

**DEVELOPMENT AGREEMENT SURETY BOND**

**BOND NO.:** \_\_\_\_\_ **AMOUNT: CAD** \_\_\_\_\_

**KNOW ALL PERSONS BY THESE PRESENTS**, that

**(Name and Address of Developer / Registered Owner(s)),**

as Principal, hereinafter called the "**Principal**", and

**(Name of Surety Provider),**

As Surety Provider, hereinafter called the "**Surety**", are held and firmly bound unto The Corporation of the City of Richmond Hill, as Obligee, hereinafter called the "**Obligee**", in the amount of \_\_\_\_\_ Canadian Dollars (**CAD** \_\_\_\_\_) lawful money of Canada, for the payment of which sum, well and truly to be made, the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS** the Principal and Obligee have entered into an agreement dated \_\_\_\_\_ and \_\_\_\_\_ (if applicable) between \_\_\_\_\_ the "Principal" and The Corporation of the City of Richmond Hill the "Obligee" and is hereinafter referred to as the "**Development Agreement**".

**NOW THEREFORE**, the condition of this obligation is such that if the Principal shall, in the opinion of the Obligee do and perform all of the stipulations, conditions, covenants and terms of the Development Agreement, then this obligation shall be void and of no effect; otherwise, it shall remain in full force and effect.

**PROVIDED**, however, the foregoing obligation is subject to the following terms and conditions:

1. Whenever the Principal shall be declared in writing by the Obligee to be in default under the Development Agreement, and the Obligee intends to make a claim under this Surety Bond, the Obligee shall promptly notify the Principal and the Surety in writing of such default in the form of a Written Demand, the form of which is attached to this Surety Bond as Schedule "A".
2. On determination by the Obligee, in its sole and absolute discretion, that the Principal is in default of its obligations under the Development Agreement, the Surety and Principal agree that the Surety will make payments to the Obligee for amounts demanded by the Obligee, up to an aggregate of the Bond Amount, within ten (10) Business Days after the Surety's receipt of a Written Demand from the Obligee at the address noted herein by hand or by courier.

3. This Surety Bond is irrevocable and payment will be made notwithstanding any objection by the Principal. Where a Written Demand in the prescribed form has been delivered to the Surety, it shall be accepted by the Surety as conclusive evidence of its obligation to make payment to the Obligee, and the Surety shall not assert any defence or grounds of any nature or description for not making payment to the Obligee, in whole or in part, pursuant to such Demand, including but not limited to any of the following reasons:
  - a) that a Default has not occurred,
  - b) that the Principal committed any fraud or misrepresentation in its application for the Surety Bond, or,
  - c) that the amount set out in the Demand is not appropriate, warranted or otherwise not in accordance with the Development Agreement.

The Surety's liability under this Surety Bond is unconditional and shall not be discharged or released or affected by any arrangements made between the Obligee and the Principal or by any dispute between the Surety and the Principal, or the taking or receiving of the Surety Bond by the Obligee from the Principal, or by any alteration, change, addition, modification, or variation in the Principal's obligation under the Development Agreement, or by the exercise of the Obligee or any of the rights or remedies reserved to it under the Development Agreement or by any forbearance to exercise any such rights or remedies whether as to payment, time, performance or otherwise (whether or not by any arrangement, alteration or forbearance is made without the Surety's knowledge or consent). All payments by the Surety shall be made free and clear without deduction, set-off or withholding.

