

DRAFT ONLY

Resources for Authors & Reviewers:

[Instructions](#)[Annotated Policy Template](#)**Policy Title: Development Securities****Policy Number: 04-08-01**Section: **Finance and Accounting**Effective Date: **October 3, 2016**

Approved by:

CouncilSubsection: **Securities**Last Review Date: **August, 2020**

Owner Division/Contact:

**Finance/ Treasury, Business Planning
and Financial Services****Policy Statement**

The City may require that development securities be submitted, including, but not limited to, securities required:

- In conjunction with new developments covered by development, subdivision or site plan agreements
- As a condition of approval of site plan, rezoning or land division applications
- As a condition of issuance of a building permit or a conditional building permit
- In conjunction with improvements to existing sites, where site plan approval or building permit approval is not required (such as pool installations, road occupancy permits, etc.)
- In conjunction with the issuance of an erosion and sediment control permit
- In conjunction with the issuance of a tree permit
- As a condition of condominium registration, and
- In conjunction to a development agreement, required as a result of an approval of a consent or minor variance

Purpose

Securities are required so that the City can ensure that the obligations of the developer, builder or landowner under the various approval processes are met. This policy:

- Identifies when securities are required by each department and the amount of each security
- Establishes responsibility for the custody and monitoring of securities
- Outlines procedures for acting on securities, and
- Identifies conditions under which unclaimed securities will be forfeited to the City

Scope

This policy addresses only those securities associated with the proposed development. For information on securities required in conjunction with contracts, including bid solicitations, refer to Corporate Policy and Procedure - 04-08-02 - Procurement Securities. For information on all other securities (such as damage deposits) refer to Corporate Policy and Procedure - 04-08-03 - Securities Other Than Development Securities or Procurement Securities.

Definitions

For the purposes of this policy:

“Applicant” means the party that has tendered a security, including but not limited to, letter of credit, cash security and surety bond, to the City to secure the obligations of an agreement or a permit with the City.

“Business Area Lead” means the department, division or service area person that represents the City during the development application process for development activities listed in the Policy Statement.

“City” means The Corporation of the City of Mississauga.

“Default Projects” means projects where the provided security is six years and older, where the Applicant has not fulfilled their obligations related to the works and the City is unable to contact the Applicant(s) and/or the Applicant(s) is not willing to fulfill their obligations and the City will not complete the applicable works.

“Department Head” means the employee heading any department or the staff designated in writing to act in the absence of a Department Head.

“Senior Manager” means the Senior Manager, Business Planning and Financial Services, Finance Division, or their designate.

“Treasurer” means the Chief Financial Officer and Treasurer, or the staff designated in writing as such to act in the absence of the Treasurer.

“Unclaimed Securities” means either securities which are no longer required by the City but which have not been released because the Applicant cannot be located or has not come forward, or securities that are related to Default Projects.

When Securities Are Required

The following charts show when securities are required by each department, the purpose of the security and the amount of the security required.

Calculation of Amount of Security

Individual departments are responsible for calculating the amount of security required. When the security is based on the value of the works to be completed, the value is determined in

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accordance with industry standards. Any necessary administration and inspection costs (such as engineering inspections), applicable taxes and contingencies may also be included in the calculation of the amount of the security required.

Securities Required as a Condition of Site Plan, Rezoning and Land Division Approval

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works	To ensure satisfactory completion of works such as sidewalk construction, road improvements or modifications, storm sewer works, traffic signals, boulevard sodding, noise mitigation measures, etc.	100 per cent of the value of works.
Transportation and Works	To ensure satisfactory completion of any works required in the remediation, management and/or monitoring of contaminated sites.	100 per cent of the estimated cost of completing the works, plus 20 per cent contingency.
Planning and Building	To ensure satisfactory completion of site works in accordance with approved site and landscape plans, including rooftop amenity areas, and tree preservation.	100 per cent of the value of the works.
Community Services	<p>To ensure satisfactory restoration, conservation or rehabilitation of heritage properties that may become damaged during on-site construction or during relocation of a heritage structure to another site.</p> <p>To ensure satisfactory completion of works related to preservation, protection and reinstatement of parkland/greenbelt/woodlots; installation of parkland/greenbelt fencing; tree preservation; hoarding installation/maintenance; buffer planting; streetscaping; street tree planting; and installation of future park/trail block signs, streetscape and amended boulevard treatments.</p>	<p>100 per cent of the value of works.</p> <p>Note: In addition to the financial security, protective hoarding must be installed around heritage structures or other heritage resources, parks, greenbelts/woodlots or other natural features where necessary. In the case of relocated heritage structures, all other development on the site will be withheld until the structure has been relocated on its new foundations, the hoarding is in place, and the structure has been given heritage designation in its new location.</p>

