



**MEMORANDUM OF UNDERSTANDING
BETWEEN: ACTIVE COMMUNITIES DEVELOPMENT INC.
AND THE TOWN OF THREE RIVERS**

1. **Parties.** This Memorandum of Understanding (hereinafter referred to as "MOU") is made and entered into by and between Active Communities Development Inc. (ACDI), whose address is 540 Main Street, Montague PE, and the Town of Three Rivers whose address is 172 Fraser Street, Montague PE.
2. **Purpose.** The purpose of this MOU is to establish terms and conditions under which a Three Rivers Economic Development Committee consisting of both parties will meet and function.
3. **Mandate.** The mandate of the Three Rivers Economic Development Committee shall be as stated below:
 - To improve the economy of Three Rivers and to enhance the quality of life for its residents.
 - To solicit and encourage the establishment and development of new enterprises in and around Three Rivers.
 - To encourage the expansion of existing enterprises in and around Three Rivers.
 - To conduct or sponsor projects for the purpose of assisting Three Rivers residents to establish private and community enterprises.
 - To conduct or sponsor research in the area's resources.
 - To conduct or sponsor human resource development measures which will help Three Rivers residents to establish business or obtain jobs.
 - To establish physical infrastructure which is strategic to the area's development.
 - To encourage the development of tourism opportunities.
 - To assist the arts and culture initiatives where possible.
 - To work in cooperation with the marina operations within the Town for the promotion and expansion of tourism related initiatives.
4. **Term of MOU.** This MOU is effective upon the day and date last signed and executed by the duly authorized representatives of the parties to this MOU and shall remain in full force and effect for two years from the date of signing with option to renew at the end of the two-year term. This MOU may be terminated, without cause, by either party upon three months' written notice, which notice shall be delivered by hand or by certified mail to the address listed above.

5. **Committee Structure.** The committee shall be formed with seven members and operate under the auspices of Active Communities Development Inc. For clarity, matters of governance and procedure not specifically addressed in this MOU shall be determined according to the bylaws of ACDI. Where the ACDI bylaws may conflict with this MOU, the MOU shall prevail.

The committee is to consist of two board members of ACDI, one or two councillors of Three Rivers and volunteer members to make up a total of seven members. Non-Council members of the first committee will be appointed to 1-2-3-year terms in equal numbers. Thereafter, members shall be appointed to 3-year terms. Committee members may serve a maximum of two consecutive terms. Councillors of Three Rivers shall be appointed by the mayor and shall serve until the end of their Council terms, or until a replacement appointment is made, whichever comes first.

At the first meeting of each calendar year, the committee shall select a Chair to serve as Chair for that year.

Volunteer Committee members may be individuals who are residents or property owners or business owners in Three Rivers.

The Three Rivers Economic Development Chair shall report to the Council verbally on a quarterly basis at the Committee of Council meeting with the support of ACDI staff in preparation of reports to be given to council members and ACDI board members.

Any Committee member who is absent from three (3) consecutive meetings shall be subject to replacement upon a resolution passed by a majority vote of the remaining members unless such absence is with good and sufficient reason, in the opinion of the Committee.



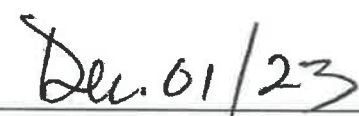
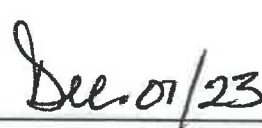
6. **Responsibilities of Active Communities Development Inc.** Active Communities Development Inc. (ACDI) shall remain responsible for nominating two board members to serve as representatives on the Three Rivers Economic Development Committee and for management and oversight of ACDI staff who report to the committee, as identified by ACDI. ACDI shall work in cooperation with the Town of Three Rivers to nominate three volunteer members. ACDI shall remain obligated to maintain up to date Bylaws, adequate liability insurance and remain in good standing with amounts owed to the Crown (e.g., remittances for employee deductions, HST/GST, income tax). Upon entrance into further funding agreements ACDI shall remain responsible in upholding agreements as outlined in the statement of work and maintain accurate financial representation of projects.
7. **Responsibilities of Town of Three Rivers.** The Mayor of Three Rivers shall appoint one or two council members to serve as representatives on the joint development committee and shall assist ACDI in recruiting and nominating the volunteer members. Council members of the committee shall be responsible for reporting back to the Three Rivers council on a regular basis to provide updates on development projects and direction, and for communicating Council priorities and plans to the Committee.

8. General Provisions



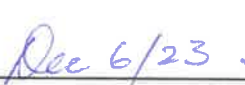

- A. Amendments.** Either party may request changes to this MOU. Any changes, modifications, revisions, or amendments to this MOU which are mutually agreed upon by and between the parties to this MOU shall be incorporated by written instrument, and effective when executed and signed by all parties to this MOU.
 - B. Stakeholders.** Stakeholders to this MOU include clients and employees of Active Communities, residents, taxpayers and employees of the Town of Three Rivers, and the general public.
 - C. Entirety of Agreement.** This MOU, consisting of four pages, represents the entire agreement between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.
 - D. Severability.** Should any portion of this MOU be judicially determined to be illegal or unenforceable, the remainder of the MOU shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.
 - E. Applicable Law.** Both parties are in agreement that the MOU is to be interpreted in accordance with the laws in force in the Province of Prince Edward Island.
 - F. Third Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity, the status of a third-party beneficiary, and this MOU shall not be construed so as to create such status. The rights, duties and obligations contained in this MOU shall operate only between the parties to this MOU and shall inure solely to the benefit of the parties to this MOU. The provisions of this MOU are intended only to assist the parties in determining and performing their obligations under this MOU. The parties to this MOU intend and expressly agree that only party's signatory to this MOU shall have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this MOU, or to bring an action for the breach of this MOU.
- 9. Signatures.** In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

The effective date of this MOU is the date of the signature last affixed to this page.

ACTIVE COMMUNITIES DEVELOPMENT INC.

 _____ Chair, ACDI	 _____ Martina MacDonald, Executive Director	 _____ Date	 _____ Date
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TOWN OF THREE RIVERS

 _____ Debbie Johnston, Mayor	 _____ John Jamieson, CAO	 _____ Date	 _____ Date
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