APPENDIX "A"

GUIDING PRINCIPLES FOR THE MEMORANDUM OF UNDERSTANDING AND POST CLOSURE AGREEMENT

1. The Memorandum of Understanding (MOU) and Post Closing Agreement are intended to ensure that the City is reimbursed for all the costs it incurs in accommodating the road being built as part of the Region's Seaton Phase 1 Regional Infrastructure.

2. The MOU is intended to last until after the Agreement of Purchase and Sale is finalized and executed; then the further Post Closing agreement will be in effect until the project has been completed and all applicable warranty periods have expired, all necessary approvals have been obtained, and all costs eligible for reimbursement have been paid.

3. The Region of Durham will be responsible for all costs that would otherwise not have been incurred by the City of Toronto.

4. Golder Associates Ltd. (or its successor) will be the City's consultant for all design and construction administration affecting City infrastructure, including the Remedial Action Plan changes. The City (including Golder Associated Ltd.) and Durham Region will together determine which portions of construction work will be tendered, managed, and completed by each.

5. The land for the re-alignment will be sold "as is" to Durham Region.

6. If Durham Region does not own the property before it does any work, or some of the work, it shall perform the work using a contractor selected in a manner consistent with the City's Purchasing By-law.

6. City approvals to be given and decisions made under the agreements shall be given and made by the Director, Infrastructure Development and Asset Management, Solid Waste Management Services.

7. An arbitration provision will provide for non-consensual arbitration if there are irreconcilable disputes.