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Revenue and Taxation, Finance Division	To ensure full payment of land taxes and local improvement charges.	<p>Payment received from January 1 to October 31: 100 per cent of land taxes and local improvement charges apportioned to the property for the year of registration, including arrears for prior years (if applicable).</p> <p>Payment received from November 1 to December 31: 100 per cent of the land taxes and local improvement charges apportioned to the property for the year of registration plus 100 per cent of the estimated land taxes and local improvement charges apportioned to the property for the following year, including arrears for prior years (if applicable).</p>
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Securities Required as a Condition of Building Permit Issuance

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works (re: Lot Grading and Drainage Deposit, where no development or subdivision agreement exists)	To ensure satisfactory completion of lot grading and drainage works as outlined in approved Lot Grading Plan.	Based on the value of the works, including the costs of specific works (such as retaining walls or storm sewers and catch basins), if necessary, in the plan (refer to the Road Occupancy Permit By-law and Lot Grading and Municipal Services Protection By-law).
Transportation and Works (re: Municipal Services Protection Deposit, where no development or subdivision agreement exists)	To ensure restoration of damages to municipal services, and to control mud-tracking during construction (municipal services include roads, sidewalks, boulevards and underground services).	Refer to the Road Occupancy Permit By-law and Lot Grading and Municipal Services Protection By-law.
Transportation and Works	To ensure satisfactory completion of any works required in the remediation of contaminated sites.	100 per cent of the estimated cost of completing the works, plus 20 per cent contingency.
Enforcement Division (re: building permits for sales trailers or model homes used to sell homes which will be exposed to airport noise)	To ensure the posting of appropriate noise warning signs to potential home buyers regarding airport noise.	As per the Aircraft Noise Warning Agreement (between the City of Mississauga and the Greater Toronto Airports Authority).

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Security Required By:	Purpose of Security:	Amount of Security:
Community Services (re: where site plan approval is not required)	To ensure satisfactory restoration or rehabilitation of heritage properties that may become damaged during on-site construction or during relocation of a heritage structure to another site. To ensure satisfactory installation and maintenance of hoarding.	100 per cent of the value of works. Note: In addition to the financial security, protective hoarding must be installed around heritage structures or other heritage resources. In the case of relocated heritage structures, all other development on the site will be withheld until the structure has been relocated on its new foundations, the hoarding is in place, and the structure has been given heritage designation in its new location.
Planning and Building (re: building permits for temporary structures as defined under the Development Charges By-law)	To ensure payment of development charges which will become payable if the temporary structure is not removed after 8 months.	100 per cent of the development charges that would normally be payable prior to building permit issuance.
Planning and Building (re: conditional building permits)	To ensure restoration of the site to pre-construction state if builder fails to meet the terms of the conditional building permit.	Based on the estimated value of the works required to restore the site, depending on the type of construction.
Planning and Building (re: development charges for speculative industrial buildings)	To secure the difference between the industrial and non-industrial development charge rates for the City of Mississauga and the Region of Peel with respect to speculative industrial buildings.	100 per cent of the difference between the City of Mississauga and the Region of Peel's industrial and non-industrial development charge rates, based on the proposed gross floor area.

Securities Required in Conjunction with Development or Subdivision Agreements

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works	To ensure construction and maintenance of municipal infrastructure and services according to the terms of the development or subdivision agreement.	Based on value of works to be completed, as specified in development or subdivision agreement.

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Community Services	To ensure satisfactory completion of works related to the preservation, protection and reinstatement of parkland/greenbelt/woodlots; installation of parkland/greenbelt fencing; tree preservation; hoarding installation/maintenance; buffer planting; streetscaping; street tree planting; and installation of future park/trail block signs according to the terms of the development or subdivision agreement.	Based on value of works to be completed, as specified in the development or subdivision agreement.
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Securities Required in Conjunction with Improvements to Existing Sites which are Not Covered by Development or Subdivision Agreements, Site Plan Approval, or Building Permit Issuance

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works	To ensure completion/reinstatement of road, access, and traffic signal works.	Refer to the Lot Grading and Municipal Services Protection By-law and Road Occupancy Permit By-law
Transportation and Works	To ensure satisfactory completion of lot grading and drainage works associated with pool installations.	Based on the value of the works, including the costs of specific works such as retaining walls, storm sewers and catch basins. Refer to the Lot Grading and Municipal Services Protection By-law.
Community Services	To ensure satisfactory completion of works related to the preservation, protection and reinstatement of parkland/greenbelt/woodlots; installation of parkland/greenbelt fencing; tree preservation; hoarding installation/maintenance; buffer planting; streetscaping, street tree planting; and installation of park/trail block signs according to the terms of the development or subdivision agreement.	Based on value of works to be completed, as specified in the development or subdivision agreement.

