

Appendix “A”
Terms of Property Transfer

It is agreed by the City of Toronto and CP Rail:

- a) that this Property was acquired by the City of Toronto in order that it could be transferred to CP Rail for CP’s installation upon the Property of CP’s spur line track and berm – to facilitate the continuance of CP’s train service to 1051 Tapscott Road. This site for CP Rail’s spur line track and berm became necessary, in the City’s view, due to the City’s land acquisitions from 1051 and 1251 McNicoll Ave for the extension of McNicoll Ave through portions of 1251 and 1051 Tapscott Road. It was realized by the City that as a result of such extension of McNicoll Avenue that the owner and/or tenant of 1051 Tapscott Road would cease to be able to have a CP Rail spur line train service because rail cars servicing 1051 Tapscott Rd would otherwise now be in the middle of the extended McNicoll Avenue. CP Rail agrees to retain and to use the Property to provide spur line train service to 1051 Tapscott Road and to obtain any governmental approvals for such service at the expense of CP Rail.
- b) that this Property is being transferred to CP Rail “as is” and therefore, after Closing, the Property shall be entirely at the risk of CP as its owner and, as its owner, CP will be liable for all responsibilities and liabilities arising out of or in any way connected with any state, quality, matter or condition in, on, under or in the vicinity of the Property, whether known or unknown and whether such responsibilities are imposed by federal, provincial or municipal laws, statutes, by-laws, rules, regulations, orders or directives or by any regulatory authority, and whether imposed by common law, equity or statute.
- c) that the City will amend the Parcel Register of the Property to delete the temporary easement previously expropriated by the City in the Property by expropriation Plan AT631299.
- d) that, effective the date of such transfer: (i) CP Rail hereby releases and discharges the City, its officers, employees, agents, representatives, and elected and appointed officials from every claim of any kind that CP Rail may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Property; and, (ii) CP further agrees that CP Rail will not, directly or indirectly, attempt to compel the City to clean up or remove or pay for the clean up or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Property, or seek damages in connection with any Hazardous Substance.
- e) that CP Rail agrees that CP Rail will not, directly or indirectly, attempt to charge or to recover the value of this Property as a condition of its service or otherwise, from its customer(s), including its customer(s) in 1051 Tapscott Road. CP Rail

acknowledges that the Property is being transferred to CP Rail at a nominal price to minimize the damages which may be claimed against the City by the owner and/or the tenant of 1051 Tapscott Road arising out of City's expropriations of portions of their lands for the extension of McNicoll Avenue and the impact of such taking on CP Rail's train service to their property.

- f)** that the City and CP Rail shall each bear their respective legal fees, costs, disbursements, and without limiting the foregoing, CP Rail's costs include the cost of registration of the Transfer of the Property to CP Rail.
- g)** that these understandings shall not expire or be terminated or extinguished by or merged as a result of the transfer of the Property from the City to CP Rail, rather these understandings shall survive such transfer of the Property.