGHTS AGREEMENT
"CN Centre"**



WILSON KING LLP

Barristers and Solicitors
1000 – 299 Victoria Street
Prince George, B.C.
V2L 5B8

Phone: (250) 960-3237

Fax: (250) 562-7777

RMD/j-d File: T4053

A051208 CN Centre Naming Rights Agmt