

RIGHT OF FIRST OFFER TO PURCHASE dated for reference October 5, 2023.

BETWEEN:

THE CITY OF CALGARY
("The City")

and

CSE REAL ESTATE CORPORATION, in its capacity as general partner for and on behalf of
CSE REAL ESTATE LIMITED PARTNERSHIP
("CSERELP")

WHEREAS at the April 25, 2023 Regular Meeting of Council, the municipal council of The City acknowledged the authority of the person appointed to the position of chief administrative officer of The City pursuant to the *Municipal Government Act* (Alberta), or such person's designate from time to time, under the Execution of Contracts Bylaw 43M99, to negotiate and execute various definitive agreements which are necessary or desirable to deliver the Event Centre Project and related district-wide improvements as generally outlined in Report C2023-0482 including the attachments thereto.

THIS RIGHT OF FIRST OFFER TO PURCHASE AGREEMENT WITNESSES THAT, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.01. In this Agreement, the following words and phrases, when capitalized, shall have the following meanings:

- (a) "**Adjustment Charges**" means all adjustable incomings and outgoings with respect to the Lands, including, without limitation, all property taxes, local improvement charges, rates, levies, utilities and interest;
- (b) "**Affiliate**" means, with respect to CSERELP, any Person that, directly or indirectly, is Controlled by or is under common Control with CSERELP including:
 - (i) an "affiliate" within the meaning of the Alberta *Business Corporations Act*;
 - (ii) a partnership, the majority of whose partnership interests are directly or indirectly held by CSERELP or an Affiliate of CSERELP and such majority is sufficient to Control the affairs of such partnership; or
 - (iii) a trust, the majority of whose beneficial interests are directly or indirectly held by CSERELP or an Affiliate of CSERELP or of which CSERELP or an Affiliate of CSERELP is, directly or indirectly, a trustee or manager which directs the management or policies of the trust;

- (c) **“Agreement”** means this right of first offer agreement, all attached schedules and any subsequent amendments hereto;
- (d) **“Applicable Lands”** has the meaning set out in Section 5.02;
- (e) **“Appraiser”** means a qualified and independent real estate appraiser, who is a member in good standing with the Appraisal Institute of Canada and is experienced in valuing properties in Calgary, Alberta similar to the Lands;
- (f) **“Available for Development”** means with respect to any portion of the Lands, when The City has: (i) completed a subdivision to create a separate parcel or parcels for such portion of the Lands; (ii) created a Master Plan for the Lands; (iii) determined in its sole and absolute discretion that The City does not require such portion of the Lands for valid municipal purposes; and (iv) has determined in its sole and absolute discretion that The City desires that such portion of the Lands be commercially developed;
- (g) **“Business Day”** means any calendar day excluding weekends and statutory holidays in the Province of Alberta;
- (h) **“City’s Solicitor”** means the City Solicitor, The City of Calgary Law Department, 12th Floor, 800 Macleod Trail S.E., Calgary, Alberta T2G 2M3 (Attention: City Solicitor);
- (i) **“Closing Date”** means the date that is one hundred and twenty (120) days following the delivery of the Exercise Notice from CSERELP to The City;
- (j) **“Control”** or **“Controlled”** means: (a) with respect to any Person that is a corporation, incorporated or unincorporated association, incorporated or unincorporated syndicate, or other incorporated or unincorporated organization, trust or other legal entity that has issued voting securities, the ownership in the aggregate, directly or indirectly, of voting securities of such Person carrying 50% or more of the votes for the election of directors (or individuals performing a similar function or occupying similar position, including the trustees of a trust); (b) with respect to any Person that is a trust that has not issued voting securities, control by the trustees of such trust; or a Person who Controls each trustee of such trust and in each case, ownership in the aggregate, directly or indirectly of 50% or more of the beneficial interests in such trust held by Persons that are not charities; (c) with respect to any Person that is a partnership that does not have directors (or Persons performing a similar function or occupying a similar position) (other than a limited partnership), the ownership in the aggregate directly or indirectly of 50% or more of the interests in such partnership; or (d) with respect to any Person that is a limited partnership, the Control of each general partner of such limited partnership and the ownership in the aggregate directly or indirectly of 50% or more of the limited partnership interests in such limited partnership; and a Person is Controlled (within the meaning of paragraphs (a) to (d) of this definition) by a Person when one or more of such first-mentioned Persons are directly or indirectly Controlled (within the meaning of paragraphs (a) to (d) of this definition) by the second-mentioned Person, and the terms “Controlling”, “Controlled by” and “under common Control with” will have corresponding meanings;