Security Required as a Condition of Erosion and Sediment Control Permit Issuance

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works	To cover the costs of installation, maintenance, and removal of erosion and sediment controls, should the developer fail to do so.	Refer to the Erosion and Sediment Control By-law; Road Occupancy Permit By-law and Lot Grading and Municipal Services Protection By-law.

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Security Required as a Condition of Tree Permit Issuance

Security Required By:	Purpose of Security:	Amount of Security:
Community Services	To ensure the planting and maintenance of replacement trees.	Based on the value of the works to be completed. Refer to the Private Tree Protection By-law and Public Tree Protection By-law.

Securities Required in Conjunction with Condominium Registration

Security Required By:	Purpose of Security:	Amount of Security:
Transportation and Works	To ensure completion of works or repairs to works, subsequent to condominium registration.	100 per cent of the value of the works to be completed.
Community Services	To ensure satisfactory completion of works related to the preservation, protection and reinstatement of parkland/greenbelt/woodlots; installation of parkland/greenbelt fencing; tree preservation; hoarding installation/maintenance; buffer planting; streetscaping; street tree planting; and installation of future park/trail block signs according to the terms of the development or subdivision agreement.	Based on value of works to be completed, as specified in the development or subdivision agreement.
Revenue and Taxation, Finance Division	To ensure full payment of land taxes, local improvement charges and supplementary taxes.	<p>Payment received from January 1 to October 31: 100 per cent of land taxes and local improvement charges apportioned to the property for the year of registration, plus 100 per cent of the anticipated supplementary taxes for the units, including arrears for prior years (if applicable).</p> <p>Payment received from November 1 to December 31: 100 per cent of land taxes and local improvement charges apportioned to the property for the year of registration, plus 100 per cent of the anticipated supplementary taxes for the units, plus 100 per cent of the estimated taxes for land and local improvement charges apportioned to the property for the following year, including arrears for prior years (if applicable).</p>

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Form and Custody of Security

Where an agreement exists, the form of the security is specified in the agreement and must be provided as specified. Where no agreement exists, the security may be provided in cash, by certified cheque, by bank draft, by letter of credit or by surety bond. Business Area Leads must refer to Appendix 1 to this Policy which contains a Surety Bond template, with Terms and Conditions therein. A Surety Bond Underwriter must include this template in its Bond for it to be accepted by the City as a Security Deposit. Necessary modifications to the template may be made for securing fees, charges, or taxes, including development charges, that may become payable, in consultation with Legal Services.

Where securities are required for taxes, the security for land taxes and local improvement charges must be provided in the form of a certified cheque, bank draft, wire or EFT payment. A letter of credit may be accepted as security only for supplementary taxes associated with a condominium registration.

If the security is in the form of a letter of credit, the receiver of the letter of credit must ensure that it meets the standard requirements established by Corporate Policy and Procedure - 08-04-08 - Letters of Credit.

Where an agreement exists, departments (in consultation with Legal Services) should include language in the agreement which addresses the treatment of unclaimed securities. The agreement should contain an acknowledgement by the Applicant that, in the event of Default Project or Unclaimed Securities greater than six years old, the security is forfeited to the City and the City's legal obligation to refund the money is terminated.

The Securities Administrator (Finance Division) is responsible for the physical custody and safe-keeping of all securities received by the City.

Draw on Security

The City may draw on the securities to complete the secured works, to acquire the services of a qualified contractor to complete the works or as payment to a subsequent developer for completion of the works, in accordance with the applicable agreement.

Inspection of Works

The City inspects all works during construction and/or on completion of the project. Prior to the final site inspection, the Planning and Building Department, Transportation and Works Department and/or the Community Services Department require certification from an accredited professional that the works have been completed.

Notice to Applicants

The Applicant who provided the original security is notified, in writing, of the City's requirements and given an opportunity to comply before the City draws on the securities. The current owner of the property may also be notified, if appropriate.

Authorization to Draw on, Release or Reduce Security

The department responsible for the secured works may authorize a draw on the security or a reduction/release of the security by forwarding written notification to the Treasurer.

