

MEMORANDUM OF UNDERSTANDING

- between –

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Attorney General**

- and –

THE CORPORATION OF HALDIMAND COUNTY

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MEMORANDUM OF UNDERSTANDING

BETWEEN :

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO, as
represented by the Attorney General**

(herein referred to as "the Attorney General")

OF THE FIRST PART

- and -

THE CORPORATION OF HALDIMAND COUNTY

(herein referred to as "the Municipal Partner")

OF THE SECOND PART

WHEREAS the Attorney General recognizes that under the *Streamlining of Administration of Provincial Offences Act*, 1997, S.O. 1998, c.4, (Bill 108) future improvements in service delivery to the public for local justice matters can best be achieved in partnership with local governments;

AND WHEREAS the Attorney General has invited the Municipal Partner into the provincial court system as a justice partner;

AND WHEREAS the Municipal Partner has demonstrated its commitment to engage in full partnership with the Attorney General to assume justice responsibilities under the *Provincial Offences Act*, R.S.O. 1990, c. P.33, as amended (hereinafter "*the Act*");

AND WHEREAS the Attorney General has the power under the *Act* to enter into an agreement authorizing the Municipal Partner to perform all courts administration and court support functions under the *Act* and prosecutions of matters commenced under Parts I and II of the *Act*;

AND WHEREAS the Attorney General continues to be responsible for the integrity of the administration of justice, the Attorney General will enter into a Memorandum of Understanding (which shall contain the same terms and conditions as this Memorandum of Understanding) with every Municipal Partner;

NOW THEREFORE in consideration of the mutual covenants set forth below, the Attorney General and the Municipal Partner agree as follows:

1.0 GENERAL

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| Parts of the transfer agreement | 1.1 | The Memorandum of Understanding and its Schedules (referred to collectively as the "MOU"), the Local Side Agreement (referred to as the "LSA"), and any amendments to any of these executed by the Attorney General and the Municipal Partner shall form a document to be known as the Transfer Agreement. |
| Court service area | 1.2 | The obligations of the Municipal Partner pursuant to the Transfer Agreement relate to the functions transferred under the Transfer Agreement in the court service area described in Schedule 5 of the MOU. |
| Transfer components | 1.3 | <p>The Attorney General transfers, under the Transfer Agreement, the following functions to the Municipal Partner;</p> <ul style="list-style-type: none"> 1.3.1 the courts administration and court support functions, including the functions of the clerk of the court, for proceedings commenced under Parts I, II and III of the <i>Act</i> carried out by the Attorney General prior to the transfer, excluding some court administration and all court support functions on appeals of these matters; 1.3.2 the prosecution of proceedings commenced under Part I of the <i>Act</i> carried out by the Attorney General prior to the transfer, except those excluded by paragraphs 1.4 and 1.5 of the MOU or by the LSA; 1.3.3 the prosecution of any other proceedings commenced under Part I of the <i>Act</i>, subsequently transferred to the Municipal Partner; 1.3.4 the prosecution of proceedings commenced under Part II of the <i>Act</i>, carried out by the Attorney General prior to the transfer; 1.3.5 the prosecution of matters designated as contraventions under the <i>Contraventions Act</i> (Canada) and commenced under Part I of the <i>Act</i>, except those excluded by paragraph 1.4 or 1.5 of the MOU or by the LSA; 1.3.6 the conduct of appeals of proceedings commenced under Parts I and II of the <i>Act</i> where the Attorney General transferred the prosecution of the proceeding to the Municipal Partner under the Transfer Agreement; and, |

1.3.7 Notwithstanding paragraph 1.3.6, where the Attorney General files an appeal in relation to a matter commenced under Part I of the Act the Attorney General shall conduct the prosecution of the appeal.

Exception court
administration and
court support

1.4 Notwithstanding anything else in the Transfer Agreement, court administration and court support functions relating to proceedings commenced under the Act shall not be transferred in respect of proceedings where any of the following conditions exist:

1.4.1 the proceeding is against a young person as defined in Part VI of the Act;

1.4.2 criminal proceedings have also been commenced in relation to the same circumstances; or

1.4.3 the defendant who is charged with a criminal offence pleads guilty to a substituted provincial offence or a substituted offence that has been designated as a contravention under the *Contraventions Act* (Canada).

Exception
Prosecutions

1.5 Notwithstanding anything else in the Transfer Agreement, the conduct of the prosecution carried out by the Attorney General prior to the transfer for the following matters shall not be transferred to the Municipal Partner:

1.5.1 prosecution of proceedings commenced under Part I of the Act described in paragraph 1.4 of the MOU or as set out in the LSA;

1.5.2 prosecution of proceedings commenced under Part I of the Act where a proceeding has also been commenced under Part III of the Act in relation to the same circumstances;

1.5.3 prosecution of proceedings commenced under Part III of the Act, but the Municipal Partner shall continue to prosecute offences under municipal by-laws, the Fire Code, the Building Code and any other matters for which the Municipal Partner was responsible before the Transfer Agreement comes into effect, including any new requirements under the *Fire Protection and Prevention Act*, 1997, S.O. 1997 c.4;

1.5.4 prosecution of offences designated as contraventions under the *Contraventions Act* (Canada) and that are commenced under Part III of the *Act*, that do not relate to the unlawful standing, stopping or parking of a motor vehicle.

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| Exception parking contraventions | 1.6 | Notwithstanding anything else in the Transfer Agreement, offences that relate to the unlawful standing, stopping or parking of a motor vehicle and designated as contraventions under the <i>Contraventions Act</i> (Canada) and commenced under Part II or Part III of the <i>Act</i> shall be administered and prosecuted in accordance with any agreement made under sections 65.2 and 65.3 of the <i>Contraventions Act</i> (Canada). |
| Other ministry right to intervene | 1.7 | Notwithstanding anything else in this Transfer Agreement, where the Attorney General transfers to the Municipal Partner the prosecution of proceedings that were, prior to the transfer, carried out by the Attorney General, on behalf of another Ministry other than the Ministry of the Attorney General, the Attorney General shall retain the right to intervene, on behalf of such other Ministry, in a proceeding and conduct the prosecution, and where necessary an appeal, and the cost of any such prosecution and appeal shall be borne by that Ministry. |
| No agency | 1.8 | Employees, agents, contractors, members of council and officers of the Municipal Partner shall not be deemed to be employees, agents or officials of Ontario. |
| Attorney General right to intervene | 1.9 | Nothing in the Transfer Agreement affects the Attorney General's right to intervene in a proceeding. Where the Attorney General develops an intervention policy with respect to particular proceedings under the <i>Act</i> , the Municipal Partner acknowledges that once it is informed, it will adhere to the policy. |
| Contents of MOU | 1.10 | The MOU sets out standards for the conduct of prosecutions, for the administration of the courts and for the provision of court support services, and sanctions for failure to meet the standards, in accordance with subsections 162(3) and 162(4) of the <i>Act</i> . |
| Effective date | 1.11 | This MOU shall take effect from the date on which the Local Side Agreement is signed by or on behalf of the Attorney General after having been signed by the Municipal Partner and shall remain in effect unless suspended, terminated or revoked, regardless of whether there is a change in the person of the Attorney General or in the council or councils of the Municipal Partner. |
| Goal: modern, efficient justice system | 1.12 | The Attorney General and the Municipal Partner shall work together to improve services to the public with the goal of putting in place the most modern, efficient and effective justice system attainable. |

Municipal partner accountability	1.13	In fulfilling its responsibilities under the Transfer Agreement, the Municipal Partner is accountable to the public who are receiving court services, its serviced municipalities, other municipal partners, Ontario and the Government of Canada.
No discrimination	1.14	In fulfilling its responsibilities under the Transfer Agreement, the Municipal Partner shall ensure that there is no discrimination under the <i>Human Rights Code</i> , R.S.O. 1990, c.H.19, and that there is no discrimination in the performance of functions under the Transfer Agreement on the basis of place of residence.
No impact on powers and duties of judiciary	1.15	Nothing in the Transfer Agreement shall be taken to affect the powers, duties and appointment of the judiciary, including the powers, duties and appointment of justices of the peace pursuant to the <i>Justices of the Peace Act</i> , R.S.O. 1990, c.J.4, the powers and duties of the Associate Chief Judge - Co-ordinator of Justices of the Peace or of the Chief Judge of the Ontario Court (Provincial Division).
No alteration to enforcement	1.16	Nothing in the Transfer Agreement shall be construed so as to alter the roles and functions of police services and other law enforcement agencies, as otherwise required by law.
	2.0	PRINCIPLES OF TRANSFER: INTEGRITY OF THE ADMINISTRATION OF JUSTICE, JUDICIAL INDEPENDENCE AND FAIR HEARING
Guiding principles	2.1	In fulfilling their roles and responsibilities under the Transfer Agreement, the parties recognize and shall respect and adhere to the following guiding principles:
Judicial independence	2.1.1	The independence of the judiciary shall be preserved.
Public confidence in justice system	2.1.2	The confidence of the public in the justice system must be maintained through every effort by all parties. To this end, open access to the system and a fair and timely process must be assured.
Fairness and natural justice	2.1.3	The fundamental tenets of procedural fairness and natural justice shall be affirmed and upheld.
Separation of prosecution and police	2.1.4	The separation of the prosecutorial function and the policing function shall be assured.