- (k) “**CSEC**” means Calgary Sports and Entertainment Corporation, in its capacity as general partner for and on behalf of Calgary Flames Limited Partnership;
- (l) “**CSERELP**” means CSE Real Estate Corporation, in its capacity as general partner for and on behalf of CSE Real Estate Limited Partnership;
- (m) “**CSERELP’s Solicitor**” means Norton Rose Fulbright Canada LLP, Barristers & Solicitors, 3700, 400 – 3 Avenue, Calgary, Alberta T2P 4H2, (Attention: Brad Hayden);
- (n) “**Development Management Agreement**” means the *Development Management Agreement* dated October 5, 2023 and entered into among The City, CAA Sports Canada ULC d/b/a CAA ICON and CSERELP;
- (o) “**Due Diligence**” means all investigations and searches CSERELP considers necessary to satisfy itself with respect to the condition of and all matters relating to the Lands, or any portion or portions thereof, and the suitability thereof for CSERELP’s intended use, including, but not limited to, accessing the Lands, conducting, obtaining and reviewing any environmental site assessments or geotechnical reports (including without limitation the Environmental Report) and reviewing title to the Lands and the Permitted Encumbrances;
- (p) “**Due Diligence Condition Date**” has the meaning set out in Section 6.02;
- (q) “**Effective Date**” means the Turnover Date (as that term is described in the Development Management Agreement);
- (r) “**Environmental Report**” has the meaning set out in Section 5.02;
- (s) “**Event Centre**” has the meaning ascribed thereto in the Management and Lease Agreement;
- (t) “**Exercise Notice**” has the meaning set out in Section 5.03;
- (u) “**Government Authority**” means any federal, provincial, municipal or other governmental body, agency, tribunal, or authority having jurisdiction and lawfully empowered to make or impose laws, bylaws, rules or regulations with respect to the Lands or the parties’ obligations hereunder;
- (v) “**GST**” means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada);
- (w) “**Lands**” means the lands legally described in Part 1 of Schedule “A” attached hereto, together with the lands, or any portion thereof, if any, described in Part 2 of Schedule “A” as set out in The City’s sole discretion in a Right of First Offer Notice;
- (x) “**Management and Lease Agreement**” means the *Event Centre Management and Lease Agreement* dated October 5, 2023 and entered into between The City and CSERELP;

- (a) **“Permitted Encumbrances”** means those encumbrances described in Schedule “A” attached hereto;
- (b) **“Person”** means any individual, partnership, corporation, company, joint venture, association, society, trust or unincorporated organization;
- (c) **“Project Framework Agreement”** means the *Project Framework Agreement* dated October 5, 2023 and entered between The City and CSERELP;
- (d) **“Rate of Interest”** means an interest rate equal to the prime rate published by the Royal Bank of Canada as of the date the Right of First Offer is exercised by CSERELP, plus three (3%) percent;
- (e) **“Right of First Offer”** means the right of first offer to purchase the Lands, or any portion or portions thereof, as set out in Section 2.01 herein;
- (f) **“Right of First Offer Notice”** has the meaning set out in Section 5.02;
- (g) **“Right of First Offer Term”** has the meaning set out in Section 5.01;
- (h) **“Right of First Offer Term Purchase Price”** means the consideration for the purchase of the Applicable Lands to be transferred to CSERELP pursuant to any Right of First Offer Notice and Exercise Notice, which shall be determined by an Appraiser in accordance with Section 3.02, and payable by CSERELP to The City pursuant to Section 3.01; and
- (i) **“The City”** means The City of Calgary.

1.02. The captions and headings in this Agreement are for convenience of reference only and shall not be considered when interpreting the provisions of this Agreement. All references in this Agreement to articles, sections, subsections and schedules refer to the corresponding articles, sections, subsections and schedules of this Agreement unless the context indicates otherwise.

1.03. All schedules attached to and referenced in this Agreement are acknowledged as having been reviewed by the parties hereto, shall be deemed to form part of this Agreement and shall be binding upon the parties hereto.

1.04. All references to currency shall be in Canadian dollars.

1.05. The use of the neuter singular pronoun to refer to the parties shall be deemed a proper reference even though the parties may be individuals, partnerships, associations, corporations or groups of two or more individuals, partnerships, associations or corporations. The necessary grammatical changes required to make the provisions of this Agreement apply in the plural sense where there is more than one party and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though fully expressed.

1.06. Any reference in this Agreement to a statutory enactment of any Government Authority shall include all amendments thereto and substitutions therefor from time to time.

1.07. This Agreement shall be interpreted and enforced in accordance with the laws of the Province of Alberta.

1.08. In the event that the Closing Date or any other date stipulated in this Agreement is not a Business Day, the Closing Date or such other date shall be deemed to be the next following Business Day.

