
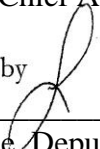


Item No. 10.1.4
Halifax Regional Council
December 13, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer
Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: December 6, 2011

SUBJECT: Oval Sponsorship – Letters of Agreement

ORIGIN

November 22, 2011 In Camera Report “Oval Naming Rights and Sponsorship”.

December 6, 2011 MOTION OF RECONSIDERATION "To reconsider the motion regarding the Events Plaza naming rights that was defeated by Regional Council, and bring the discussion to the floor of Council.”

RECOMMENDATION

The following recommendations conclude the Council process regarding the key terms for the two previously approved naming sponsorships and provide the necessary budget adjustments to account for the contributions.

It is recommended that Halifax Regional Council:

1. Ratify the term sheet with Emera provided as Attachment 1 to this report and authorize the Mayor and Municipal Clerk to execute the term sheet and any subsequent agreement;
2. Ratify the term sheet with Molson provided as Attachment 2 to this report and authorize the Mayor and Municipal Clerk to execute the term sheet and any subsequent agreement;
3. Authorize an increase in the amount of \$121,000 to Project Account #CBX01344 – Skating Oval, with funding to be provided by Emera;

‘Recommendations Continued’

4. Authorize an increase in the amount of \$400,000 to Project Account #CBX01344 – Skating Oval, with funding to be provided by Molson;
5. Authorize an increase in the amount of \$12,000 to Project Account #CBX01344 – Skating Oval, with funding to be provided by Molson; and
6. Authorize a decrease in debt funding in the amount of \$400,000 to Project Account #CBX01344 – Skating Oval, and a budget increase funded through debt in the amount of \$400,000 to Project Account #CTU00420 – Active Transportation Project, as per the November 22, 2011 Council report.

BACKGROUND

On November 22, 2011 Halifax Regional Council approved as amended the key terms of an agreement between HRM and Emera for Oval naming rights. The amendments were provided to Emera for consideration and have been accepted.

On December 6, 2011 Halifax Regional Council approved, as amended, the key terms of an agreement between HRM and Molson Coors for Oval Entry Plaza naming rights. The amendments were provided to Molson Coors for consideration and have been accepted.

DISCUSSION

The final terms of the HRM/Emera Oval Naming agreement are included as Attachment 1 for final ratification of Regional Council. The details in the attached are consistent with the key terms as approved by Council on November 22, 2011, with the following outlining the details of the additional contribution by Emera:

Infrastructure (3 Gantry Systems @ \$35,000)	\$105,000
Signage	<u>16,000</u>
TOTAL	\$121,000

The final terms of the HRM/Molson Entry Plaza naming agreement are included as Attachment 2 for final ratification of Regional Council. The details in the attached are consistent with the key terms as approved by Council on December 6, 2011, with one change that the contribution will be provided in 3 installments over 3 fiscal years as follows: \$225,000 by March 31, 2012; \$100,000 by March 31, 2013; \$75,000 by March 31, 2014.

In addition to the above, Molson is contributing an additional contribution in the form of signage, the amount being \$12,000.

BUDGET IMPLICATIONS

The additional cost of the infrastructure and signage (estimated at \$121,000) being provided for by Emera has not previously been included in the Project budget by HRM. This provision, therefore, will not generate extra capacity. Future replacement costs, however, might have to be incurred by HRM.

The contribution and the expense will be applied to Capital Project CBX01344 – Outdoor Arena Legacy Project, with a net effect of zero.

There are, however, increased operating costs to HRM in the form of installation, maintenance and possible replacement costs. These are estimated at \$3,000 annually and will be covered within the annual operating costs of the oval facility and have been included in the Operating Cost of Capital for Phase I of the Oval facility of approximately \$360,000.

The additional cost of the signage (estimated at \$12,000) being provided for by Molson has not previously been included in the Project budget by HRM. This provision, therefore, will not generate extra capacity. Future replacement costs, however, might have to be incurred by HRM.

The contribution and the expense will be applied to Capital Project CBX01344 – Outdoor Arena Legacy Project, with a net effect of zero.

There are, however, increased operating costs to HRM in the form of installation, maintenance and possible replacement costs. These are estimated at \$1,000 annually and will be covered within the annual operating costs of the oval facility and have been included in the Operating Cost of Capital for Phase I of the Oval facility of approximately \$360,000.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation. If approved, it will increase the gross Project budget.

COMMUNITY ENGAGEMENT

As this is the final approval in the process to negotiate naming rights of the Oval, no community engagement occurred outside the necessary activities to work with the interested party referenced.

ALTERNATIVES

As the term sheets are based on Council's existing motion, the alternative is not to ratify the term sheets and inform the sponsors that HRM will not be proceeding with the sponsorship at this time. This alternative is not recommended.

ATTACHMENTS

Attachment 1 – HRM/Emera Term Sheet

Attachment 2 – HRM/Molson Coors Term Sheet

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jennifer Church, Managing Director Government Relations & External Affairs, 490-3677
Dawn Watters – Solicitor, 490-7075
Marlies van der Horst – Senior Financial Consultant, 490-4446
Peter Bigelow, Manager, Real Property Planning, 490-6047

Original Signed by Director

Financial Approval by: _____
James Cooke, CGA, Director of Finance/CFO, 490-6308

Attachment 1 - HRM/Emera Term Sheet

December ●, 2011

Halifax Regional Municipality

P.O. Box 1749

Halifax, Nova Scotia B3J 3A5

Attention:●

RE: Naming Agreement - Oval Skating Facility, Halifax Common, Halifax Regional Municipality

This term sheet sets forth the terms and conditions upon which Halifax Regional Municipality (“**HRM**”) has agreed to grant, and Emera Incorporated (“**Emera**”) has agreed to acquire, the rights to name the outdoor skating facility constructed by HRM and located on the Halifax Common, being the public park bordered by Robie Street, Cunard Street, North Park Street and Cogswell Street (the “**Oval**”).

Time being of the essence, this term sheet is intended to establish the key terms upon which the right to name the Oval shall be granted and further, provide each of HRM and Emera (collectively, the “**Parties**”) comfort upon which they may proceed with a public announcement of the Oval’s name.

