

Development Agreement Pay-On-Demand Surety Bonds

BOND NO.: _____

AMOUNT: \$ _____

KNOW ALL PERSONS BY THESE PRESENTS, that

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

as Surety, hereinafter called the "**Surety**",

are held and firmly bound unto The Corporation of the City of Burlington, as Obligee, hereinafter called "Burlington", in the amount of (_____) Dollars (\$_____) 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 as a primary obligation.

WHEREAS the Principal and Burlington have entered into, or will enter into, an agreement with under file number _____, for (Note: Type of security eg. Site works) which agreement is by reference made a part hereof and is hereinafter referred to as the "Development Agreement," with respect to lands known as (Project File Address) in the City of Burlington (the "Development Lands").

NOW THEREFORE, the condition of this obligation is such that if the Principal shall, in the opinion of Burlington 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 Burlington to be in default under the Development Agreement, and Burlington intends to make a claim under this bond, Burlington shall promptly notify the Principal and the Surety in writing of such default in the form of a Demand, the form of which is attached to this Bond as Schedule "A".
2. On determination by Burlington, 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 Burlington for amounts demanded by Burlington, up to an aggregate of the Bond Amount, within fifteen (15) business days after the Surety's receipt of a Demand from Burlington at the address noted herein by hand or courier.
3. This Bond is irrevocable, unconditional and constitutes a primary obligation. Payment will be made notwithstanding any objection by the Principal. Where a 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 Burlington, and the Surety shall not assert any defence or grounds of any nature or description for not making payment to Burlington, 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 Bond;
 - c. that the amount set out in the Demand is not appropriate, warranted or otherwise not in accordance with the Development Agreement;
 - d. any bankruptcy, reorganization, or insolvency of the Principal or any successor or assignee thereof; or,
 - e. that the Principal is no longer the registered owner of the Development Lands.
4. The Surety's liability under this Bond shall not be discharged or released or affected by any arrangements made between Burlington and the Principal or by any dispute between the Surety and Principal, or the taking or receiving of security by Burlington 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 Burlington 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.
 5. Burlington may make multiple Demands under this bond.
 6. The Bond cannot be amended or terminated without the express approval of Burlington.
 7. The amount of the Bond may be reduced from time to time as advised by notice in writing by Burlington to the Surety.
 8. Each payment made by the Surety under this Bond shall reduce the amount of this Bond.
 9. In no event shall the Surety be liable for a greater sum than the amount of this Bond.
 10. No right of action shall accrue upon or by reason hereof to or for the use or benefit of any person other than Burlington.
 11. The Bond shall only apply to one (1) security requirement, for one (1) development agreement.
 12. Upon completion of a portion of the works required by the Development Agreement to Burlington's satisfaction, Burlington may undertake a partial release of the Bond. A partial release may be made in an amount that does not exceed the value of the work that is outstanding. A partial release of the Bond will be approved and processed at the sole discretion of the City of Burlington.
 13. When the Principal has completed all works required by the Development Agreement to Burlington's satisfaction, all maintenance and rectification periods contained within the Development Agreement have expired, and Burlington has finally assumed all works in writing, Burlington shall return this Bond to the Surety for termination or advise the Surety in writing that this Bond is terminated, in accordance with the terms of the Development Agreement.

14. If the Surety at any time delivers at least ninety (90) days prior written notice to Burlington and to the Principal of its intention to terminate this obligation, the Principal shall deliver to Burlington, not less than sixty (60) days of receiving notice of termination, financial security in the amount of this Bond in a form acceptable to Burlington. If the replacement financial security is not provided by the Principal or is not accepted by Burlington, this Bond shall remain in effect.
15. Nothing in this Bond shall limit the Principal’s liability to Burlington under the Development Agreement.
16. This 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.
17. All Demands and notices under this Bond shall be delivered by email to the Surety, copying the Principal at their email set out below, subject to any change of email in accordance with this Section. A change of email for the Surety is publicly available on the Financial Services Regulatory Authority of Ontario website. The email for the Principal may be changed by giving notice to the other parties setting out the new email in accordance with this Section.
18. The Surety agrees to indemnify Burlington from any claims related to the Bond, holding the Principal responsible for repaying any money paid by the surety to Burlington in the process of settling a claim.

The Surety:	The Principal:	Burlington:
Name	Name	Name
Address	Address	Address
Email	Email	Email
Phone	Phone	Phone

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.

SIGNED AND SEALED this (DATE) day of (MONTH) , 20xx, in the presence of:

Per:	Per:
Name	Name
Title:	Title:

I / We have the authority to bind the Corporation.

 , Attorney in Fact