2. RIGHT OF FIRST OFFER

2.01. The City hereby grants to CSERELP the exclusive right of first offer to purchase, irrevocable during the Right of First Offer Term, the entire estate, right, title and interest of The City in the Lands, or any portion or portions thereof, free and clear of all reservations, exceptions, encumbrances, charges, liens or interests whatsoever save and except for the Permitted Encumbrances if The City determines that the Lands, or any portion or portions thereof, are Available For Development. If the Right of First Offer is exercised for any portion of the Lands, the Right of First Offer shall continue to apply to the remainder of the Lands not so previously offered by The City for purchase by CSERELP during the remainder of the unexpired Right of First Offer Term. It is acknowledged by CSERELP that The City has no obligation to determine that all or any portion of the Lands are Available for Development at any time during the Right of First Offer Term.

2.02. Subject to Section 5.01, the Right of First Offer may be exercised by CSERELP pursuant to Section 5.03. The consideration payable for the Applicable Lands pursuant to the exercise of the Right of First Offer during the Right of First Offer Term shall be the Right of First Offer Term Purchase Price.

3. PURCHASE PRICE

3.01. During the Right of First Offer Term, the purchase price of the Lands, or any portion or portions thereof then being transferred from The City to CSERELP, shall be the Right of First Offer Term Purchase Price.

3.02. The Right of First Offer Term Purchase Price applicable to the Applicable Lands set out in such Right of First Offer Notice shall be equal to the fair market value of the Applicable Lands at their highest and best use and as though vacant, taking into account the environmental condition of the Applicable Lands as set out in the Environmental Report and any costs and expenses to complete any reclamation and remediation of the Applicable Lands (including cleanup costs in respect of hazardous materials located at or within the Applicable Lands as disclosed in the Environmental Report), determined as follows:

- (a) two appraisals shall be obtained from any two Appraisers, one selected by each party and if either party fails to obtain an appraisal within forty-five (45) days following delivery by The City of any Right of First Offer Notice, the Appraiser shall be the Appraiser who has provided the appraisal within such forty-five (45) days;
- (b) if two appraisals are obtained and if neither appraisal is more than one hundred and ten (110%) percent of the other appraisal, the Right of First Offer Term Purchase Price shall be the average of such appraisals;
- (c) if two appraisals are obtained and if either appraisal is more than one hundred and ten (110%) percent of the other appraisal, the Right of First Offer Term Purchase

Price shall be determined by a third Appraiser, to be selected by the first two Appraisers, which Appraiser shall conduct a review of the previous two appraisals and provide a review report with an opinion of value of the Applicable Lands. Such opinion of value of the Applicable Lands provided by the third Appraiser shall constitute the Right of First Offer Term Purchase Price; and

- (d) a copy of the report of each Appraiser as to the fair market value (and, by implication, the Right of First Offer Term Purchase Price) calculated as aforesaid shall be furnished forthwith upon its preparation to each of the parties hereto, who shall be bound thereby unless either The City or CSERELP, as the case may be, objects and notice thereof is given to the Appraiser who prepared the same within twenty (20) days after the furnishing of a copy thereof to both parties, in which case the Appraiser shall within ten (10) days reconsider and revise its report if it considers it necessary to do so, provided that the Appraiser shall have the sole and final decision as to whether any revision is necessary.

4. INTEREST

4.01. Any portion of the Right of First Offer Term Purchase Price, not paid to and received by The City on or before the Closing Date shall bear interest at the Rate of Interest at, from and including the Closing Date until paid to and received by The City.

5. EXERCISE AND ACCEPTANCE

5.01. CSERELP may only exercise the Right of First Offer if the Lands or any portion or portions thereof are Available For Development at any time from and after the Effective Date up to and including the tenth (10th) anniversary of the Effective Date (the “**Right of First Offer Term**”) and may only exercise the Right of First Offer if it is then in good standing pursuant to the Management and Lease Agreement. There is no obligation on The City to make the Lands or any portion or portions thereof Available For Development. The foregoing condition is inserted into this Agreement for the sole and exclusive benefit of The City, and shall only be satisfied upon The City determining that the Lands or any portion or portions thereof are Available For Development.