KEY TERMS AND CONDITIONS:	
Grant of Naming Rights	HRM grants to Emera the exclusive right and interest to name the Oval after the corporate name of Emera (as such term is defined below). The name of the Oval at the commencement of the Agreement shall be: “Emera Oval”.
Consideration	In consideration of the rights granted by HRM to and in favour of Emera, Emera shall pay to HRM the sum of \$500,000.00, payable in 1 or more lump sum payments on or before March 31, 2012.
Term	Subject to the termination rights in favour of Emera and HRM as noted below, the Agreement shall commence on the Effective Date and continue for a period of 5 years and thereafter be automatically renewed for an additional 5 year period (the “ Term ”). The Parties

	<p>agree to review the signage, including appearance and location, following the first 5 years of the Term. For greater certainty, no further monies shall be due and owing by Emera to HRM upon the renewal.</p>
<p>Grant and Usage Rights in Emera's Trademarks</p>	<p>Emera will grant to HRM the non-exclusive, non-transferrable, limited license to use such trademarks as designated by Emera, as such trademarks may change from time to time in the sole discretion of Emera (collectively, the "Emera Trademarks") in association with the Oval and its related signage, as well as its merchandizing activities and athletic/community programs.</p> <p>HRM will grant to Emera the non-exclusive, non-transferrable, limited license to use such trademarks as designated by HRM, as such trademarks may change from time to time in the sole discretion of HRM (collectively, the "HRM Trademarks") in association with the Oval and its related signage, as well as its merchandizing activities, promotional and corporate information and athletic/community programs.</p> <p>In the event either Party changes its respective trademarks from time to time in during the Term, such Party shall be responsible for the cost associated with changing any applicable signage or print materials bearing such trademarks.</p> <p>The Parties agree that the Emera Trademarks shall only appear on items that would normally bear the name of the Oval, including, without limitation, event tickets, membership cards, promotional and corporate information, merchandise and other sundry items that would be issued to the public.</p>
<p>Signage</p>	<p>Emera agrees to pay for the costs of Emera Oval signage. This would include the mutually agreed upon cost of acquiring and installing 3 gantry signs to be physically placed and/or affixed at locations as approved by HRM, in its sole discretion acting reasonably, including, without limitation, at the main entrance to the Oval. Further, the actual size and design of any and all signage bearing the Emera name or any of the Emera Trademarks will be in accordance with and subject to the size and specifications as agreed to in accordance with the attached Schedule A. Emera will also pay for a one time replacement</p>

	<p>of the signage. Except as otherwise mutually agreed by Emera and HRM, HRM shall be responsible for the repair and maintenance of the signage during the Term.</p>
<p>Infringement by Others</p>	<p>Each of the Parties shall immediately notify the other of any act of infringement or passing off involving the other party's trademarks or any variation or limitation thereof, of which such party becomes aware, arising from or relating to usage rights under the Agreement. Nothing in the Agreement shall obligate either Party to undertake any investigation on the other Party's behalf in this regard. Each Party shall have the authority, but not the obligation, at its own expense, to prosecute such proceedings and take such steps as it deems necessary, acting reasonably, to restrain the improper or unauthorized use of its trademarks, or to settle any dispute with any third party at any time, on its own behalf. Each of the Parties will agree to co-operate and assist the other to the fullest extent possible in any proceedings instituted involving the other Party's Trademarks.</p>
<p>Public Announcements</p>	<p>The Parties agree to work co-operatively in respect of the timing, nature and content of any public announcements or events with respect to the naming of the Oval as contemplated by this term sheet.</p> <p>Each of the Parties acknowledge that during the course of the negotiations in respect of the naming of the Oval and/or during the Term of the Agreement, each may come into contact with confidential information pertaining to the business or operations of the other unrelated to the covenants and obligations of that party hereunder (collectively, “Confidential Information”). Each of the Parties acknowledge that the Agreement shall contain covenants of confidentiality relating to such Confidential Information and agree to maintain the strict confidentiality of such Confidential Information in accordance with the terms thereof.</p> <p>Notwithstanding, any provision contained herein, Emera acknowledges that HRM is a municipal body governed by provincial legislation, including, without limitation, the Halifax Regional Municipality Charter, the Municipal Government Act, and the Personal Information International Disclosure Protection Act. Emera acknowledges that HRM is subject to the freedom of access and</p>

	privacy provisions of this legislation.
Termination by Emera	<p>Emera may, on 6 months' prior written notice to HRM, elect to terminate the Agreement, which notice may be given at Emera's sole discretion. Emera shall also have the right to terminate the Agreement and the rights granted thereunder, without prejudice to the enforcement of any other legal right or remedy, immediately upon giving written notice of such termination if:</p> <p>(a) HRM is, becomes or is declared bankrupt, insolvent, generally unable to meet its obligations as they become due, or permanently ceases to carry on business;</p> <p>(b) the Oval ceases to be <i>bona fide</i> fully operational facility, open for business, and using the Emera Trademarks as contemplated by the Agreement; or</p> <p>(c) HRM commits a material breach of the Agreement which is not cured within 15 days of receipt of notice from Emera.</p>
Termination by HRM	<p>HRM shall have the right to terminate the Agreement if Emera commits a material breach of its payment obligations under the Agreement which is not cured within 30 business days following receipt of notice by Emera of such non-payment material breach.</p> <p>HRM shall also have the right to terminate the Agreement and the rights granted thereunder, without prejudice to the enforcement of any other legal right or remedy, immediately upon giving written notice of such termination if Emera is, or becomes or is declared bankrupt, insolvent, generally unable to meet its obligations as they become due, or permanently ceases to carry on business.</p>
Effect of Termination	<p>Upon expiration or termination of the Agreement for any reason whatsoever:</p> <p>1. HRM shall:</p> <p>(a) immediately cease, and not anytime thereafter, use the Emera Trademarks, directly or indirectly, in any manner including, without limitation, on any promotional materials or merchandise and destroy any and all promotional materials</p>