Attorney General's
responsibility

- 2.1.5 The Attorney General will continue to be responsible for the integrity of the administration of justice in Ontario, pursuant to the *Ministry of the Attorney General Act*, R.S.O. 1990, c. M.17.

French language
services

- 2.1.6 The officially bilingual court system in Ontario, as prescribed by the *Courts of Justice Act*, R.S.O. 1990, c. C.43, continues, including the provision of a prosecutor who speaks French and English when a bilingual trial is requested on a charge that is covered by the Transfer Agreement. In areas that are or become designated under the *French Language Services Act*, R.S.O. 1990, c. F.32, out-of-court services in French must be provided at the same levels as are provided by the Attorney General.

No political
intervention

- 2.1.7 The entire justice process, from the laying of charges through to final disposition of appeals, shall continue to operate independently and free from political intervention.

3.0 DEFINITIONS

- 3.1 In the Transfer Agreement the following terms, words and phrases shall have the following meaning, except where the context clearly indicates otherwise:

Court service area

- 3.1.1 "Court Service Area" means the geographic area as described in Schedule 5 of the MOU, in which the transferred court services and prosecution services are provided;

Exit audit

- 3.1.2 "Exit Audit" means an audit conducted by the Attorney General and an independent auditor prior to the date that the Municipal Partner begins performing the functions transferred to it under the Transfer Agreement. The scope of the exit audit shall be determined by the Attorney General in consultation with the Municipal Partner. The results of the audit shall be provided to the Municipal Partner within a reasonable time of its completion.

Fiscal year

- 3.1.3 "Fiscal Year" means the 12 month period for which the financial statements of the Municipal Partner are prepared in accordance with the *Municipal Act*, R.S.O. 1990, c.M. 45;

Interim Audit

- 3.1.4 "Interim Audit" refers to the first phase of the Exit Audit conducted by or on behalf of the Attorney General prior to the signing of the Local Side Agreement.

Intermunicipal service agreement	3.1.5 "Intermunicipal Service Agreement" means an agreement between the Municipal Partner and one or more serviced municipalities as referred to in paragraph 5.3.5 of the MOU;
Local side agreement	3.1.6 "Local Side Agreement" or "LSA" means an agreement executed between the Attorney General and the Municipal Partner dealing with matters specific to the court service area, or that are not provided for in the MOU or in law;
Municipal partner	3.1.7 "Municipal Partner" means the municipality or municipalities or other organizations that have entered into the Transfer Agreement with the Attorney General.
Ontario	3.1.8 "Ontario" includes the Ministry of the Attorney General and other Ministries of the Government of Ontario;
Review committee	3.1.9 "Review Committee" means a provincial committee established pursuant to section 172 of the <i>Act</i> , whose composition and functions are determined by regulation made under clause 174 (c) of the <i>Act</i> ; and as further specified in the MOU;
Serviced municipality	3.1.10 "Serviced Municipality" means a municipality or other organization for which court administration, court support or prosecution services transferred under this Transfer Agreement are provided by the Municipal Partner in the court service area as described in Schedule 5 of the MOU;
Streamlining phase	3.1.11 "Streamlining Phase" means the period of time beginning on the day after the last day of the Transition Phase; and
Transition phase	3.1.12 "Transition Phase" means the period of time beginning on the date that the first Transfer Agreement pursuant to subsection 162(1) of the <i>Act</i> is signed to the date that is six months following the date on which the last Transfer Agreement is signed, thereby completing the transfer of functions in all court service areas.
Notice re: phase dates	3.2 For the purpose of the definitions of "Streamlining Phase" and "Transition Phase", the Attorney General shall notify the Municipal Partner of the respective dates once they are ascertained.

4.0 INTERPRETATION

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| Interpretation re: principles | 4.1 | The Transfer Agreement shall be interpreted in such a way as to give effect to the Principles set out in paragraph 2.0 of the MOU. |
| Conflicts between LSA and MOU | 4.2 | In the event of any conflict between the provisions of the LSA and the provisions of the MOU including its schedules, the provisions of the MOU shall prevail. |
| Conflict between transfer agreement and law | 4.3 | The Transfer Agreement shall not affect, modify or interfere with the rights, duties and responsibilities of the Attorney General or the Municipal Partner at law. If there is a conflict between one or more of the provisions of the Transfer Agreement and the laws of Ontario or of Canada, the law shall prevail and the conflicting provision shall be of no force or effect. Where the Transfer Agreement provides for a higher standard than the minimum standard provided by law, this shall not be deemed to be a conflict for the purpose of this provision. |
| Severability of clauses | 4.4 | If any one or more of the provisions of the Transfer Agreement is held by a court of competent jurisdiction to be voidable or <i>ultra vires</i> , the provision or provisions shall be severed from the Transfer Agreement. The rest of the Transfer Agreement shall continue in force according to its terms and conditions and, provided that the context allows, its provisions shall be interpreted in the same way as they would have been had the severance not taken place. |
| Amendments incorporated | 4.5 | The Transfer Agreement may be amended at any time during the term of the Agreement, following the process set out in paragraph 12.0. The amendment must be made in writing and executed by both parties. Any such amendment or amendments shall be deemed to be incorporated into and become part of the Transfer Agreement. |
| Deemed amendment where legislation has changed | 4.6 | The Transfer Agreement shall, if necessary, be deemed to have been amended to accord with any changes to the <i>Act</i> , the regulations made thereunder; the <i>Contraventions Act</i> , (Canada) and the regulations and schedules made thereunder; and any other legislation and regulations that have an impact on the Transfer Agreement. |
| Marginal notes - no effect | 4.7 | Marginal notes beside the paragraphs shall have no legal effect, and shall not be considered in construing the Transfer Agreement. |

5.0 ROLES AND RESPONSIBILITIES OF THE PARTIES

5.1 The Attorney General is responsible for:

Policy/legislative reviews

5.1.1 conducting policy and legislative reviews of the *Act* and the regulations made under it;

Advising of legislative and policy changes

5.1.2 advising the Municipal Partner in a timely manner of legislative or government policy changes that have an impact on the Transfer Agreement;

Proposing legislative amendments

5.1.3 proposing amendments to the *Act* before the Legislature or making or amending regulations;

Monitoring

5.1.4 monitoring the performance of the Municipal Partner's responsibilities under the Transfer Agreement, to ensure all standards are met;

Sanctions

5.1.5 imposing sanctions set out in this MOU where the Municipal Partner does not meet the standards referred to in paragraph 5.1.4;

Review committee

5.1.6 establishing a Review Committee prior to the end of the Transition Phase, whose composition and functions shall be determined by regulation made pursuant to the authority in clause 174(c) of the *Act*;

Transition training

5.1.7 determining the training needs to facilitate the transfer of functions under the Transfer Agreement, such training to be provided and funded by Ontario; and,

Exit audit

5.1.8 the performance of an exit audit, such audit to be funded by Ontario.

Delegation by the Attorney General

5.2 The Attorney General may delegate any powers, duties or responsibilities under the Transfer Agreement to any government official or employee except a decision pursuant to section 171 of the *Act*.

5.3 The Municipal Partner shall:

Performance of duties under transfer agreement

5.3.1 carry out its duties and obligations in accordance with the terms and conditions of the Transfer Agreement, and in particular the Principles set out in paragraph 2.0 of the MOU, and in accordance with the *Act* and all other relevant legislation and regulations;

Same range and level of service delivery as Attorney General

5.3.2 provide, at minimum, the same services and level of service delivery as were provided by the Attorney General before the transfer. Where there is a variance between the services and the level of service identified in the interim audit and the standards set out in this MOU and its schedules, the manner in which this variance will be addressed will be set out in the LSA.