5.02. During the Right of First Offer Term and upon determining the Lands, or any portion or portions thereof, are Available For Development, The City shall promptly notify CSERELP in writing that the Right of First Offer is open for exercise. The written notice from The City to CSERELP shall:

- (a) detail which portion or portions of the Lands are available for purchase (the “**Applicable Lands**”);
- (b) include a draft site plan detailing the location or locations of the Applicable Lands and its or their approximate area or areas;
- (c) include customary development commitments, including without limitation that CSERELP shall commence to construct a development on the Applicable Lands (which shall be deemed to mean the commencement of excavation and shoring work) as soon as reasonably possible after the Closing Date and in any event no later than seven hundred and thirty (730) days after the Closing Date and shall thereafter proceed to diligently complete the development in all respects in accordance with the provisions of this Agreement, with the development to be

completed by no later than thirty six (36) months following the date that CSERELP commences to construct such development, subject to extension(s) as deemed appropriate by agreement of The City and CSERELP, each acting reasonably where a delay in respect of the completion of the development is necessitated by force majeure (excluding however, lack of financing, financial inability or market conditions), and where a delay is not caused by force majeure such approval shall be in the sole discretion of The City and CSERELP;

- (d) include the terms and conditions upon which The City, in its sole discretion, is prepared to sell the Applicable Lands, which shall be consistent with the terms and conditions that would typically be included in a purchase agreement between an arm's length vendor and purchaser of similar lands in Calgary, Alberta;
- (e) include a Phase II environmental report of the Lands completed by a duly qualified and independent environmental consultant and dated not earlier than six (6) months prior to the date The City provides such written notice (the "**Environmental Report**"); and
- (f) include a copy of all applications, agreements, commitments, obligations, permits, licenses, warranties, surveys, reports (including environmental or geotechnical reports) and other documents in the possession of The City's Real Estate & Development Services business unit that will, or that could potentially, affect the Applicable Lands or the owner thereof after the Closing Date,

(the "**Right of First Offer Notice**").

5.03. Subject to Section 5.01, the Right of First Offer may be exercised and accepted by CSERELP by delivering to The City a written notification of CSERELP's exercise and acceptance of the Right of First Offer (the "**Exercise Notice**") within ninety (90) days of CSERELP's receipt of the Right of First Offer Notice. Upon delivery of the Exercise Notice by CSERELP to The City, The City shall be bound to sell and CSERELP bound to purchase the Applicable Lands, subject to and in accordance with the provisions of this Agreement. If CSERELP does not deliver the Exercise Notice to The City within the time frame set out in this Section, then the Applicable Lands shall not be transferred by The City to CSERELP pursuant to this Agreement and the Applicable Lands shall no longer be subject to the continuing Right of First Offer. In this event, The City shall be free to sell the Applicable Lands to any party without further notice to CSERELP.

5.04. In the event the Right of First Offer Notice provides that the Applicable Lands are available for purchase, CSERELP shall, if it chooses to deliver the Exercise Notice, purchase the entirety of the Applicable Lands. CSERELP shall have no right or ability to purchase any portions of the Applicable Lands less than those identified in any Right of First Offer Notice as being available for purchase.

5.05. Subject to Section 9.03 herein, the Right of First Offer may only be exercised by CSERELP during the Right of First Offer Term provided CSERELP will become the fee simple owner of the Applicable Lands.

5.06. Notwithstanding anything herein contained, it shall be a condition of the closing of the purchase of any Applicable Lands that CSERELP is then in good standing pursuant to the Management and Lease Agreement

6. DUE DILIGENCE AND CONDITION PRECEDENT

6.01. At any time following the delivery of the Right of First Offer Notice to CSERELP, CSERELP shall, at its sole cost and expense, conduct its Due Diligence. CSERELP and its agents shall be permitted access to the Lands for the purpose of conducting CSERELP's Due Diligence, provided CSERELP has first entered into The City's standard short-term due diligence license agreement. Prior to CSERELP and its agents accessing the Lands, CSERELP shall provide The City with twenty-four (24) hours' prior written notice as to the date, time, duration, reason and persons who will access the Lands. The City shall have the option of accompanying CSERELP on the Lands during any such access.

6.02. The obligations of CSERELP to complete the purchase of the Applicable Lands pursuant to any Exercise Notice shall be subject to the condition that no later than THIRTY (30) DAYS prior to the Closing Date (the "Due Diligence Condition Date"), CSERELP shall, at its sole cost and expense, have satisfied itself with the condition of and all matters relating to the Applicable Lands and the suitability thereof for CSERELP's intended use, in CSERELP's sole discretion.

6.03. The condition precedent in Section 6.02 is inserted into this Agreement for the sole and exclusive benefit of CSERELP, and shall only be waived or satisfied upon CSERELP providing written notice thereof to The City on or before the date specified therein. In the event CSERELP does not give written notice of the satisfaction or waiver of such condition on or before the date specified therein, then the Applicable Lands shall not be transferred by The City to CSERELP pursuant to this Agreement and the Applicable Lands shall no longer be subject to the continuing Right of First Offer. If the Right of First Offer Term has expired, then all other rights and obligations of CSERELP and The City shall be terminated and neither party shall have any further liability to the other. If the Right of First Offer Term has not expired, then CSERELP retains the ability to exercise the Right of First Offer in relation to the remainder of the Lands not so previously offered by The City for purchase by CSERELP during the remainder of the unexpired Right of First Offer Term.