	<p>and merchandise in its possession or otherwise bearing the Emera Trademarks; and</p> <p>(b) promptly execute such documents or take such actions as may be necessary to abandon HRM's use of any corporate, partnership, business or other name containing any of the Emera Trademarks.</p> <p>2. Emera shall remove all signage bearing the Emera Trademarks from the Oval at its sole cost and expense. Emera shall repair and return all areas of the Common occupied by such signage to a similar or better condition to the immediately surrounding areas of the Common. HRM acknowledges that such signage is the property of Emera and HRM has no claim against, or rights or title in or to, such signage.</p> <p>3. Emera hereby acknowledges that the original \$500,000 lump sum payment is a capital contribution to the Oval project and is non-refundable.</p>
Insurance	HRM shall at all times maintain such insurance coverage in respect of all operations and programs of the Oval, as would a prudent owner of a similar first class facility having regard to size, age, location and extent of improvements.
Indemnity	HRM shall fully indemnify and hold harmless Emera and Emera's affiliates, shareholders, officers, directors and personnel from all liabilities and claims of any nature whatsoever related to any operations, acts or omissions of HRM or any sub-licensees or assignees, except to the extent caused by a breach of the Agreement by Emera or a breach of the Emera Trademarks obligations herein by HRM. To the extent that any obligation to indemnify arises in accordance with this Agreement, HRM shall pay all amounts required to indemnify Emera, in full, within 30 days of receipt of invoice or statement which provides reasonable supporting documentation for the amounts to be paid pursuant to this indemnity.
Independent Parties	The Parties hereto acknowledge and agree that each is an independent contractor, that no party shall be considered to be agent, representative, master or servant of any other party hereto for any

	<p>purpose whatsoever, and that no party has any authority to enter into any contract, assume any obligations or to give any warranties or representations on behalf of any other party hereto. Nothing in this term sheet or the Agreement shall be construed to create a relationship of partners, joint venturers, fiduciaries, franchise or any other similar relationship among the Parties.</p>
Definitive Agreement	<p>Upon execution of this term sheet the Parties shall negotiate in good faith to execute a binding agreement containing the terms set out herein and such other terms as are mutually agreed between the Parties and including, without limitation, such covenants, conditions, representations and warranties normally associated with a transaction of this nature (the “Agreement”). The effective date of the Agreement will be deemed to be the date of final execution of this term sheet by each of Emera and HRM (the “Effective Date”).</p> <p>The Parties agree that any action to be undertaken or performed under this term sheet prior to the execution of the Agreement, including, without limitation, the negotiation of Agreement, shall be carried out by the Parties in good faith based on the terms and conditions set forth herein.</p> <p>It is anticipated that the execution of the Agreement will take place no later than January 17, 2012. Upon execution of the definitive Agreement the parties agree that the term sheet shall be superseded by the Agreement and accordingly, null and void and of no further force and effect.</p>
Assignment	<p>The Parties acknowledge and agree that the terms and conditions set forth in this term sheet are not assignable by either party. Any attempt to assign the rights, duties or obligations set forth herein is void.</p>
Applicable Laws and Forum	<p>This term sheet and the definitive Agreement shall be governed and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein. Any disputes under either document are exclusively subject to binding arbitration before a single arbitrator sitting at Halifax, Nova Scotia, pursuant to the <i>Commercial Arbitration Act</i> (Nova Scotia).</p>

Binding Effect	<p>The Parties acknowledge this term sheet is intended to be legally binding upon the Parties, enforceable against either in accordance with its terms.</p> <p>If any provision of this term sheet is determined to be invalid or unenforceable by an arbitrator or a court of competent jurisdiction from which no further appeal lies or is taken, that provision will be deemed to be severed herefrom and the remaining provisions of this term sheet will not be affected thereby and will remain valid and enforceable.</p>
Counterparts	<p>This term sheet may be executed in one or more counterparts or by facsimile, each of which counterparts or facsimile so executed shall constitute and be deemed to be an original and all of which together shall constitute one and the same term sheet.</p>

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

If you are in agreement with the foregoing, please sign both copies of this term sheet where indicated and return one fully executed copy to the attention of Karen Saunders, Community Relations Manager, so that we may proceed to make arrangements in connection with announcing the naming of the Oval and have a draft definitive Agreement prepared for circulation and review as soon as possible.

Yours very truly,

EMERA INCORPORATED

Agreed to, confirmed and accepted by **HALIFAX REGIONAL MUNICIPALITY** on this _____ day of December, 2011.

By:

Signature: _____

Per: _____
(Printed name)