French language services continue

5.3.3 continue to provide out-of-court services in the French language, where those services were provided by the Attorney General before the transfer, in areas designated under the *French Language Services Act*, R.S.O. 1990, c. F.32, including introducing such services if part or all of the court service area becomes designated under that Act after the effective date of the Transfer Agreement;

Bilingual prosecutor

5.3.4 provide a prosecutor who speaks French and English when a bilingual trial is requested on a charge that is covered by the Transfer Agreement;

Intermunicipal service agreement

5.3.5 maintain an intermunicipal service agreement with all serviced municipalities which includes obligations and arrangements regarding court administration, court support, prosecutions, reporting, revenue-sharing and local dispute resolution;

Perform duties re: serviced municipalities

5.3.6 carry out its duties and obligations to serviced municipalities as specified in the Transfer Agreement and in the intermunicipal service agreement;

Operations process review

5.3.7 participate in a review of the operations process during the streamlining phase;

Consult re: changes in procedure or processes

5.3.8 consult with the Attorney General, and such other interested parties as the Attorney General may direct, with regard to changes in procedural guidelines; prosecutorial, court administration or court support processes; and changes to case management procedures and court master plans, it being understood that any changes to case management procedures and court master plans are subject to the approval of the judiciary;

Establish complaints process

5.3.9 establish and maintain a process for dealing with complaints to ensure expeditious and effective resolution of day-to-day issues by the Municipal Partner at the local level.

Reporting contentious matters		5.3.10 ensure that matters that may be significant or contentious including, but not limited to, alleged prosecutorial impropriety or misconduct or constitutional challenges are brought to the attention of the Attorney General as expeditiously as possible.
Privacy and confidentiality guidelines		5.3.11 if not already established, develop guidelines to be used by elected officials and employees for the protection of privacy and confidentiality of personal information;
Conflict of interest guidelines		5.3.12 if not already established, develop conflict of interest guidelines to be used by elected officials and employees in accordance with the principles, responsibilities and standards set out in the Transfer Agreement, and shall file the conflict of interest guidelines with the Attorney General;
Single source purchase of forms		5.3.13 purchase sequentially numbered charge and service related documents and other court related forms as required from a single source, as approved by the Attorney General, in accordance with paragraph 6.0 of Schedule 2; and
Enforcement		5.3.14 collect and enforce fines authorized under subsections 165(1) and (2) of the <i>Act</i> in accordance with the <i>Act</i> , related regulations and any other enforcement proceedings authorized by law.
Municipal partner agreement with third party	5.4	The Municipal Partner may enter into an agreement with a third party in accordance with paragraph 9.0 of Schedule 2 of the MOU, with the Attorney General's consent.
Third party - same standards as municipal partner	5.5	An agreement between the Municipal Partner and a third party for the performance of any function under the Transfer Agreement shall include a provision which deems the third party to be the Municipal Partner's agent at all times and binds it to the Transfer Agreement's provisions.
Municipal partner to follow general policy	5.6	Where the Municipal Partner enters into an agreement for the acquisition of services relating to its obligations under the Transfer Agreement, the Municipal Partner shall follow generally accepted procedures or its existing policy and procedures relating to the acquisition of services, provided such procedures meet the minimum requirements set out in Schedule 2, paragraph 9.0 of the MOU.

6.0 REVENUES AND COSTS

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| Authority to collect and enforce fine payments | 6.1 | The Municipal Partner has the authority to collect fines, fees, costs and surcharges and enforce their payment, pursuant to subsections 165(1) and (2) of the <i>Act</i> . Collection, enforcement and disbursement of revenue are to be carried out as specified in the Transfer Agreement, the Municipal Partner's intermunicipal service agreement and relevant legislation and regulations. |
| Monies to be separated and identified | 6.2 | All monies received by the Municipal Partner in respect of fines, surcharges and fees pursuant to paragraph 6.1 of the MOU are to be separated and clearly identified in the books of the Municipal Partner and are subject to audit in accordance with paragraph 9.0 of the MOU. |
| Separate trust account | 6.3 | All monies received by the Municipal Partner in respect of fines, surcharges and fees that are payable to Ontario pursuant to subsection 165(5) of the <i>Act</i> , are to be separated and clearly identified in the books of the Municipal Partner and are subject to audit in accordance with paragraph 9.0 of the MOU. All such monies owing shall be remitted to Ontario in a timely manner. |
| Payment of Attorney General costs | 6.4 | The Municipal Partner shall remit to the Minister of Finance, in a timely manner, any amounts owing pursuant to clause 165(5)(c) of the <i>Act</i> , for costs incurred by the Attorney General for adjudication and prosecution and for monitoring and enforcing the Transfer Agreement. The method for calculating the amounts owing to the Minister of Finance shall be specified in the LSA. |
| Net revenue division | 6.5 | Revenues, net of amounts calculated and remitted in accordance with subsections 165(5) and (6) of the <i>Act</i> , shall be retained by the Municipal Partner. The net revenue, including revenue from fines under the Fire Code under the <i>Fire Protection and Prevention Act</i> , 1997, S.O. 1997 c.4, may be divided between the Municipal Partner and serviced municipalities in accordance with their intermunicipal service agreement, any relevant legislation, regulation and municipal by-laws. The Municipal Partner shall remit any monies owing to serviced municipalities and to other municipal partners, in a timely manner. |
| Fines imposed before transfer | 6.6 | In accordance with clauses 166(a) & (b) of the <i>Act</i> , the Municipal Partner may collect, enforce and retain fines that were imposed before the Transfer Agreement was executed. |

7.0 ACCESS AND OWNERSHIP

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| Access to information, records, etc. | 7.1 | Subject to the <i>Freedom of Information and Protection of Privacy Act</i> , R.S.O. 1990, c. F.31, Ontario shall permit the Municipal Partner to have access to such information, data and records, including software data and the relevant information contained therein, as the Municipal Partner may require to carry out its obligations under the Transfer Agreement. Ontario shall at all times retain ownership rights to the data, information, operating systems and software. |
| No warranty re: information | 7.2 | Ontario shall use reasonable efforts to ensure that the information to which the Municipal Partner will have access is reliable and accurate, but does not guarantee the accuracy or completeness of such information. |
| Use of data | 7.3 | The Municipal Partner shall not sell or otherwise provide to any other person or organization any of the data or information to which it is permitted access pursuant to the Transfer Agreement, or extract from the information or data, or create from the information or data, lists of personal or other information for any purpose other than for the purpose of its obligations under the Transfer Agreement. |
| Transfer of assets | 7.4 | The Attorney General may, in accordance with Ontario's policies, transfer to the Municipal Partner such premises, vehicles, furniture and equipment presently owned or used by Ontario in the carrying out of court services, as may be agreed upon by the parties and as specified in the LSA. |
| Attorney General's efforts re: municipal partner's assumption of contracts | 7.5 | The Attorney General shall use reasonable efforts to assist the Municipal Partner in assuming contracts and in obtaining rights to licences and leases currently held or entered into by Ontario. |

8.0 ACCOUNTING REQUIREMENTS

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| Detailed accounts and records | 8.1 | The Municipal Partner shall, during the term of the Transfer Agreement and for four years following the termination, expiry or revocation of the Transfer Agreement, maintain detailed and accurate accounts, records, books and data of all financial transactions undertaken by it pursuant to the Transfer Agreement, prepared in accordance with generally accepted accounting principles (GAAP). |
| Adequate financial controls | 8.2 | The Municipal Partner shall ensure that there are adequate financial controls in place at the premises of the Municipal Partner, and for greater certainty, shall use its best efforts to |

ensure the protection of the accuracy, completeness and auditability of all financial data, the segregation of responsibilities in the accounting function, and shall institute adequate management controls.