7. ADJUSTMENTS

7.01. All Adjustment Charges shall be computed and made between The City and CSERELP as at the Closing Date. The City shall be entitled to, shall be responsible for and shall pay all such Adjustment Charges accruing to and including the Closing Date and CSERELP shall be entitled to, shall be responsible for and shall pay all such Adjustment Charges accruing from but excluding the Closing Date. In the event an Adjustment Charge cannot be accurately calculated and made on the Closing Date, the final adjustment shall be calculated and made between the parties no later than ninety (90) days after the Closing Date.

8. POSSESSION AND RISK

8.01. Subject to completion of the transaction contemplated by any Right of First Offer Notice and Exercise Notice on the applicable Closing Date, The City shall provide and CSERELP shall be entitled to possession of the Applicable Lands being transferred from The City to CSERELP as identified in any Right of First Offer Notice, on the Closing Date subject to the Permitted Encumbrances.

8.02. The Applicable Lands being transferred from The City to CSERELP as identified in any Right of First Offer Notice, shall remain at the risk of The City until the Closing Date and

thereafter, subject to completion of the transaction contemplated by any Right of First Offer Notice and Exercise Notice on the applicable Closing Date, the Applicable Lands being transferred from The City to CSERELP as identified in any Right of First Offer Notice, shall be at the sole risk of CSERELP.

9. REPRESENTATIONS AND WARRANTIES

9.01. The City represents, warrants and acknowledges as follows:

- (a) The City is now and shall be at the Closing Date a municipal corporation duly and validly constituted and subsisting under the laws of the Province of Alberta, entitled to and having the requisite corporate power, right and authority, having obtained all required approvals, to grant the Right of First Offer, to dispose of the Lands, to execute and deliver this Agreement and to perform its obligations as set out in this Agreement;
- (b) The City is and shall be at the Closing Date the sole registered and beneficial owner of the Lands and shall have on the Closing Date the legal right to dispose of the Lands. Subject to any provision in this Agreement relating to the clearing of title, the Lands shall, on the Closing Date be free and clear of all reservations, exceptions, encumbrances, charges, liens or interests whatsoever, save and except for the Permitted Encumbrances;
- (c) The City is entering into this Agreement in its capacity as a vendor of real property and not as a regulatory, statutory or approving Government Authority and nothing in this Agreement shall constitute the granting by the municipality or any approval or permit as may be required pursuant to the *Municipal Government Act* (Alberta) or any other legislation in force in the Province of Alberta. Nothing in this Agreement restricts the municipality, its municipal council, its officers, employees or agents, in the full exercise of any and all powers and duties vested in them in their respective capacities as a Government Authority; and
- (d) there shall not, on the Closing Date, be:
 - (i) any leases, licenses or other agreements;
 - (ii) any claims or litigation threatened, pending or commenced with respect to the Applicable Lands to be transferred to CSERELP as identified in the applicable Right of First Offer Notice and Exercise Notice; or
 - (iii) any notice from a Government Authority of a breach of any law, by-law, rule, regulation, ordinance or code respecting the Applicable Lands to be transferred to CSERELP as identified in the applicable Right of First Offer Notice and Exercise Notice;

which would or could affect CSERELP's ability to purchase, own, use or occupy the Applicable Lands to be transferred to CSERELP as identified in the applicable Right of First Offer Notice and Exercise Notice, other than the Permitted Encumbrances.

9.02. CSERELP represents, warrants and acknowledges as follows:

- (a) CSERELP is now and shall be at the Closing Date a corporation duly and validly constituted and subsisting under the laws of the Province of Alberta, entitled to and having the requisite corporate power, right and authority to own, hold and acquire the Right of First Offer and the Lands, to execute and deliver this Agreement and to perform its obligations as set out in this Agreement;
- (b) CSERELP is now and shall be at the Closing Date duly and validly registered as an Alberta corporation entitled to carry on business in the Province of Alberta;
- (c) CSERELP shall, at its sole cost and expense, register all necessary conveyances and formal documents required to complete the purchase and sale of the Lands;
- (d) CSERELP has inspected the Lands and agrees that the Lands are sold "as is" as of the date of the Right of First Offer Notice, which may include that the Lands are subdivided, cleaned and serviced, there being no representations, warranties, covenants, or collateral agreements affecting the Lands or this Agreement, other than as are expressed herein in writing;
- (e) CSERELP acknowledges that The City is entering into this Agreement as a vendor of the Lands and not as an approving Government Authority; and
- (f) CSERELP shall be a GST registrant under the *Excise Tax Act* (Canada) on the Closing Date and shall directly make any required filings, reports and payments in respect of any GST assessable in respect of any transaction contemplated in this Agreement.