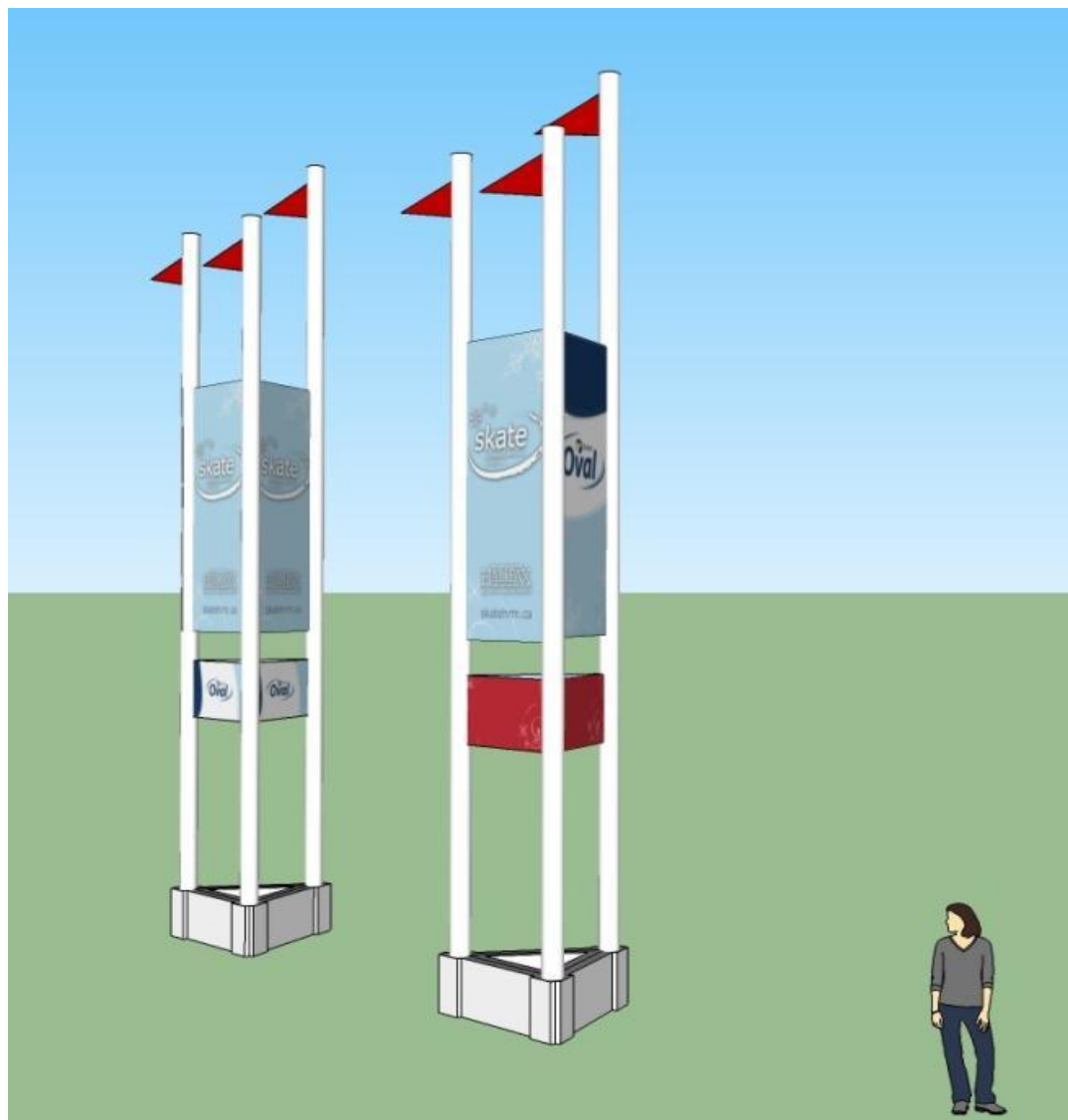
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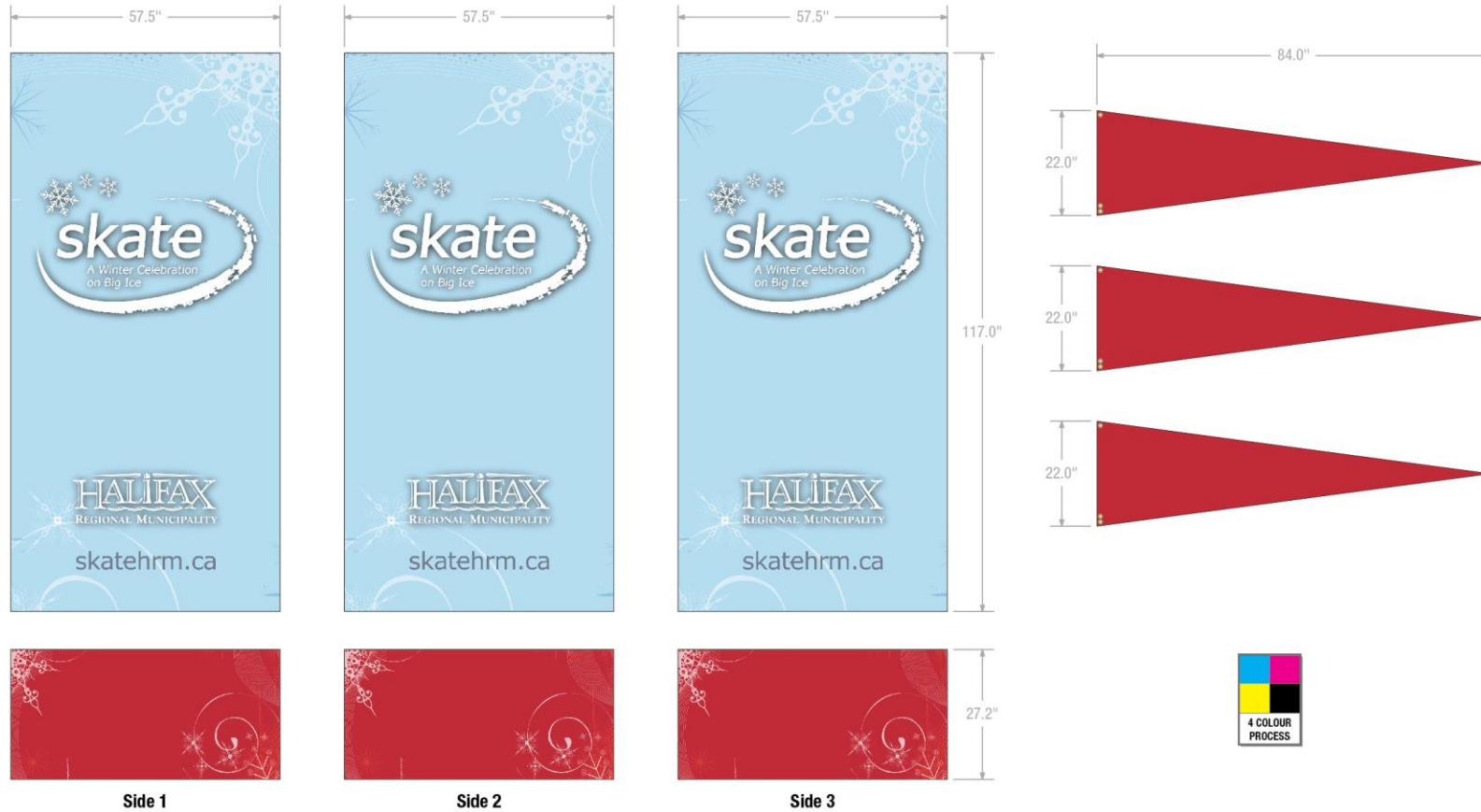
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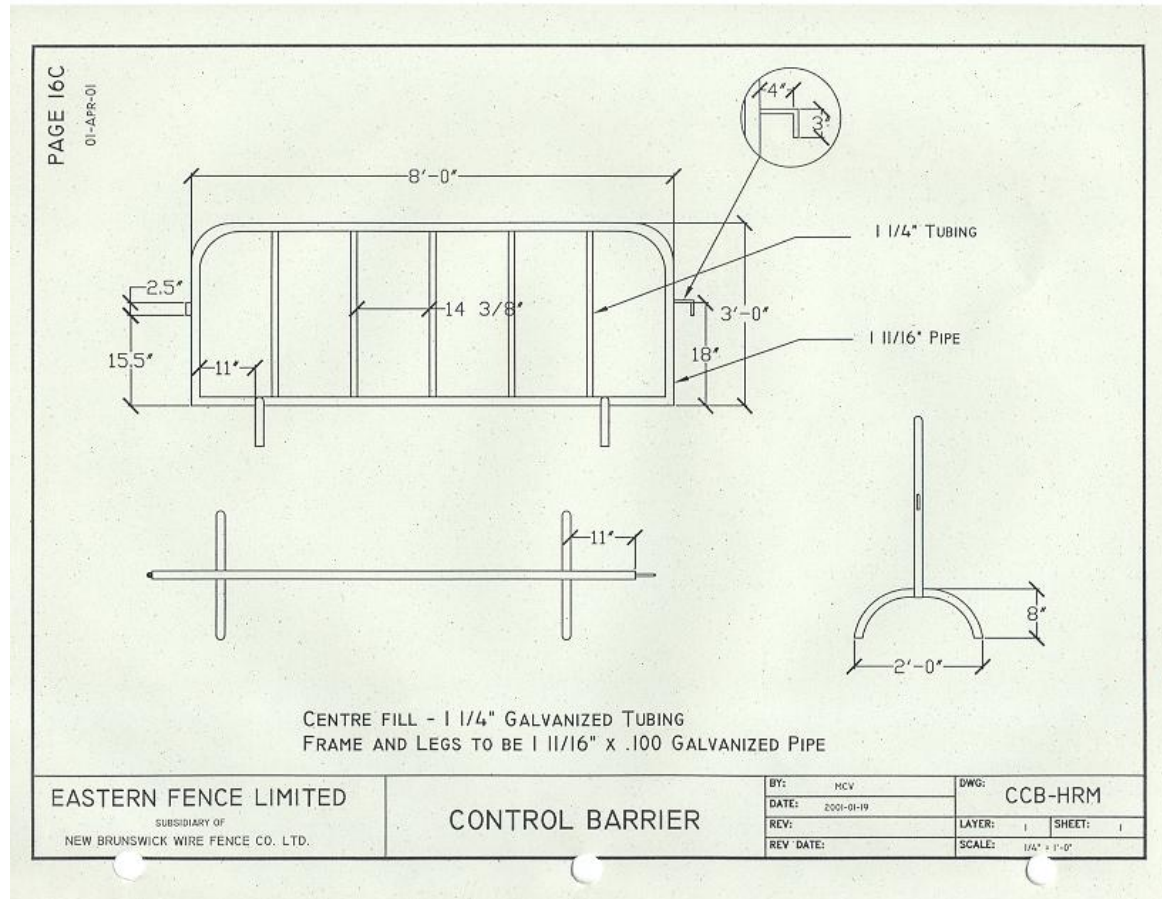
Oval Gantry/Barricade Sign Specifications