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| Semi-annual reports to Attorney General | 8.3 | The Municipal Partner shall maintain accurate accounting and reconciliation records for each court location in its court service area, including data on the amount of revenue collected and the amount outstanding and shall, within two months after the end of the preceding 6 month period, or as otherwise directed by the Attorney General, prepare and submit semi-annual reports to the Attorney General. |
| Annual report | 8.4 | The Municipal Partner shall on or before March 31 in each year during the term of the Transfer Agreement and in the year following its termination, expiry or revocation, prepare and submit to the Attorney General an Annual Report for the previous fiscal year on the performance of its obligations under the Transfer Agreement. |
| Form of reports | 8.5 | Reports prepared by the Municipal Partner may be submitted in electronic or paper form or both, as determined by the Attorney General. |

9.0 AUDIT REQUIREMENTS

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| Annual financial audit | 9.1 | Each year during which the Transfer Agreement is in effect, the Municipal Partner shall, at its own cost, have prepared and submitted to the Attorney General and the Ministry of Finance annual audited financial statements for its fiscal year, together with the requisite supporting schedules, certified by an independent public accounting firm. The certification shall state that the firm has examined the accounts, records, books and data relating to the transactions undertaken by the Municipal Partner pursuant to the Transfer Agreement, in accordance with generally accepted auditing standards and shall express an opinion that they are fairly presented in accordance with the provisions of the Transfer Agreement. |
| If third party or serviced municipality performs municipal partner function-audit required | 9.2 | Where the Municipal Partner enters into an agreement with a third party, or a Serviced Municipality, to perform any of its functions pursuant to the Transfer Agreement, the Municipal Partner shall at its own cost have prepared and submitted to the Attorney General and the Ministry of Finance, annual audited financial statements for the Municipal Partner's fiscal year, together with the requisite supporting schedules, certified by an independent public accounting firm. The certification shall state that the firm has examined the accounts, records, books and |

data relating to the transactions undertaken by the third party or Serviced Municipality pursuant to its agreement and the Transfer Agreement in accordance with generally accepted auditing standards, and shall express an opinion that they are fairly presented in accordance with the provisions of both agreements.

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| Discretionary audit | 9.3 | The Attorney General may in its discretion and at any time cause an audit to be made of the Municipal Partner's accounts, records, books and data related to transactions undertaken by the Municipal Partner pursuant to the Transfer Agreement and for this purpose the Attorney General or its agents may enter onto the premises of the Municipal Partner or its assignees, with reasonable notice, and the Municipal Partner and its assignees shall co-operate fully. The Attorney General shall provide the results of the audit to the Municipal Partner within a reasonable time of its completion. |
| Management process audit | 9.4 | The Attorney General or its agents may at any time undertake or require to be undertaken a management process audit related to the obligations of the Municipal Partner under the Transfer Agreement, and for this purpose the Attorney General or its agents may enter onto the premises of the Municipal Partner or its assignees, with reasonable notice, and the Municipal Partner and its assignees shall co-operate fully. The Attorney General shall provide the results of the audit to the Municipal Partner within a reasonable time of its completion. |
| Municipal partner's own audit | 9.5 | Where the Municipal Partner carries out any audit in relation to its obligations under the Transfer Agreement, it shall provide the results to the Attorney General within a reasonable time of its completion. |
| Business hours access to records, etc. by Attorney General | 9.6 | For the purpose of ensuring performance of the terms and conditions of the Transfer Agreement, the Attorney General or its agents shall during regular business hours have direct and unrestricted access to all books, records, files, manuals, systems, and any other pertinent documentation, papers, things and property belonging to, or in use by, and to all persons employed by the Municipal Partner, or its assignees associated with or related to the Transfer Agreement, except such as may be sealed under statute or by order of a court. |
| Provincial auditor | 9.7 | The accounts, records, books and data related to transactions undertaken by the Municipal Partner pursuant to the Transfer Agreement may be audited by the Provincial Auditor. |
| Audit expenses | 9.8 | The Municipal Partner shall bear all costs and expenses for audits under paragraphs 9.1, 9.2 and 9.5, and where audits performed under paragraphs 9.3 or 9.4 report a material breach of any standard or requirement under the Transfer Agreement. |

10.0 OPERATIONAL REPORTING REQUIREMENTSReporting
rationale

- 10.1 The purpose of the reporting requirements under the Transfer Agreement is to facilitate effective operational planning, performance measurement, early identification and early-stage resolution of issues, and the sharing of best practices.

Accurate
statistical data

- 10.2 The Municipal Partner shall use its best efforts to ensure the accuracy and availability of the following data for each court location in its court service area for functions transferred under the Transfer Agreement:

10.2.1 number of charges received, by case number and statute, subdivided into Parts I, II and III of the *Act*;

10.2.2 number of charges disposed and their dispositions;

10.2.3 number of charges sentenced with sentence types;

10.2.4 number of trial requests, including requests for French trials;

10.2.5 courtroom utilization by person type and session type;

10.2.6 average time from service date to trial;

10.2.7 number of appeals and their dispositions;

10.2.8 number of charges pending, with future court date;

10.2.9 incidence of error in data transmission to provincial ministries;

10.2.10 changes to court master plans;

10.2.11 number of charges received with or without completion date; and

10.2.12 any other data necessary to meet the reporting requirements.

Municipal partner
to ensure that data
is available

- 10.3 The Municipal Partner shall ensure that the information referred to in paragraph 10.2 is available as required by the judiciary, the Crown Attorney, the staff of the Ministry of the Attorney General and the staff of the Government of Canada.

Accurate operational data	10.4	The Municipal Partner shall keep an accurate record of the incidence and manner of resolution of the following: <ul style="list-style-type: none"> 10.4.1 disputes and complaints and their source, including any matter that proceeds through the dispute resolution process set out in paragraph 13.0 of the MOU; 10.4.2 conflicts of interest; 10.4.3 breaches of ethics or law in the performance of functions under the Transfer Agreement; and 10.4.4 financial or administrative irregularities.
Reports quarterly	10.5	The Municipal Partner shall prepare and submit to the Attorney General quarterly reports in relation to matters referred to in paragraph 10.4 of the MOU.
Report on significant matter forthwith	10.6	If a matter referred to in paragraph 10.4 of the MOU may affect the proper administration of a statute, or is a matter that can reasonably be expected to attract substantial public interest, the Municipal Partner shall advise the Attorney General forthwith.
Requested reports	10.7	Notwithstanding anything else in the Transfer Agreement, the Attorney General may at any time request any kind of report from the Municipal Partner, and the Municipal Partner shall use its best efforts to comply with the request in a timely manner.
Form of reports	10.8	Reports prepared by the Municipal Partner may be submitted in electronic or paper form or both, as determined by the Attorney General.
	11.0	CONFIDENTIALITY
Personal information exchange	11.1	The Transfer Agreement requires that personal information be exchanged between Ontario and the Municipal Partner.
Exchange of information between parties	11.2	An agreement between: <ul style="list-style-type: none"> 11.2.1 a Municipal Partner and a serviced municipality; 11.2.2 a Municipal Partner and a third party; 11.2.3 Ontario and a third party; or 11.2.4 any of the parties may require that personal information be exchanged between the parties.

FOIPOP Acts'
application

- 11.3 The disclosure and the exchange of information referred to in paragraphs 11.1 and 11.2 of the MOU are authorized by subsection 42(e) of the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31, and by subsection 32(e) of the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56.

12.0 AMENDMENTS TO THE MOU

Request to amend

- 12.1 Either party may at any time make a written request to amend the terms and conditions of the MOU.

Reason for the
request

- 12.2 Any request to amend shall set out the reasons for the request and shall include any explanatory or supporting documents.

Notice to
municipal partners

- 12.3 Where the Attorney General makes a request to amend the terms and conditions of the MOU or where the Municipal Partner and the Attorney General agree to the Municipal Partner's requested amendment, the Attorney General shall notify all municipal partners in writing of the requested amendment.

Written reponse

- 12.4 Any Municipal Partner may respond to the notice of a request for an amendment by providing a written response to the Attorney General within 30 days of receiving a copy of the notice of the request to amend. Where a Municipal Partner fails to respond within the 30 day period, it will be deemed not to oppose the amendment.

Agreement to
amend

- 12.5 Where the Attorney General and all municipal Partners agree to amend the MOU, the amendment shall be made in writing and shall form part of the Transfer Agreement.

Dispute re:
amendment

- 12.6 Where the Attorney General and the Municipal Partner, including any Municipal Partner who receives notice under paragraph 12.3, disagree with the requested amendment and the issue can not be resolved, the Attorney General or any Municipal Partner may invoke the dispute resolution mechanism set out in paragraph 13.0 of the MOU.

13.0 DISPUTE RESOLUTION

Principle

- 13.1 The parties agree to foster and participate in a co-operative approach to the resolution of disputes arising under the Transfer Agreement. The parties also agree that all reasonable efforts will be made to resolve disputes informally and amicably at an early stage at the local level.