9.03. In the event that the Right of First Offer is exercised by an Affiliate of CSERELP, the following provisions shall apply:

- (a) CSERELP shall cause that Affiliate to execute and deliver to The City an agreement pursuant to which the Affiliate repeats the representations, warranties and covenants of CSERELP contained in this Agreement effective as of the Closing Date, with only such changes as are required to reflect the identity of that Affiliate (the "**Closing Agreement**"). CSERELP acknowledges and agrees that the execution and delivery to The City of the Closing Agreement is a condition of closing if the Right of First Offer is exercised by an entity other than CSERELP; and
- (b) CSERELP shall execute and deliver to The City an indemnity agreement, the form and content of which is satisfactory to the City's Solicitor, pursuant to which CSERELP agrees to indemnify and hold The City harmless from and against any and all claims, demands, awards, costs, judgments, actions and proceedings made, brought or prosecuted against The City by any party in connection with the Applicable Lands.

9.04. The provisions of Article 9 shall not merge on the execution or registration of any conveyance or formal documentation required hereby but shall remain in full force and effect for a period of two (2) years following the Closing Date.

10. CLOSING ARRANGEMENTS

10.01. The City's Solicitor shall deliver to CSERELP's Solicitor, on reasonable trust conditions and undertakings adequate to protect The City's interest and allowing sufficient time prior to the Closing Date to permit confirmation of registration of the transfer of land at the Alberta Land Titles Office, the following, duly executed by The City, where applicable:

- (a) a registerable transfer of land for the Applicable Lands being sold from The City to CSERELP pursuant to the applicable Right of First Offer Notice and Exercise Notice;
- (b) a statement of adjustments; and
- (c) such other documents relating to the completion of the transaction contemplated by the Right of First Offer Notice and Exercise Notice as CSERELP may reasonably require from The City.

The City shall, at its sole cost and expense, prepare and deliver to CSERELP the foregoing documents.

10.02. Subject to Section 10.01, on or before the Closing Date, CSERELP's Solicitor shall deliver to the City's Solicitor:

- (a) a wire transfer in the amount of the outstanding balance of the Right of First Offer Term Purchase Price, as the case may be, as shown on the statement of adjustments;
- (b) a certificate executed by a senior officer of CSERELP certifying that the representations and warranties of CSERELP contained herein are true and accurate as of the Closing Date;
- (c) a GST declaration and indemnity, in a form satisfactory to The City and the City's Solicitor; and
- (d) such other documents relating to the completion of the transaction contemplated by the Right of First Offer Notice and Exercise Notice as The City may reasonably require from CSERELP.

CSERELP shall, at its sole cost and expense, register the transfer of land. Subject to Section 10.01, CSERELP shall submit the transfer of land for registration at the Alberta Land Titles Office forthwith upon receipt of the transfer of land from The City.

10.03. In the event the City's Solicitor fails to deliver all of the closing documents reasonably required pursuant to Section 10.01 in sufficient time to allow CSERELP a reasonable period of time to confirm registration of the transfer of land and to release the Right of First Offer Term Purchase Price on the Closing Date, then notwithstanding Section 4.01 herein, no interest shall be payable on such purchase price until after CSERELP's Solicitor has received the closing documents set out in Section 10.01 and has a reasonable period of time to register the transfer of land at the Alberta Land Titles Office and to release the Right of First Offer Term Purchase Price.

10.04. Upon confirmation of registration of the transfer of land at the Alberta Land Titles Office and the issuance of a certificate of title evidencing such transfer of the Applicable Lands pursuant to the applicable Right of First Offer Notice and Exercise Notice, being subject only to the Permitted Encumbrances, the Right of First Offer Term Purchase Price shall be immediately and unconditionally releasable to The City.

11. TERMINATION

11.01. If the Project Framework Agreement, Development Management Agreement or Management and Lease Agreement (or any combination thereof) is terminated for any reason whatsoever, this Agreement shall automatically terminate and the parties shall have no further liability to each other in relation to the terms and conditions set out in this Agreement.