Oval Gantry/Barricade Sign Specifications



Oval Gantry/Barricade Sign Specifications





Pantone 550 C

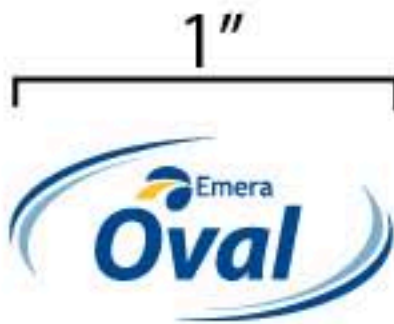


Pantone 280 C



Pantone 123 C

1" Inch **Minimum**
width for printing



Stretching or adjusting
the Logo is **NOT** permitted



One color logo should
only use **Pantone 280 C**



Reverse Logo should only
use White



SCHEDULE “B”

SIGNAGE

Gantry Signage

Four (4) Emera Oval Signs in the Primary Position

Five (5) Emera Oval Signs in the Secondary Position

Two (2) Emera Oval Signs in the Tertiary Position (On Kiosk Model Gantry)

French Barricade Signage (Seasonal)

Five (5) French Barricade Emera Oval Signs on Ice Side (located near entrances)

Five (5) French Barricade Emera Oval Signs on outside facing the Street and Commons Pathways

Two (2) French Barricade Emera Corporate Signs on Ice Side (can be converted to Emera Oval Signs at the request of the sponsor)

Flags (Seasonal)

Six (6) Emera Oval Flags at the east end of the Oval

Six (6) Emera Oval Flags at the west end of the Oval

Pennant Flags

Nine (9) Emera Pennant Flags

Gantries

Emera will provide funding towards the costs of the Gantries and the Gantry signage at \$35,000 per Gantry.

As per discussions two temporary Gantries will be in place for the beginning of the season with alternate Emera Oval placement as follows below with the remainder of the Gantries to follow.

Temporary Gantry Signage*

Two(2) Emera Oval Signs in the Primary Position

Two (2) Emera Oval Signs in the Secondary Position

Attachment 2 - HRM/Molson Coors Term Sheet

December ●, 2011

Halifax Regional Municipality
P.O. Box 1749
Halifax, Nova Scotia B3J 3A5

Attention:●

RE: Naming Agreement – Oval Entry Plaza, Halifax North Common, Halifax Regional Municipality

This term sheet sets for the terms and conditions upon which Halifax Regional Municipality (“**HRM**”) has agreed to grant, and Molson Coors Canada (“**Molson**”) has agreed to acquire, the rights to name the entry plaza constructed by HRM, being part of the outdoor skating facility commonly referred to as the Oval, and located on the Halifax North Common, being the public park bordered by Robie Street, Cunard Street, North Park Street and Cogswell Street (the “**Entry Plaza**”).

Time being of the essence, this term sheet is intended to establish the key terms upon which the right to name the entry Plaza shall be granted and further, provide each of HRM and Molson (collectively, the “**Parties**”) comfort upon which they may proceed with a public announcement of the Entry Plaza’s name.