Scope	13.2	In the event that a dispute arises between the Attorney General and the Municipal Partner with respect to the terms and conditions of the Transfer Agreement, the parties to this Transfer Agreement agree to use the mechanism set out in this paragraph to resolve the dispute.
Exception - judiciary	13.3	The provisions of this paragraph do not apply to issues relating to the judiciary.
Mediation to be considered	13.4	Where the parties to this Transfer Agreement are unable to resolve a dispute without the assistance of a neutral third party, the parties shall consider using the services of a mediator to facilitate resolution of the dispute.
Role of mediator	13.5	Where the parties to this Transfer Agreement agree to use the services of a mediator, the parties shall jointly select the mediator and the cost of the mediator's services shall be shared equally by the parties. The mediator shall inquire into the issues in dispute and shall attempt to assist the parties in resolving the dispute. All information exchanged during the mediation process shall be for the purpose of resolving the issues in dispute, and therefore shall be treated as confidential.
Referral to review committee	13.6	Whether or not a mediation has taken place, if the parties to this Transfer Agreement are unable to resolve the dispute, the matter may be referred by either party, in writing, to the Review Committee for recommendations, with written notice to the other party.
Review committee - referring party	13.7	A party referring a dispute to the Review Committee, shall identify the issues in dispute and shall provide the Review Committee with any supporting material upon which the party intends to rely.
Review committee - responding party	13.8	The responding party shall provide the Review Committee and the referring party with a written response, and any supporting material upon which it intends to rely, within 30 days of receiving notice that the matter has been referred to the Review Committee.
Recommendation of review committee	13.9	The Review Committee may recommend to the parties how the matter ought to be resolved, and shall provide the parties with a reasonable amount of time to implement the recommendations.
Failure to Implement Recommendations	13.10	Where the Municipal Partner fails to implement a recommendation of the Review Committee within the time period set by the Review Committee, the Review Committee may invoke the compliance provisions set out in paragraph 1.0 of Schedule 3 of the MOU.

Court remedy
preserved

- 13.11 Nothing in the Transfer Agreement precludes a party to the Transfer Agreement from submitting a dispute to a court of competent jurisdiction.

14.0 LIMITATION OF LIABILITY

No liability for
municipal partner,
employees, etc.

- 14.1 Ontario shall not be liable or responsible in any way for any injury or damages whether physical or economic, direct or consequential, of any kind (including death) that may be suffered or sustained by the Municipal Partner, or any member of council, officer, employee, agent, contractor, member of the judiciary, accused person, police officer or any other person who may be in, or in the vicinity of, a courtroom or court office administered by the Municipal Partner, or for any loss or theft of, or damage or injury to, any property belonging to the Municipal Partner or members of council, officers, employees, agents, contractors, members of the judiciary, accused persons, police officers or any other person, while such property is in, or in the vicinity of, a courtroom or court facility administered by the Municipal Partner.

15.0 INDEMNIFICATION

Municipal partner
to indemnify
Ontario for its
action, etc. re:
transfer.

- 15.1 The Municipal Partner shall indemnify and save harmless Ontario, its officers, employees, agents and contractors, from all manner of claims, losses, costs, expenses, actions or proceedings of any kind or nature whatsoever based on, occasioned by or attributable to anything done or omitted to be done by the Municipal Partner or by its members of council, officers, employees, agents or contractors in connection with the Transfer Agreement, or with the performance of the Municipal Partner's obligations under the Transfer Agreement.

Ontario to
indemnify
Municipal Partner
for its actions,
etc. re: transfer

- 15.2 Ontario shall indemnify and save harmless the Municipal Partner, its members of council, officers, employees, agents and contractors, from all manner of claims, losses, costs, expenses, actions or proceedings of any kind or nature whatsoever based on, occasioned by or attributable to anything done or omitted to be done by Ontario or by its officers, employees, agents or contractors in connection with the Transfer Agreement, or with the performance of Ontario's obligations under the Transfer Agreement.

16.0 INSURANCE

Claims against
Municipal Partner

- 16.1 The Municipal Partner shall protect itself from and against all claims that might arise from anything done, purported to be done or omitted to be done under the Transfer Agreement by the

Municipal Partner, its members of council, officers, employees, agents or contractors.

Comprehensive
general liability
insurance policy

16.2 For the purpose of paragraph 16.1 of the MOU, and without restricting the generality of that paragraph, the Municipal Partner shall, at its own expense, maintain in full force and effect during the term of the Transfer Agreement, a policy of comprehensive general liability insurance, in form and substance acceptable to Ontario and written by a responsible carrier or carriers acceptable to Ontario, providing coverage for a limit of not less than five million dollars (\$5,000,000.00) per occurrence for any cause of action, demand or claim with respect to personal injury (including death) or property damage, including loss of use thereof, and for any cause of action, demand or claim arising out of or occurring in connection with the obligations of the Municipal Partner under the Transfer Agreement, including, but not limited to, a cause of action, demand or claim with respect to defamation; false arrest, detention, imprisonment; malicious prosecution; contravention of rights guaranteed under the *Canadian Charter of Rights and Freedoms*; and errors and omissions insurance.

Required clauses
for policy

16.3 The policy of insurance referred to in paragraph 16.2 of the MOU shall include the following terms:

16.3.1 a clause adding Her Majesty the Queen in Right of Ontario as represented by the Attorney General, its officers, employees, agents and contractors as additional named insureds;

16.3.2 a cross-liability insurance clause endorsement acceptable to Ontario;

16.3.3a clause requiring the insurer to provide 30 days' prior written notice to Ontario in the manner set forth in the policy in the event of the termination, expiry, variation or non-renewal of the policy;

16.3.4 a clause providing that the protection for Ontario under the policy will not be affected in any way by any act or omission of the Municipal Partner, its members of council, officers, employees, agents or contractors; and

16.3.5 a clause including liability arising out of contract or agreement.

Proof of insurance

16.4 The Municipal Partner shall, immediately upon request, provide Ontario with proof of the insurance coverage in the form of a certificate, and a copy of the relevant portion or portions of the policy that incorporate the terms and clauses set out in paragraph 16.3 of the MOU.

17.0 TERMINATION WITH OR WITHOUT CAUSE

- | | |
|---|--|
| Termination without cause | 17.1 Either party may terminate the Transfer Agreement without cause by giving nine months' express written notice to the other party. |
| Termination with cause | 17.2 Either party may terminate the Transfer Agreement with cause by giving one month's express written notice to the other party. |
| | 17.3 Where termination notice is given: |
| Transfer of intellectual and other property during termination period | 17.3.1 the Municipal Partner shall provide to the Attorney General unfettered access to any property requested by the Attorney General including, but not limited to, systems, records, data, information and material in the possession or control of, or owned by, the Municipal Partner as may be required to ensure the continued effective administration of justice; |
| Property rights on termination | 17.3.2 all rights in the property described in paragraph 17.3.1 of the MOU transferred by Ontario to the Municipal Partner, and any records, data, information and material accumulated during the performance of the Transfer Agreement shall vest in and become the property of Ontario, and the Municipal Partner shall immediately transfer such property to the Attorney General; and |
| Termination plan | 17.3.3 the Municipal Partner shall either cease or continue to perform functions under the Transfer Agreement during the notice period in accordance with a termination plan approved by the Attorney General. |
| Access to transferred property | 17.4 Notwithstanding paragraph 17.3.2; |
| | 17.4.1 the Municipal Partner shall be entitled to access all transferred property, including the right to make and keep copies of documents, where the Municipal Partner is named or otherwise becomes a party to any legal proceedings, or is put on notice that it will be named as a party in legal proceedings, arising from or in connection with the performance by the Municipal Partner of its functions under the Transfer Agreement; and |
| | 17.4.2 property shall not include property purchased by the Municipal Partner from the Attorney General or a third party unless otherwise agreed to by the parties. |

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|--------------------------------|------|---|
| Components of termination plan | 17.5 | The termination plan referred to in paragraph 17.3.3 of the MOU may include provisions for the transfer of any courts administration, court support or prosecution functions from the Municipal Partner to any replacement or alternative Municipal Partner or other entity, named by the Attorney General. |
| Duty to inform | 17.6 | The Municipal Partner shall keep the Attorney General informed of all matters that are necessary for the Attorney General to ensure the effective ongoing administration of justice during the termination period. |
| Appointment of a manager | 17.7 | In the event of termination, the Attorney General may appoint a person to manage the termination for the purpose of ensuring the continued effective administration of justice. |
| Reconciliation of finances | 17.8 | On termination, the Municipal Partner shall carry out a financial accounting and shall pay to Ontario any monies owing to Ontario including the Ministry of Finance. |
| Rights of Attorney General | 17.9 | The rights of the Attorney General under this paragraph are in addition to and do not derogate from any other rights and remedies of the Attorney General under the <i>Act</i> or the Transfer Agreement or otherwise at law. |