12. GENERAL PROVISIONS

12.01. Any notice or communication to be given or made to either party shall be in writing and may be sufficiently given if couriered or faxed to such party at the following addresses:

To The City:

The City of Calgary
Real Estate & Development Services
3rd Floor, 313 – 7 Ave S.E.
Calgary, Alberta T2G 0J4

Attention: Manager, Sales &
Acquisitions
Fax No.: 403-537-3099

With a copy to:

The City of Calgary
Law Department
12th Floor, 800 Macleod Trail S.E.
Calgary Alberta T2G 2M3

Attention: Manager, Real Estate &
Expropriation
Fax No.: 403-268-4634

And

McCarthy Tétrault LLP
4000, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9

Attention: Olivia Colic, K.C.
Email: [REDACTED]

To CSERELP:

CSE Real Estate Limited Partnership
c/o Calgary Sports and Entertainment
Corporation
555 Saddledome Rise S.E.
Calgary, Alberta T2G 2W1

Attention: President and Chief
Executive Officer
Fax No: [REDACTED]

With a copy to:

Norton Rose Fulbright Canada LLP
3700, 400 – 3 Avenue S.W.
Calgary, Alberta T2P 4H2

Attention: Brad Hayden
Fax No.: [REDACTED]

Either party may change its address by notice given to the other in accordance with this section, in which event this section shall be deemed to have been amended accordingly. A notice will not be effective unless it has been delivered to the addresses set out above, by either personal delivery or facsimile. Any such notice shall be deemed to have been given and received on the day on which personal delivery is made or the day on which receipt by facsimile is confirmed in writing.

12.02. Time shall be of the essence of this Agreement in every respect hereof.

12.03. During the Right of First Offer Term, the provisions of this Agreement shall be binding upon The City and shall enure to the benefit of CSERELP.

12.04. This Agreement together with all schedules attached hereto, constitutes the entire agreement between the parties in respect of the subject matter hereof and The City and CSERELP agree that there are no other provisions, agreements or collateral agreements affecting the subject matter hereof except as are expressly contained in this Agreement. All previous verbal or written agreements, if any, are hereby terminated and rendered null and void.

12.05. This Agreement may not be assigned by either party except in the case of an assignment by CSERELP to an Affiliate of CSERELP.

12.06. CSERELP shall be entitled to register a caveat against title to the Lands indicating its interest in the Lands pursuant to this Agreement. CSERELP agrees that upon the termination of this Agreement in accordance with Article 11, the expiry of the Right of First Offer Term, or the earlier disposition of the Lands, or portion or portions thereof, from The City to a third party in compliance with Section 5.03, CSERELP shall have no further interest in the Lands, or applicable portion or portions thereof, and shall forthwith, at its sole cost and expense, discharge any caveat registered in respect of this Agreement (or partially discharge, if applicable).

12.07. The waiver by The City or CSERELP of the strict performance of any of the provisions of this Agreement shall not in and of itself constitute a waiver of or abrogation of any other provision nor shall it constitute a waiver of any subsequent breach of the same.

12.08. The provisions of this Agreement shall not merge in the execution or registration of any conveyance or formal documentation required herein but shall remain in full force and effect in accordance with their terms.

12.09. This Agreement may be executed in counterparts each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear the date first above written. An executed copy of this Agreement may be delivered by any party hereto by facsimile or other electronic means. In such event, such party shall forthwith deliver to the other parties hereto a copy of this Agreement executed by such party.

12.10. The parties acknowledge that The City is subject to the protection and disclosure provisions of the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, Chapter F-25 ("**FOIP**"), as amended, revised or substituted from time to time and, notwithstanding anything contained in this Agreement, that information submitted to and in the possession of The City is governed by FOIP and may be eligible for disclosure in accordance with the requirements of same. In each case, if The City at any time receives a request for access to any CSERELP information pursuant to FOIP, The City shall, unless prohibited by Applicable Law (as defined in

the Project Framework Agreement), withhold any CSERELP information as required by FOIP. For clarity, the parties acknowledge that this Agreement shall be made public.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

THE CITY OF CALGARY

Per: 
Name: David Duckworth
Title: City Manager

CSE REAL ESTATE CORPORATION, in its
capacity as general partner for and on behalf of
CSE REAL ESTATE LIMITED PARTNERSHIP

Per: _____
Name: John Bean
Title: President and CEO

Per: _____
Name: Cameron Olson
Title: Executive Vice President and Chief Financial
Officer

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

THE CITY OF CALGARY

Per: _____
Name: David Duckworth
Title: City Manager

CSE REAL ESTATE CORPORATION, in its capacity as general partner for and on behalf of **CSE REAL ESTATE LIMITED PARTNERSHIP**

Per: _____
Name: John Bean
Title: President and CEO

Per: _____
Name: Cameron Olson
Title: Executive Vice President and Chief Financial Officer

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

I/We, John Bean and Cameron Olson of the City of Calgary, in the Province of Alberta make oath and say:

1. I am/We are an officer or a director of CSE Real Estate Corporation, named in the within or annexed instrument.
2. I am/We are authorized by the corporation to execute the instrument without affixing a corporate seal.