KEY TERMS AND CONDITIONS:	
Grant of Naming Rights	<p>HRM grants to Molson the exclusive right and interest to name the Entry Plaza after the corporate name of Molson (as such term is defined below).</p> <p>The name of the Entry Plaza at the commencement of the Agreement shall be “Molson Canadian Plaza” or “Molson Coors Plaza”. Molson acknowledges that its preference is to have the Entry Plaza named Molson Canadian Plaza. However, if this name is not acceptable to HRM, acting in its sole and absolute discretion, Molson agrees that “Molson Coors Plaza” shall be the name of the Entry Plaza.</p>

Consideration	<p>In consideration of the rights granted by HRM to and in favour of Molson, Molson shall pay to HRM the sum of \$400,000.00, payable in three (3) lump sum payments as follows:</p> <ul style="list-style-type: none"> (i) \$225,000 on or before March 31, 2012; (ii) \$100,000 between January 1st, 2013 and March 31, 2013; (iii) \$75,000 between January 2, 2014 and March 31, 2014.
Term	<p>Subject to the termination rights in favor of Molson and HRM as noted below, the Agreement shall commence on the Effective Date for a period of five (5) years thereafter and shall be automatically renewed for an additional 5 year period (the “Term”). For greater certainty, no further monies shall be due and owing in the event Molson exercises its right to renew.</p>
Usage Rights in Molson’s Trademarks	<p>Molson will grant to HRM the non-exclusive, non-transferrable, limited license to use such trademarks as designated by Molson, as such trademarks may change from time to time in the sole discretion of Molson (collectively, the “Molson Trademarks”), in association with the Entry Plaza and its related signage, as well as its merchandizing activities and athletic/community programs that relate to the activities at the Oval.</p> <p>HRM will grant to Molson the non-exclusive, non-transferrable, limited license to use such trademarks as designated by HRM, as such trademarks may change from time to time in the sole discretion of HRM (collectively, the “HRM Trademarks”), in association with promotional activities in respect of the Entry Plaza and corporate information.</p> <p>In the event either Party changes its respective trademarks from time to time during the Term, such Party shall be responsible for the cost associated with changing any applicable signage or print materials bearing such Trademarks.</p> <p>The Parties agree that the Trademarks will substantially appear in the format and to the specifications set out in Schedule A attached hereto.</p> <p>Molson acknowledges that other than with respect to the installation and maintenance of the Molson signage as provided for herein, HRM</p>

	will not actively market or promote the Entry Plaza. Molson acknowledges that all HRM marketing activities will be directed only at the Oval facility.
Signage	HRM agrees to provide Molson with certain signage to be physically placed and/or affixed at locations to be determined by HRM, in its sole discretion, acting reasonably, including, without limitation, on the Entry Plaza. Further, the actual size, location, and design of any and all signage bearing the Molson name or any of the Trademarks will be substantially in accordance with the specifications set out in Schedule B attached hereto. Such signage shall comply with any legal requirements respecting advertisements and promotion of alcohol. Molson agrees to pay for the production costs of such signage. The installation, appropriate maintenance and replacement costs of the signage shall be the responsibility of HRM.
Socially Responsible Usage	Molson agrees to dedicate a portion of its signage to Socially Responsible Usage. More particularly, the Parties agree that, at a minimum, Molson will dedicate three (3) of the six (6) Molson barricade signs to such Socially Responsible Usage. Molson also agrees that certain of its signage will be of a semi-permanent nature and will be temporarily removed during events targeted at minor audiences. Further, Molson agrees that the Molson Trademarks will not be utilized in printed marketing materials targeting minor audiences.
Infringement by Others	Each of the Parties shall immediately notify the other of any act of infringement or passing off involving the other Party's Trademarks or any variation or limitation thereof, of which such Party becomes aware, arising from or relating to HRM's usage rights under the Agreement. Nothing in the Agreement shall obligate either Party to undertake any investigation on the other Party's behalf in this regard. Each Party shall have the authority, but not the obligation, at its own expense, to prosecute such proceedings and take such steps as it deems necessary, acting reasonably, to restrain the improper or unauthorized use of its trademarks, or to settle any dispute with any third party at any time. Each of the Parties will agree to co-operate and assist the other to the fullest extent possible in any proceedings

	instituted involving the other Party's Trademarks.
Public Announcements	<p>HRM agrees to provide Molson with access to four (4) opportunities for the purpose of public events on the Oval between December 2011 and March 2013. The Parties agree to work co-operatively in respect of the timing, nature and content of any such public events or announcements, including with respect to the naming of the Entry Plaza as contemplated by this term sheet.</p> <p>Each of the parties acknowledges that during the course of the negotiations, in respect of the naming of the Entry Plaza and/or during the Term of the Agreement, each may come into contact with confidential information pertaining to the business or operations of the other unrelated to the covenants and obligations of that party hereunder (collectively, "Confidential Information"). Each of the parties acknowledges that the Agreement shall contain covenants of confidentiality relating to such Confidential Information and agree to maintain the strict confidentiality of such Confidential Information in accordance with the terms thereof.</p> <p>Notwithstanding any provision contained herein, Molson acknowledges that HRM is a municipal body governed by provincial legislation, including, without limitation, the Halifax Regional Municipality Charter, the Municipal Government Act, and the Personal Information International Disclosure Protection Act. Molson acknowledges that HRM is subject to the freedom of access and privacy provisions of this legislation.</p>
Termination by Molson	Molson may, on 6 months' prior written notice to HRM, elect to terminate the Agreement, which notice may be given at Molson's sole discretion. Molson shall also have the right to terminate the Agreement and the rights granted thereunder, without prejudice to the enforcement of any other legal right or remedy, immediately upon giving written notice of such termination if HRM is, becomes or is declared bankrupt, insolvent, generally unable to meet its obligations as they become due, or permanently ceases to carry on business.
Termination by HRM	HRM shall have the right to terminate the Agreement if Molson commits a material breach of its payment obligations under the Agreement which is not cured within 30 business days following

	<p>receipt of notice by Molson of such non-payment material breach. HRM shall also have the right to terminate the Agreement and the rights granted thereunder, without prejudice to the enforcement of any other legal right or remedy, immediately upon giving written notice of such termination if Molson is, becomes or is declared bankrupt, insolvent, generally unable to meet its obligations as they become due, or permanently ceases to carry on business.</p>
Effect of Termination	<p>Upon expiration or termination of the Agreement for any reason whatsoever:</p> <ol style="list-style-type: none"> 1. HRM shall: <ol style="list-style-type: none"> (a) immediately cease, and not anytime thereafter, use the Trademarks, directly or indirectly, in any manner including, without limitation, on any promotional materials or merchandise and destroy any and all promotional materials and merchandise in its possession or otherwise bearing the Trademarks; and (b) promptly execute such documents or take such actions as may be necessary to abandon HRM's use of any corporate, partnership, business or other name containing any of the Trademarks. 2. The Parties agree that the \$400,000 payment by Molson to HRM hereunder is a capital contribution to the Oval facility and is non-refundable.
Insurance	<p>HRM shall at all times maintain such insurance coverage in respect of all operations and programs of the Entry Plaza, as would a prudent owner of a similar first class facility having regard to size, age, location and extent of improvements.</p>
Indemnity	<p>HRM shall fully indemnify and hold harmless Molson and Molson's affiliates, shareholders, officers, directors and personnel from all liabilities and claims of any nature whatsoever related to any operations, acts or omissions of HRM or any sub-licensees or assignees in respect of the operation of the operation of an outdoor skating facility, except to the extent caused by a breach of the Agreement by Molson. To the extent that any obligation to indemnify arises in</p>