Reduction/release memos must be accompanied by copies of original documentation which created the security (i.e. official receipt, existing/outstanding Letter of Credit, etc.). A By-law to Delegate Authority for Drawing on Development Securities - By-law 0278-1994, as amended, specifies which staff may authorize draws, reductions or releases of securities.

The Securities Administrator will process the request and notify the authorizer that processing has been completed. If such notice is not received, the authorizer of the request is responsible for following up with the Securities Administrator to ensure that the request has been processed.

Each Department Head must provide the Securities Administrator with specimen signatures of all staff with the authority to authorize draws, reductions or releases of securities and their specific signing authority limits. On an annual basis, the Securities Administrator will request that all signatures be updated.

Unclaimed Securities

Annually, the Securities Administrator will prepare an analysis identifying all active and unclaimed securities that are six years old or older. A list of outstanding securities will be forwarded to each division, requesting either authorization to release the security or notification that the security must continue to be held. Divisions shall respond within 60 days identifying securities related to Default Project(s).

Unclaimed Securities – Cash and Cash Equivalent, related to Default Projects

The departments will notify the Securities Administrator regarding all cash and cash equivalent securities that are related to Default Project(s). The relevant division of the City shall make attempts to contact the security provider, which will be documented, and the record of these attempts will be kept for the period outlined in the Records Retention Schedule By-law 0097-2017. Moreover, relevant divisional staff should assess each Default Project and document the decision (along with reasons) to not draw on the security to complete the remaining project obligations. This record should also be kept for the period outlined in the Records Retention Schedule By-law 0097-2017 (after the date on which the City provided public notice).

If the Applicant cannot be located or will not fulfill the project obligations, the security will be included in the list prepared by the Securities Administrator and published on the City's website.

The Treasurer, in consultation with the Manager, Treasury, is responsible for publishing a notice on the City's website on the Public Notice webpage advising that a list of cash and cash equivalent securities related to Default Projects is available for claim. The website listing of cash and cash equivalent securities relating to Default Projects will include only the business or individual's names and the amounts.

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The notice must advise that all businesses/individuals having any claim to cash and cash equivalent securities related to Default Projects are required to prove their claims within 90 days of the publication of the notice. Upon the expiration of 90 days, a report shall be brought to Council to authorize the transfer of these securities into tax-funded reserves or the City's general funds. After the authorization of Council, the Treasurer, in consultation with the Manager, Treasury, may transfer all money for which there is no claim. A record of forfeited securities will be retained in the event that subsequent claims are made by the Applicant, and they have fulfilled their obligations related to the works.

Should a claim be brought forward after the 90 days and within the period outlined in the Records Retention Schedule By-law 0097-2017, a refund may be issued from the account the money was transferred to, subject to approval by the Manager, Treasury. Any other exceptions for refunds must be reviewed and approved by both the Senior Manager and the Treasurer. The authority to withdraw funds from the applicable reserve to satisfy eligible refunds is delegated to Finance staff through the provisions of this policy.

Unclaimed Securities, Obligation Fulfilled or Required Works Completed

Upon receipt of the department's authorization to release the security, a search of the Applicant is conducted by the relevant division. If the Applicant cannot be located, the security will be included in the list prepared by the Securities Administrator and published on the City's website.

The Treasurer, in consultation with the Manager, Treasury, is responsible for publishing a notice on the City's website on the Public Notice webpage advising that a list of unclaimed securities six years old or older is available for claim. The website listing of unclaimed securities will include only the business or individual's names and the amounts.

The notice must advise that all businesses/individuals having any claim to unclaimed securities are required to prove their claims within 90 days of the publication of the notice. Upon the expiration of 90 days, the Treasurer, in consultation with the Manager, Treasury, may transfer all money for which there is no claim to the City's general funds. A record of forfeited securities will be retained in the event that subsequent claims are made by the Applicant.

Should a claim be brought forward after the 90 days and within two (2) years of the notice, a refund may be issued from the account the money was transferred to, subject to approval by the Manager, Treasury. Any other exceptions for refunds must be reviewed and approved by both the Senior Manager and the Treasurer.

Interest

Interest is not paid on securities held.