SWORN before me at the City of Calgary,)
 in the Province of Alberta this 2nd day of)
October, 2023.)
 _____)
 A Commissioner for Oaths in and for Alberta)

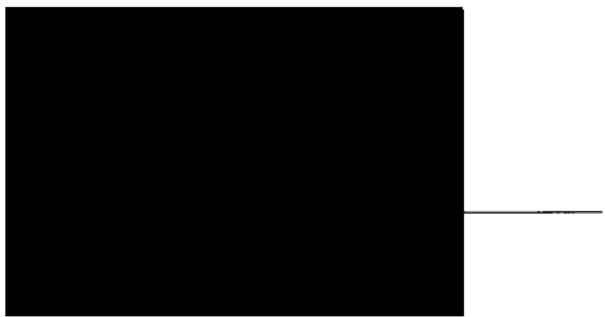


AFFIDAVIT OF EXECUTION

I, Robyn Sait, of the City of Calgary, in the Province of Alberta make oath and say:

1. I was personally present and did see John Bean and Cameron Olson who is/are known to me to be the person(s) named in the within (or annexed) instrument, duly sign the instrument;
- or
- I was personally present and did see _____ and _____ who, on the basis of identification provided to me, I believe to be the person(s) named in the within (or annexed) instrument, duly sign the instrument;
2. The instrument was signed at the City of Calgary, in the Province of Alberta and I am the subscribing witness thereto;
 3. I believe the person(s) whose signature(s) I witnessed is/are at least eighteen (18) years of age.

SWORN before me at the City of Calgary,)
 in the Province of Alberta this 2nd day of)
October, 2023.)
 _____)
 A Commissioner for Oaths in and for Alberta)



SCHEDULE "A"

LANDS

Part 1

PLAN CALGARY 7910197
BLOCK ONE (1)
CONTAINING 4.69 HECTARES (11.60 ACRES) MORE OR LESS
EXCEPTING:

PLAN	NUMBER	HECTARES	(ACRES)
STREET WIDENING	8310411	0.028	0.068
STREET	8310510	0.027	0.067

EXCEPTING THEREOUT ALL MINES AND MINERALS

Part 2

DESCRIPTIVE PLAN 2110739
BLOCK 76
LOT 10
EXCEPTING THEREOUT ALL MINES AND MINERALS

Permitted Encumbrances:

1. The exceptions and reservations set forth in Section 61 of the *Land Titles Act* (Alberta), other than those in Sections 61(1)(b) and (d);
2. Any caveat or other encumbrance registered in relation to this Agreement;
3. Any caveat or other encumbrance registered in relation to the customary development commitments referred to in this Agreement;
4. Any registrations or encumbrances as may be required by any Government Authority during the Right of First Offer Term and which, on or before the date that is FIVE (5) DAYS prior to the Due Diligence Condition Date: (a) have either been registered against title to the Applicable Lands, or (b) The City has provided CSERELP with written notice of;
5. Any registrations or encumbrances as may be required by any Government Authority prior to the transfer of the Applicable Lands from The City to CSERELP and which, on or before the date that is FIVE (5) DAYS prior to the Due Diligence Condition Date: (a) have either been registered against title to the Applicable Lands, or (b) The City has provided CSERELP with written notice of;
6. The following specific registrations:

Part 1:

- (a) 771 147 064 – Zoning Regulations (Calgary International Airport Zoning Regulations);

- (b) 791 015 931 – Caveat re Deferred Reserve;
- (c) 791 015 934 – Utility Right of Way (The City of Calgary);
- (d) 821 081 843 – Utility Right of Way (The City of Calgary); and
- (e) 151 093 655 – Utility Right of Way (Enmax Power Corporation)

Part 2:

- (f) Caveat 021 448 102
- (g) Surface Rights Board Order 181 132 339
- (h) Surface Rights Board Order 181 132 340
- (i)

[TO BE CONFIRMED]

BETWEEN:

THE CITY OF CALGARY

and

CSE REAL ESTATE CORPORATION

RIGHT OF FIRST OFFER TO PURCHASE

The City of Calgary
Law and Legislative Services Department
12th Floor, Calgary Municipal Building
800 Macleod Trail SE
Calgary, AB T2G 2M3

(P. O. Box 2100, Station "M" (8053)
Calgary, AB T2P 2M5)

Law File No.: [●]