	<p>accordance with this Agreement, HRM shall pay all amounts required to indemnify Molson, in full, within 30 days of receipt of invoice or statement which provides reasonable supporting documentation for the amounts to be paid pursuant to this indemnity. For clarity, nothing in this section shall extend this indemnity to include indemnification in respect of third party infringements of Molson's Trademarks.</p>
Independent Parties	<p>The Parties hereto acknowledge and agree that each is an independent contractor, that no party shall be considered to be agent, representative, master or servant of any other party hereto for any purpose whatsoever, and that no party has any authority to enter into any contract, assume any obligations or to give any warranties or representations on behalf of any other party hereto. Nothing in this term sheet or the Agreement shall be construed to create a relationship of partners, joint venturers, fiduciaries, franchise or any other similar relationship among the Parties.</p>
Definitive Agreement	<p>Upon execution of this term sheet the Parties shall negotiate in good faith to execute a binding agreement containing the terms set out herein and such other terms as are mutually agreed between the Parties and including, without limitation, such covenants, conditions, representations and warranties normally associated with a transaction of this nature (the "Agreement"). The effective date of the Agreement will be deemed to be the date of final execution of this term sheet by each of Molson and HRM (the "Effective Date").</p> <p>The Parties agree that any action to be undertaken or performed under this term sheet prior to the execution of the Agreement, including, without limitation, the negotiation of Agreement, shall be carried out by the Parties in good faith based on the terms and conditions set forth herein.</p> <p>It is anticipated that the execution of the Agreement will take place no later than January 17, 2012. Upon execution of the definitive Agreement the parties agree that the term sheet shall be superseded by the Agreement and accordingly, null and void and of no further force and effect.</p>
Assignment	<p>The Parties acknowledge and agree that the terms and conditions set forth in this term sheet are not assignable by either party. Any</p>

	attempt to assign the rights, duties or obligations set forth herein is void.
Applicable Laws and Forum	This term sheet and the definitive Agreement shall be governed and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein. Any disputes under either document are exclusively subject to binding arbitration before a single arbitrator sitting at Halifax, Nova Scotia, pursuant to the <i>Commercial Arbitration Act</i> (Nova Scotia).
Binding Effect	<p>The Parties acknowledge this term sheet is intended to be legally binding upon the Parties, enforceable against either in accordance with its terms.</p> <p>If any provision of this term sheet is determined to be invalid or unenforceable by an arbitrator or a court of competent jurisdiction from which no further appeal lies or is taken, that provision will be deemed to be severed herefrom and the remaining provisions of this term sheet will not be affected thereby and will remain valid and enforceable.</p>
Counterparts	This term sheet may be executed in one or more counterparts or by facsimile, each of which counterparts or facsimile so executed shall constitute and be deemed to be an original and all of which together shall constitute one and the same term sheet.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

If you are in agreement with the foregoing, please sign both copies of this letter where indicated and return one fully executed copy to the attention of Brian Harriman, Vice President Market Development, Atlantic, so that we may proceed to make arrangements in connection with announcing the naming of the Entry Plaza and have a draft definitive Agreement prepared for circulation and review as soon as possible.

Yours very truly,

MOLSON COORS CANADA

Agreed to, confirmed and accepted by **HALIFAX REGIONAL MUNICIPALITY** on this ____ day of December, 2011.

By:

Signature: _____

Per: _____
(Printed name)

Title: _____

Signature: _____

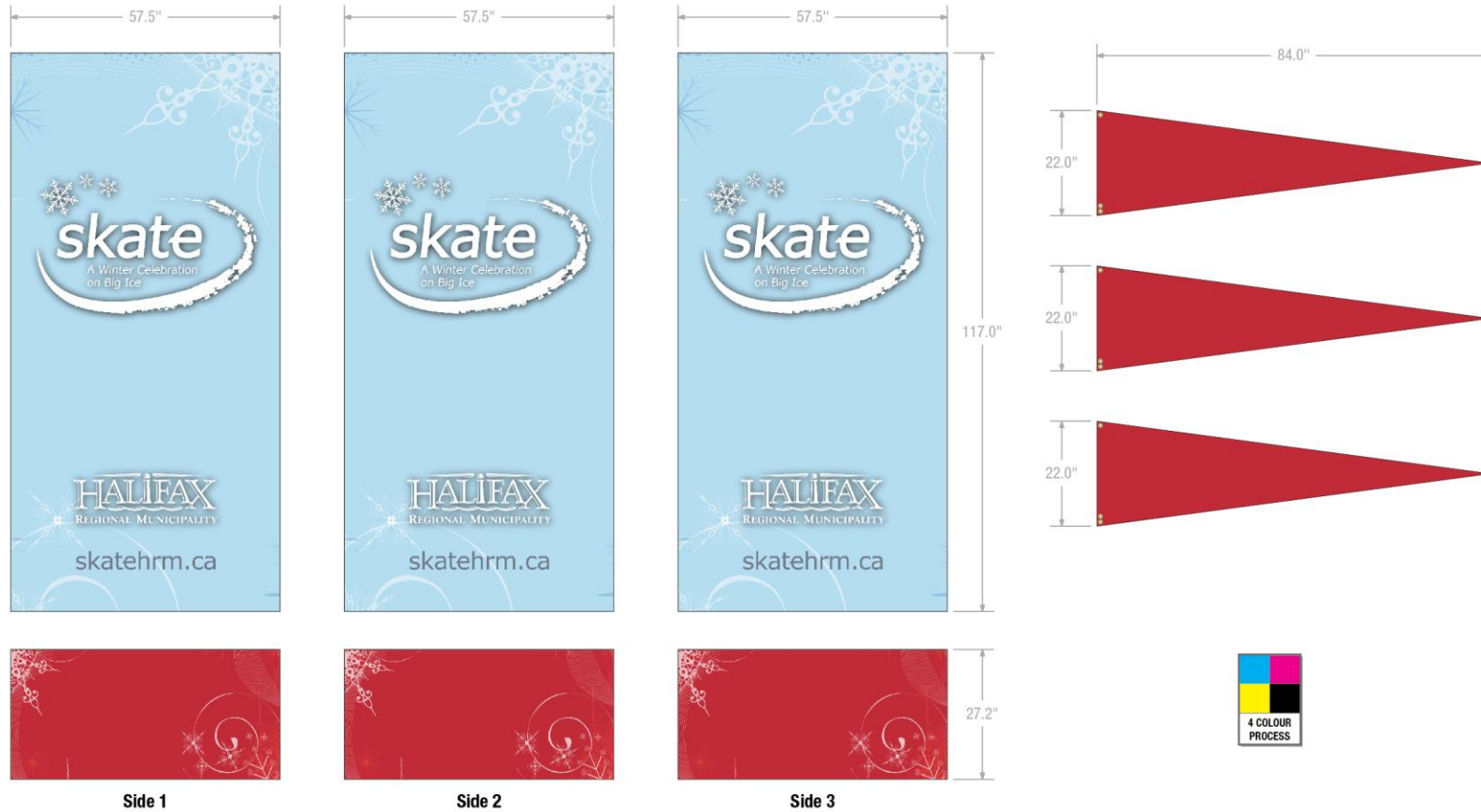
Per: _____
(Printed name)