18.0 RIGHT OF ASSIGNMENT

- | | | |
|-------------------------------------|------|--|
| Attorney General's consent required | 18.1 | The Municipal Partner has no right to assign, sublease, subcontract, transfer, cede, offer for sale, deal or offer to deal in or with the Transfer Agreement, or any rights or obligations hereunder, in whole or in part (the foregoing collectively called an "assignment") unless the Attorney General has given or is deemed to have given consent to such assignment. The Municipal Partner shall ensure that any assignee undertaking any of the Municipal Partner's obligations to Ontario shall be bound by the terms and conditions of the Transfer Agreement. The Municipal Partner shall not be released of its obligations to Ontario by reason of the assignment, and the Municipal Partner shall be deemed to be liable for any breaches of the Transfer Agreement, or of any legislation or regulations, by the assignee. |
|-------------------------------------|------|--|

19.0 COMMUNICATION BETWEEN THE PARTIES

- | | | |
|-------------------|------|---|
| Method of service | 19.1 | Unless otherwise directed by the Attorney General, any written communication shall be given by personal service, by facsimile transmission or electronic mail, or by prepaid first class mail. If personally served or transmitted by facsimile or electronic mail, a communication shall be deemed to be validly given to and received by the addressee on the date of such service or |
|-------------------|------|---|

transmission. A transmission completed after 4:30 p.m. shall be deemed to have been delivered on the next business day. A communication sent by prepaid first class mail shall be deemed to be validly given to and received by the addressee on the fifth business day after the day on which it was mailed in Canada.

Municipal
partner's address

19.2 The Municipal Partner's address and facsimile number for communications are:

Mr. Fred Bauthus
Chief Administrative Officer
The Corporation of Haldimand County
45 Munsee Street North, P.O. Box 400
Cayuga, Ontario N0A 1E0
FAX: (905) 772-3542

Attorney General's
address

19.3 The Attorney General's address and facsimile number for communications are:

Ministry of the Attorney General
720 Bay Street, 2nd Floor
Toronto, Ontario M5G 2K1
Attention: Assistant Deputy Attorney General
Court Services Division
FAX: (416) 326-2592

Change of address

19.4 When either party changes its address, phone or facsimile number, it shall give written notice forthwith to all other parties.

Attorney General
contact person

19.5 The Attorney General shall designate a person and an alternate who will be the primary contacts for all issues and communications related to the Transfer Agreement.

Municipal Partner
contact person

19.6 The Municipal Partner shall designate a person and an alternate who will be the primary contacts for all issues and communications related to the Transfer Agreement.

Change of
contacts

19.7 Each of the parties shall keep the other informed of the names of its contact person and alternate person.

20.0 WAIVER OF BREACH

Waiver of breach

20.1 Any breach of any provision of the Transfer Agreement may be waived in whole or in part by a party without prejudice to that party's rights in the event of the breach of any other provision of the Transfer Agreement. A waiver shall be binding on the waiving party only if it is in writing. The waiver of any breach of any provision of the Transfer Agreement shall not be taken or held to be a waiver of any further breach of the same provision or any breach of any other provision.

21.0 SURVIVAL

Survival

- 21.1 The provisions of paragraphs 4.6, 7.1, 7.3, 8.0, 9.0, 11.0, 14.0, 15.0, 16.0, 17.3 to 17.9, 21.0 and Schedule 2, paragraphs 2.10, 3.1, 3.2, 3.3 shall survive the suspension, termination, revocation or expiry of the Transfer Agreement.

22.0 SCHEDULES

Schedules

- 22.1 The following Schedules are attached to this agreement and shall form a part of this Memorandum of Understanding:

Schedule 1: Prosecutorial Standards

Schedule 2: Operational Standards

Schedule 3: Compliance and Performance Measures

Schedule 4: Existing Contracts

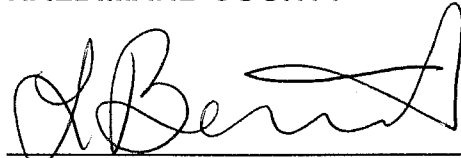
Schedule 5: Court Service Area

IN WITNESS WHEREOF the parties hereto have executed this
Memorandum of Understanding.


DATED AT Cayuga, ON THIS 19 DAY OF February 2001.

THE CORPORATION OF
HALDIMAND COUNTY

{Corporate Seal}



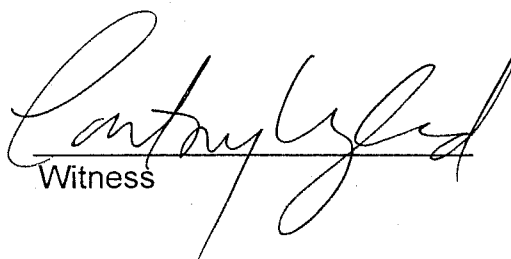
Mayor



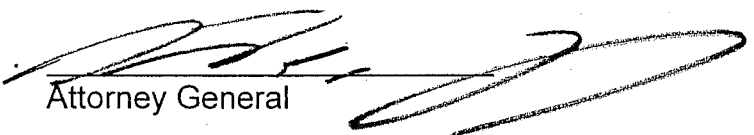
Clerk

DATED AT Toronto THIS 13th DAY OF March 2001.

HER MAJESTY THE QUEEN IN
RIGHT OF ONTARIO, as represented
by the Attorney General



Witness



Attorney General

SCHEDULE 1

PROSECUTORIAL STANDARDS

SCHEDULE I

STANDARDS FOR PROSECUTIONS BY MUNICIPALITIES

	1.0	Scope
Adherence to standards	1.1	Where the Municipal Partner conducts prosecutions transferred to the Municipal Partner by the Attorney General under the Transfer Agreement, the Municipal Partner shall adhere to the standards set out in this schedule.
	2.0	Standards
Principles	2.1	The Municipal Partner shall ensure that prosecutions transferred in accordance with the Transfer Agreement are conducted in a manner consistent with the following principles: <ul style="list-style-type: none"> 2.1.1 prosecutorial independence; 2.1.2 fairness and impartiality; 2.1.3 competence and integrity; and 2.1.4 timeliness of prosecutions.
Prosecutorial independence	2.2	The Municipal Partner shall ensure that any of its prosecutors acting under the Transfer Agreement who are not lawyers are supervised by or report to the city solicitor or another lawyer designated for this purpose and that its reporting relationships are structured so that the prosecutors' exercise of discretion is not influenced by any person or body, including: <ul style="list-style-type: none"> 2.2.1 members of council; 2.2.2 policing and other enforcement agencies; and 2.2.3 municipal financial officers.
	2.3	The Municipal Partner shall be responsible for: <ul style="list-style-type: none"> 2.3.1 ensuring that any prosecution policies are applied impartially; 2.3.2 ensuring that a fair and reasonable appeals policy is in place and is applied consistently;
Impartial prosecution		
Fair appeals policy		

Notification of witnesses	2.3.3	notifying prosecution witnesses of dates and times of hearings in accordance with legislative requirements;
Prosecutorial discretion	2.3.4	permitting prosecutors to exercise their discretion in a fair and impartial manner, free from influence or bias;
Municipal partner to educate its prosecutors	2.3.5	taking appropriate steps to educate and inform its prosecutors of any policies set out by the Municipal Partner, Ontario or the Government of Canada which apply to the prosecution of proceedings commenced under the Act; and
Disclosure to defendants	2.3.6	ensuring provision of full and timely disclosure to defendants upon request.
Prosecutors' oath	2.4	<p>All municipal prosecutors engaging in prosecutions under the Transfer Agreement shall swear the following oath or affirmation before the Regional Senior Judge, or, where the Regional Senior Judge is unavailable, a judge of the Ontario Court (Provincial Division), and the oath or affirmation shall be a term of employment:</p> <p>Oath:</p> <p><i>I swear (or affirm) that I will truly and faithfully, according to the best of my skill and ability, execute the duties, powers and trusts of a prosecutor, as an officer of the Court, without favour or affection to any party, so help me God (omit last four words in an affirmation).</i></p> <p><i>I also swear (or affirm) that I will faithfully discharge my duties as a prosecutor, and will comply with the laws of Canada and Ontario, and except as I may be legally authorized or required, I will not disclose or give to any person any information or document that comes to my knowledge or possession by reason of my being a prosecutor, so help me God (omit last four words in an affirmation).</i></p>
Conflict of interest rules	2.5	In addition to the conflict of interest rules set out in paragraph 8.0 of Schedule 2.0, and any conflict of interest rules that may be imposed by the Municipal Partner, the Municipal Partner shall also ensure that the following apply to prosecutors acting under the terms of the Transfer Agreement:

Not an enforcement officer	2.5.1	A person employed as a prosecutor shall not also be employed as an enforcement officer.
Not a Municipal politician within past 12 months	2.5.2	A prosecutor shall not hold or have held a municipal political office within the preceding 12 months.
Avoid conflict	2.5.3	A prosecutor shall not be placed or place him or herself in a position where the integrity of the administration of justice could be compromised.
Disclosure of conflict	2.5.4	A prosecutor shall disclose any actual or reasonably perceived conflict as soon as possible to the Municipal Partner.
Not to act for defendants	2.5.5	A prosecutor shall not, personally or through any partner in the practice of law, act or be directly or indirectly involved as counsel or solicitor for any person, in respect of any offence charged against the person under the laws in force in Ontario, unless it relates to his/her own case, except where the LSA provides otherwise.
Disclosure of charges	2.5.6	Where a prosecutor is charged with an offence under the <i>Criminal Code</i> of Canada or any other federal statute or regulation that is dealt with under the <i>Criminal Code</i> of Canada, such charge shall be disclosed forthwith to the Municipal Partner by the prosecutor. Where a prosecutor is charged with an offence under other federal statutes or regulations thereunder or a provincial statute or regulation thereunder and where continuing to perform his or her duties may erode public confidence in the administration of justice, the charge shall be disclosed to the Municipal Partner by the prosecutor. The Municipal Partner shall determine if any actual or perceived conflict exists and, if so, the Municipal Partner shall take appropriate action to address the conflict.
Municipal partner responsible to set procedure	2.6	The Municipal Partner shall establish and follow a procedure that ensures a prosecutor does not act in any matter where a conflict of interest has been identified, until the conflict no longer exists.

Municipal partner to ensure competent prosecutions	2.7	The Municipal Partner shall ensure that its prosecutors are competent in relation to the following factors;
Knowledge of the law	2.7.1	knowledge of the current law, including the <i>Act</i> , related statutes and regulations, the <i>Canadian Charter of Rights and Freedoms</i> and any common law relevant to the conduct of prosecutions;
Knowledge of the procedure	2.7.2	knowledge of the rules of court and legal procedures, as amended from time to time;
Professionalism	2.7.3	ability to treat members of the judiciary and other persons involved in the court process with professional courtesy; and
Addressing complaints	2.7.4	ability to address complaints promptly and effectively.
Municipal partner to train and educate prosecutors	2.8	To ensure that municipal prosecutors' knowledge and skills are adequate and current, the Municipal Partner shall be responsible for and bear the cost of the ongoing training and education of its prosecutors.
Direction not to appear	2.9	The Director of Crown Operations, on the advice of the Crown Attorney and after consulting with the supervising solicitor, may direct that the prosecutor not appear in court where, in the opinion of the Director of Crown Operations, public confidence in the administration of justice is or may be eroded through the continued appearance of the prosecutor in the courts.
Prosecutorial policies	2.10	The Municipal Partner shall ensure cooperation with local Crown Attorneys and shall ensure compliance with provincial directives and policies that are made known by Ontario. The Municipal Partner may establish its own prosecutorial policies, provided that its policies are consistent with provincial policies and not contrary to law.
Reporting protocol for significant cases	2.11	In addition to any legislative requirements and any provincial prosecutorial directive or policy made known to the Municipal Partner, the Municipal Partner shall maintain a reporting protocol

to notify the local Crown Attorney and the Attorney General of any matter that appears likely to raise a substantive legal issue at trial or appeal, including;

Judicial review

2.11.1 an application for judicial review or prerogative writ sought in relation to a prosecution transferred under paragraph 1.3 of this MOU;

Constitutional issue

2.11.2 anything that may affect the administration, constitutional validity, or enforceability of a statute or regulation; and

Substantial public interest

2.11.3 any matter where there could be a substantial public interest in its outcome.

Report to federal prosecutor

2.12 The reporting protocol referred to in paragraph 2.11 of this Schedule shall also include a provision that the regional federal prosecutor shall be notified with respect to offences designated as contraventions under the *Contraventions Act* (Canada).

Report to other provincial ministries

2.13 The reporting protocol referred to in paragraph 2.11 of this Schedule shall also include a provision that where the matter relates to a statute or regulation for which a provincial Ministry other than the Ministry of the Attorney General is responsible, the Legal Services Branch of that Ministry shall be notified.

SCHEDULE 2

OPERATIONAL STANDARDS

SCHEDULE 2 OPERATIONAL STANDARDS

Municipal partner's obligations	1.0 Scope	
	1.1	Where the Municipal Partner performs court administration and court support functions transferred to the Municipal Partner under the Transfer Agreement, the Municipal Partner shall maintain the standards set out in this schedule and shall meet all legislative and regulatory requirements with respect to proceedings under the <i>Act</i> .
Efficiency of proceedings	2.0 Processes & Proceedings	
	2.1	The Municipal Partner shall provide for and accommodate the efficient processing of all court proceedings.
Service to enforcement agencies continues	2.2	The Municipal Partner shall continue to provide the existing services and level of service to enforcement agencies, including:
	2.2.1	consulting enforcement agencies about witness availability before scheduling trials;
	2.2.2	distributing ticket sets and other forms to enforcement agencies; and
	2.2.3	providing copies of First Attendance Notices, Notices of Intention to Appear, Certificates of Offence, Fail to Respond (FTR) lists, Notices of Appeal, and other documents containing disposition information, as required.
	2.3	The Municipal Partner shall respond effectively to all enquiries and shall provide prompt and efficient service in person and by phone.
Proceedings open to public	2.4	Subject to any statutory limitations, all proceedings under the <i>Act</i> shall be open to the public, unless otherwise ordered by the judiciary in a particular proceeding.
	2.5	The Municipal Partner shall continue to provide the language services required by the <i>Courts of Justice Act</i> , R.S.O. 1990, c. C.43, including the following services:

Qualified interpreters	2.5.1	The Municipal Partner shall supply and pay for qualified interpreters for witnesses and defendants upon their request.
Document translation	2.5.2	The Municipal Partner shall ensure that documents are translated, upon request by the defendants, or if necessary for administrative purposes.
Witness fees	2.6	The Municipal Partner shall ensure that witnesses are paid the amounts to which they are entitled as prescribed by regulation.
Clerical court support services	2.7	The Municipal Partner shall ensure that clerical court support services are provided to the judiciary at least at the level provided by the Attorney General prior to the transfer.
Accuracy of court record	2.8	<p>The Municipal Partner shall ensure the accuracy of the court record for all matters transferred under the Transfer Agreement, including:</p> <p>2.8.1 the recording of all proceedings taken before the judiciary;</p> <p>2.8.2 the preparation and certification of transcripts of proceedings; and</p> <p>2.8.3 the maintenance, retention and release of records and information relevant to the court proceedings, including tapes, transcripts, files, documents and exhibits or any other data in paper or electronic form in accordance with the record retention schedules contained in paragraph 2.10 of this Schedule and with legislative requirements.</p>
Preparation and delivery of court documents	2.9	<p>The Municipal Partner shall ensure the accurate and timely preparation and delivery of court-related documents required to carry out a judicial order relating to:</p> <p>2.9.1 the attendance of a person at a hearing;</p> <p>2.9.2 the arrest, detention or release of a person;</p>

2.9.3 the commencement, processing and disposition of a proceeding; and

2.9.4 the imposition of a sentence, or other consequence of conviction.

Record retention periods

2.10 The following mandatory record retention periods shall apply once a matter has been completed:

2.10.1 for all proceedings commenced under Parts I and III of the Act, the calendar year of the date of judgment plus 2 additional years, except where there has been an accident or a charge of careless driving, the calendar year of the judgment plus 7 additional years;

2.10.2 for all proceedings commenced under Part II of the Act, the calendar year of the date of judgment plus 2 additional years; and

2.10.3 any other record retention requirements prescribed by law.

Universal access to fine payment

2.11 The Municipal Partner shall continue to permit the public to pay fines imposed on convictions for offences covered by this Transfer Agreement in any court service area.

Secure collection of fines

2.12 Fine revenues shall be collected in a secure manner, in accordance with generally accepted accounting principles, to ensure proper accountability and to meet the audit requirements set out in paragraph 9.0 of the MOU.

Ongoing training and education

2.13 The Municipal Partner shall be responsible for and bear the cost of ongoing training and education of persons performing functions under the Transfer Agreement.

3.0 Records & Information

Secure storage of records and information

- 3.1 To preserve the integrity of court records and data for all processes and proceedings under the *Act*, all files, tapes, transcripts, papers, documents, exhibits and any other court process information, whether in electronic, mechanical, physical or other form, shall be stored in a secure manner.