4. The Obligee may make multiple Written Demands under this Surety Bond.
5. The amount of the Surety Bond may be reduced from time to time as advised by notice in writing by the Obligee to the Surety. The Obligee has the ability and sole discretion to decide as to whether the amount of the Surety Bond should be reduced.
6. Each payment made by the Surety under this Surety Bond shall reduce the amount of this Surety Bond.
7. In no event shall the Surety be liable for a greater sum than the amount of this Surety Bond.
8. No right of action shall accrue upon or by reason hereof to or for the use or benefit of any person other than the Obligee.
9. When the Principal has completed all works required by the Development Agreement to the Obligee's satisfaction, all maintenance and rectification periods contained within the Development Agreement have expired, and the Obligee has finally assumed all works in writing, the Obligee shall return this Surety Bond to the Surety for termination or the Obligee is to advise the Surety in writing that this Surety Bond is terminated, in accordance with the terms of the Development Agreement.
10. If the Surety at any time delivers at least ninety (90) days prior Written Notice to the Obligee and to the Principal of its intention to terminate this obligation, the Principal shall deliver to the Obligee, not less than thirty (30) days prior to the termination of this Surety Bond, a financial security in the amount of this Surety Bond in a form acceptable to the Obligee. If the replacement financial security is not provided by the Principal or is not accepted by the Obligee, this Surety Bond shall remain in effect.

11. Nothing in this Surety Bond shall limit the Principal's liability to the Oblige under the Development Agreement.
12. This Surety Bond shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto and shall be treated, in all respects, as a contract entered into in the Province of Ontario without regard to conflict of laws principles. The Principal and Surety hereby irrevocably and unconditionally attorn to the jurisdiction of the courts of the Province of Ontario.
13. All Demands and notices under this Surety Bond shall be delivered by hand, registered mail or courier to the Surety, with a copy to the Principal at the addresses set out below, subject to any change of address in accordance with this Section. All other correspondence may be delivered by regular mail, registered mail, courier, or electronic mail. A change of address for the Surety is publicly available on the Financial Services Regulatory Authority of Ontario website. The address for the Principal may be changed by giving notice to the other parties setting out the new address in accordance with this Section.

**The "Obligee"**

**Name: The Corporation of the City of Richmond Hill**

**Address: 225 East Beaver Creek Road, Richmond Hill, Ontario, L4B 3P4**

**Email: [developmentfinance@richmondhill.ca](mailto:developmentfinance@richmondhill.ca)**

**IN TESTIMONY WHEREOF**, the Principal has hereto set its hand and affixed its seal and the Surety has caused these presents to be sealed with its corporate seal duly attested by the signature of its authorized signing authority.

|  |                       |       |  |       |   |                  |
|--|-----------------------|-------|--|-------|---|------------------|
| <p><b>The "Principal"</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Company, Full Address</td> <td style="width: 40%; padding: 5px;">Phone</td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px;">Email</td> </tr> </table> <p><b>Original Signature of Authorized Official</b></p> <p>Signature _____ Date: _____</p> <p style="padding-left: 40px;">I / We have the authority to bind the Corporation.</p> <p>Name of Signatory: _____</p> <p>Title of Signatory: _____</p> | Company, Full Address | Phone |  | Email | <p><b>Broker</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Name and Address</td> </tr> </table> <p><b>Representative</b></p> <p>Name: _____</p> <p>Title: _____</p> <p>Phone: _____</p> <p>Email: _____</p> | Name and Address |
| Company, Full Address  | Phone                 |       |  |       |   |                  |
|  | Email                 |       |  |       |   |                  |
| Name and Address   |                       |       |  |       |   |                  |

|   |                       |       |  |       |  |
|---|-----------------------|-------|--|-------|--|
| <p><b>The Surety Provider "Surety"</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Company, Full Address</td> <td style="width: 40%; padding: 5px;">Phone</td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px;">Email</td> </tr> </table> <p><b>Original Signature of Authorized Official</b></p> <p>Signature _____ Date: _____</p> <p style="padding-left: 40px;">I / We have the authority to bind the Corporation.</p> <p>Name of Signatory: _____</p> <p>Title of Signatory: _____</p> | Company, Full Address | Phone |  | Email | <p><b>SIGNED AND SEALED</b> this ____ day of _____, 20____.</p> <p style="text-align: center; margin-top: 100px;">Affix Seal / Stamp</p> |
| Company, Full Address   | Phone                 |       |  |       |  |
|   | Email                 |       |  |       |  |