Revision History

Reference	Description
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GC-331-94 - 1994-06-08	
By-law 316-04, as amended	Development Charges By-law
By-law 24-06, as amended	Road Occupancy, Lot Grading and Municipal Services Protection Deposit By-law
By-law 512-91, as amended	Erosion and Sediment Control By-law
By-law 474-05, as amended	Tree Permit By-law
GC-0466-2000 - 2000 06 28	
December 12, 2006	Housekeeping amendments for clarification purposes; updates per relevant by-laws
GC-0607-2010 – 2010 09 29	Credit card no longer accepted for securities
May 30, 2011	Administrative update – notice of unclaimed securities will direct readers to City's website for details
October 28, 2013	Scheduled review – admin revisions to reflect current practices and procedures approved by Finance
August, 2015	Revised policy to reflect definition of Commissioner in By-law 0188-2015
October 3, 2016	Scheduled review. Removed requirement to notify elected officials on release or reduction of a security; updated current practices and responsibilities.
August 27, 2020	Scheduled review. Updated When Securities are Required chart.
February 23, 2022	Housekeeping to update by-law number, section names.
January 31, 2024	Administrative revisions to reflect changes to organizational structure. Housekeeping revisions to improve accessibility of charts.
February 28, 2024	Administrative revisions to clarify securities required and the form and custody of securities.

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January 16, 2025	Housekeeping revisions to reflect changes to organizational structure.
March 18, 2025	Housekeeping revision. Policy revised to add surety bonds.

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APPENDIX 1 - Surety Bond Template**[INSERT DEV AGT REF#]****Development Agreement Pay-On-Demand Surety Bond Form****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 Mississauga, as Obligee, hereinafter called "**Mississauga**", 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 Mississauga have entered into, or will enter into, an agreement under file number _____, for (Note: Type of security e.g., 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 Mississauga (the "**Development Lands**"),

AND WHEREAS the Principal and the Surety confirm that the Surety meets the requirements of O.Reg. 461/24 – Surety Bonds, made pursuant to the *Planning Act*, R.S.O. 1990, c. P. 13,

NOW THEREFORE, the condition of this obligation is such that if the Principal shall, in the opinion of Mississauga 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 Mississauga to be in default under the Development Agreement, and Mississauga intends to make a claim under this bond, Mississauga 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 Mississauga, 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 Mississauga for amounts demanded by Mississauga, up to an aggregate of the Bond Amount, within fifteen (15) business days after the Surety's receipt of a Demand from Mississauga at the address noted herein by hand or courier.
3. This Bond is irrevocable, unconditional and constitutes a primary obligation and guarantee. 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 Mississauga, and the Surety shall not assert any defence or grounds of any nature or description for not making payment to Mississauga, 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 Mississauga and the Principal or by any dispute between the Surety and Principal, or the taking or receiving of security by Mississauga 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 Mississauga 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. Mississauga may make multiple Demands under this bond.
6. The Bond cannot be amended or terminated without the express approval of Mississauga.
7. The amount of the Bond may be reduced from time to time as advised by notice in writing by Mississauga 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 Mississauga.
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 Mississauga's satisfaction, Mississauga 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 works that is outstanding. A partial release of the Bond will be approved and processed at Mississauga's sole discretion.
13. When the Principal has completed all works required by the Development Agreement to Mississauga's satisfaction, all maintenance and rectification periods contained within the Development Agreement have expired, and Mississauga has finally assumed all works in writing, Mississauga 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 Mississauga and to the Principal of its intention to terminate this obligation, the Principal shall deliver to Mississauga, not less than sixty (60) days of receiving notice of termination, financial security in the amount of this Bond in a form acceptable to Mississauga. If the replacement financial security is not provided by the Principal or is not accepted by Mississauga, this Bond shall remain in effect.

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15. Nothing in this Bond shall limit the Principal's liability to Mississauga 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 ([Licensed Insurance Companies in Ontario](#)). 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:

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

18. The Surety agrees to indemnify Mississauga from any claims related to the Bond, holding the Principal responsible for repaying any money paid by the surety to Mississauga in the process of settling a claim.

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)__, 20__xx__, in the presence of:

Per:

Name

Title:

Per:

Name

Title:

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I / We have the authority to bind the Corporation.

_____, Attorney in Fact

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Schedule A**DEMAND – NOTICE OF DEFAULT**

Date:

Surety:

Address:

Attention:

Re: Development Agreement

Bond No.: (the "Bond")

Principal: (the "Principal")

Obligee: (the "Obligee")

Agreement: (the "Development Agreement")

Dear ,

Pursuant to the above referenced Bond, The Corporation of the City of Mississauga hereby declares a default under the Development Agreement.

We hereby demand that the Surety honour its fifteen (15) day payment obligation as per the terms of the Bond and we hereby certify that we are entitled to draw on the Bond pursuant to the terms of the Development Agreement and demand payment of \$_____ under the terms of the Bond.

Payment Instructions:

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Yours truly,

THE CORPORATION OF THE CITY OF MISSISSAUGA

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