Title: _____

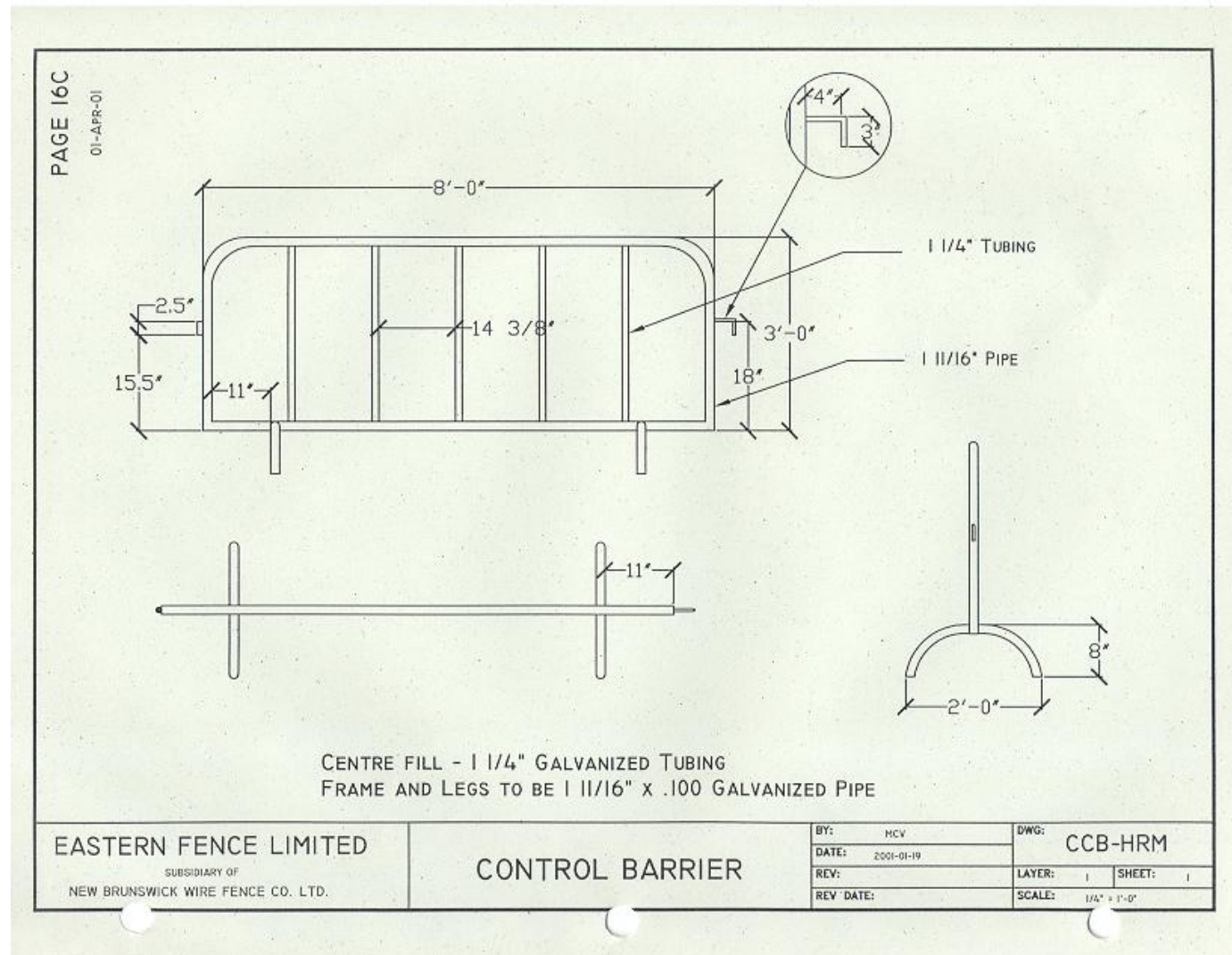
Oval Gantry/Barricade Sign Specifications



Oval Gantry/Barricade Sign Specifications



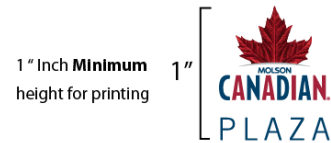
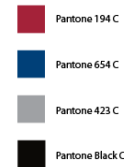
Oval Gantry/Barricade Sign Specifications



Oval Gantry/Barricade Sign Specifications



*CMYK output preferred



Stretching or adjusting
the Logo is **NOT** permitted



One color logo should
only use **Pantone 654 C**



Reverse Logo should only
use White



Alternative graphic representation:



Alternative Graphic Representation

SCHEDULE “B”

Gantry Signs

One (1) in the Primary Position

Two (2) in the Secondary Position

One (1) in the Tertiary Position (to be in place as part of Phase II)

Barricade Signs (Seasonal)

Three (3) Ice Side adjacent to the Plaza

Three (3) Plaza Side Adjacent to the Plaza

Flags (Seasonal)

Six Flags in the Plaza