

THE CORPORATION OF THE TOWN OF GANANOQUE

BYLAW NO. 2010-83

BEING A BY-LAW TO AUTHORIZE THE EXCHANGE OF QUIT CLAIM DEEDS WITH THE GANANOQUE WATER POWER COMPANY.

WHEREAS the Municipal Act, provides that a municipality's power shall be exercised by bylaw;

AND WHEREAS the Council of The Corporation of the Separated Town of Gananoque deems it expedient to exchange quit claim deeds and execute other documents with The Gananoque Water Power Company for the purpose of clarifying and confirming each party's right, title and ownership to certain parts of the bed of the Gananoque River.

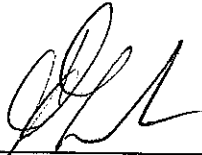
NOW THEREFORE the Council of the Corporation of the Town of Gananoque enacts as follows;

1. That in consideration The Gananoque Water Power Company executing and delivering a quit claim deed to the municipality for those parts of the bed of the Gananoque River being all of Part 1, 28R-11399, save and except Parts 1, 2, 3, 4, 5, 13, 17 and 18, 28R-13676, The Corporation of the Town of Gananoque shall execute and deliver to The Gananoque Water Power Company the following:
 - a. A quit claim deed for those parts of the of the bed of the Gananoque River being Parts 1, 2 and 3, 28R-13676, subject to an easement reserved to the municipality over Part 2 for the purpose of the existing pedestrian public walkway;
 - b. An Undertaking in the form of Undertaking attached as schedule "A" to this by-law; and
 - c. An Indemnity in the form of Indemnity attached as Schedule "B" to this by-law.
2. That the Town shall indemnify The Gananoque Water Power Company for its legal fees and disbursements incurred in connection with this matter.

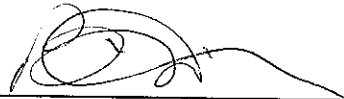
3. That the Mayor and Chief Administrative Officer are hereby authorized to execute the quit claim deed and all other documents necessary to complete this matter.

4. That this bylaw comes into force and effect on the date of its passing.

READ A FIRST, SECOND, AND THIRD TIME, passed, signed, and sealed with the corporate seal this 02nd day of November, 2010.



Mayor, Jim Garrah



Clerk, Bonnie Dingwall

UNDERTAKING

TO: THE GANANOQUE WATER POWER COMPANY

AND TO: Davies, Ward, Phillips & Vineberg, LLP
Barristers & Solicitors

RE: Property Tax Assessment for the Bed of the Gananoque River

IN CONSIDERATION of the exchange of Quit Claim Deeds between The Corporation of the Town of Gananoque (the "Town") and The Gananoque Water Power Company ("GWP") for certain lands being part of the bed of the Gananoque River lying south of King Street on Registered Plan No. 86 in the Town of Gananoque, the Town hereby irrevocably and unconditionally undertakes and agrees with GWP that the Town will not request, or authorize or permit any person acting on its behalf to request, the Municipal Property Assessment Corporation ("MPAC") to assess or reassess the fair market value of those lands owned by GWP being that part of the bed of the Gananoque River more particularly described as Parts 1, 2 and 3, 28R-13676.

DATED at Gananoque, Ontario, this day of November, 2010.

The Corporation of the Town of
Gananoque

Name: James Garrah
Title: Mayor

Name: Darren Dagleish
Title: Chief Administrative Officer

We have authority to bind the
corporation.

INDEMNITY

TO: The Gananoque Water Power Company

AND TO: Davies, Ward, Phillips & Vineberg LLP
Barristers & Solicitors

RE: Property Tax Assessment for bed of the Gananoque River

IN CONSIDERATION of The Gananoque Water Power Company ("GWP") quit claiming and releasing to The Corporation of the Town of Gananoque (the "Town") all of its rights, title and interest in those lands being that part of the bed of the Gananoque River lying south of King Street on Registered Plan No. 86, more particularly described as Part 1, 28R-11399, save and except Parts 1, 2, 3, 4, 5, 13, 17 and 18, 28R-13676, in the Town of Gananoque (the "Lands"), the Town hereby agrees to indemnify and save harmless GWP and its affiliates from all claims, judgments, costs and expenses, including legal costs on a solicitor and client basis, as GWP may incur: (a) as a direct or indirect result of GWP being named as a party to any legal proceedings between the Town and any owner or owners of property abutting the Lands in which the issue in dispute concerns the validity of the Town's or GWP's right, title, interest or ownership in the Lands before or after the date of registration of the quit claim deed for the Lands; or (b) in connection with the quit claim deed granted by GWP to the Town and registered as Instrument No. _____ or (c) in connection with the quit claim deed granted by the Town to GWP and registered as Instrument No. _____.

DATED at Gananoque, Ontario, this _____ day of November, 2010.

The Corporation of the Town of Gananoque

Name: James Garrah
Title: Mayor

Name: Darren Dalgleish
Title: Chief Administrative Officer

We have authority to bind the corporation.