Accurate and secure exchange of information

- 3.2 The Municipal Partner shall ensure that the exchange or sharing of information, electronically or otherwise, is done in a secure manner to preserve the accuracy and security of the data.

Continued access to information

- 3.3 The Municipal Partner shall continue the current practice of providing information and access to information relating to the disposition of cases, fine payments and defaults, and other court related matters to all relevant provincial Ministries, enforcement agencies and others who have access on the effective date of transfer.

Accuracy of provincial offences database

- 3.4 The Municipal Partner shall ensure the accuracy of the provincial offences database by entering the following information in a timely and accurate manner:
- 3.4.1 the charges received;
 - 3.4.2 the status of the charge;
 - 3.4.3 the charge dispositions;
 - 3.4.4 the fine payments; and
 - 3.4.5 the imposition and removal of sanctions.

Charges for court services

- 3.5 The Municipal Partner may charge a fee for photocopies, certification of copies, transcripts and any other service provided and charged for by the Ministry of the Attorney General, in accordance with the *Administration of Justice Act*, R.S.O. 1990, c.A.6.

4.0 Technology

Common integrated technology system

- 4.1 The Attorney General and the Municipal Partner acknowledge that the use of a common integrated technology system is necessary to ensure accurate and timely access to information

and will facilitate the sharing of information among justice partners.

Use of ICON and replacement of ICON

- 4.2 The Municipal Partner shall use the ICON system or its replacement during the Transition Phase. A system to replace ICON will be developed by the Integrated Justice Project of the Ministry of the Attorney General and the Ministry of the Solicitor General and Correctional Services. This system will take into account the requirements of the Municipal Partner in carrying out its obligations under the Transfer Agreement, and of Ontario. This system will be offered to the municipal partners for a fee.

Must meet technology standards

- 4.3 Where a Municipal Partner chooses to use a system other than that provided by the Attorney General after the Transition Phase, the system will meet the requirements of paragraph 4.4 of this Schedule.

Technology standards

- 4.4 Any system used by the Municipal Partner must meet the technology standards, case flow management and information sharing requirements as directed by the Attorney General, including the development of a common application environment, and the system must be "Year 2000" compliant.

5.0 Ministry of Transportation Protocols

Information to be transmitted to MTO

- 5.1 The Municipal Partner shall transmit to the Ministry of Transportation (MTO) information relating to the following:
- 5.1.1 orders and directions to suspend or reinstate drivers' licenses;
 - 5.1.2 orders and directions to deny or reinstate plate permits; and
 - 5.1.3 convictions, in accordance with subsection 210(1) of the *Highway Traffic Act*, R.S.O. 1990, c.H.8.

Electronic transmissions	5.2	Orders transmitted to MTO shall be transmitted electronically, in a standardized format prescribed by MTO and in the consolidated "one window" template that is provided for by ICON and the Defaulted Fines Control Center, or by any other agent doing similar work as directed by the Attorney General.
Complete and accurate data	5.3	The information referred to in paragraph 5.1 of this Schedule must be complete and accurate, and submitted to MTO in a timely manner, in accordance with all statutory and regulatory requirements, including the <i>Highway Traffic Act</i> , R.S.O. 1990, c. H.8.
Access to information by MTO	5.4	The Municipal Partner shall ensure that MTO will continue to have access to information relating to the status and disposition of cases.
Municipal partner's representative	5.5	The Municipal Partner shall designate a representative to work with MTO to resolve data transmission issues.
	6.0	Tickets and Other Court Forms
Sequentially numbered tickets	6.1	The Municipal Partner shall purchase all provincial offences tickets from a single source as approved by the Attorney General. Provincial offences tickets must be sequentially numbered with an ICON, or its replacement system, location number.
Purchase of court forms from a single source	6.2	The Municipal Partner shall purchase all charging and service related documents, and other court forms and documents prescribed by regulation, and other standard forms used by the Attorney General prior to the transfer, from a single source as approved by the Attorney General.
	7.0	Facilities
Court facilities easily accessible	7.1	The court facilities shall be easily accessible to the public and all other interested parties and, without limiting the generality of the foregoing, shall:
Transit	7.1.1	be accessible by public transit or private vehicle;

Parking	7.1.2	where parking is available, provide sufficient parking areas to accommodate the court's caseload;
Signage	7.1.3	be clearly identified as a court facility and shall have signs to identify the location of court offices and courtrooms; and
Barrier free access	7.1.4	provide barrier-free access into and within the court facilities, including courtrooms, meeting rooms, washrooms, and parking areas.
Facilities standards	7.2	The Municipal Partner shall maintain the following minimum standards for court facilities:
Separate Areas	7.2.1	Public areas shall be separate from the court administration offices and the prosecutors' offices, all of which shall be separate from the areas designated for the judiciary.
Offices for the judiciary	7.2.2	The judiciary shall continue to have chambers which are private and secure and sufficiently equipped to permit the performance of their judicial responsibilities. The judiciary shall also continue to have separate and secure access to parking areas, to the court building, and to the courtroom(s) and other rooms in which proceedings take place.
Court staff offices	7.2.3	Courts administration and court support staff shall have secure office areas that contain the furniture, equipment, technology and supplies necessary for them to be able to perform their responsibilities under the Transfer Agreement.
Prosecutor's offices	7.2.4	Prosecutorial staff shall have secure office areas that contain the furniture, equipment, technology, and supplies necessary for them to be able to perform their responsibilities under the Transfer Agreement.
First - Attendance meeting rooms	7.2.5	If the facility is used for a first attendance process, the meeting room(s) shall be separate from the room(s) in which the court proceedings take place.
Secure areas for persons in custody	7.2.6	A secure area shall be available for persons in custody.

**Consultation
before renovation**

7.2.7 Before making substantial renovations to an existing court facility, or when preparing plans for a new facility, the Municipal Partner shall consult with all groups that may be affected by the change, including the judiciary, enforcement agencies, prosecution agencies, the Ontario Realty Corporation, the Ministry of the Attorney General's Court Services Division and its Facilities Branch.

**Variances from
facilities standards**

7.3 Notwithstanding paragraphs 7.1 and 7.2 of this Schedule, and subject to paragraph 7.4 of this Schedule, where the Interim Audit reveals that a particular standard is not met, the variance may be permitted where:

7.3.2 the Municipal Partner occupies facilities used by the Ministry of the Attorney General that do not meet the standards; or

7.3.3 the costs required of the Municipal Partner to modify the existing facilities are more reasonably spread over one or more fiscal years.

**Manner to address
variances**

7.4 Where the Interim Audit reveals that the minimum standards for court facilities are not being met, the parties shall identify, in the LSA, any variance and the manner in which such variance shall be addressed.

8.0 Conflict of Interest

8.1 The Municipal Partner shall ensure that all employees and other persons performing duties under the Transfer Agreement shall, in addition to any of the Municipal Partner's guidelines, abide by the following rules:

**Report improper
influence**

8.1.1 An employee or other person performing duties under the Transfer Agreement shall report any attempt at improper influence or interference, financial, political or otherwise, to the Municipal Partner and to the local Crown Attorney. No action shall be taken against the employee or other person for making any such report in good faith.

Employee must
report charge

8.1.2 Where an employee or other person performing duties under the Transfer Agreement has been charged with an offence created under a federal statute or regulation or a provincial statute or regulation, and where continuing to perform his or her duties may erode public confidence in the administration of justice, the charge shall be disclosed to the Municipal Partner by the employee or other person. Upon notification, the Municipal Partner shall determine if any actual or perceived conflict of interest exists, and if so, shall take appropriate action to address the conflict.

8.1.3 All persons performing functions under the Transfer Agreement, except Municipal Prosecutors who shall swear the oath set out in paragraph 2.4 of Schedule 1, shall swear the following oath or affirmation before a Commissioner for Taking Affidavits, and the oath or affirmation shall be a term of employment:

I swear (or affirm) that I will faithfully discharge my duties, and will observe and comply with the laws of Canada and Ontario, and except as I may be legally authorized or required, I will not disclose or give to any person any information or document that comes to my knowledge or possession by reason of my employment, so help me God (omit last four words in an affirmation).

9.0 Contracting Out

9.1 Where the Municipal Partner proposes the contracting out of services relating to the performance of its obligations under the Transfer Agreement the following conditions shall be satisfied:

Existing
municipal policy

9.1.1 The Municipal Partner shall follow generally accepted procedures or its existing policy and procedures relating to the acquisition of services.

Attorney General's
right to withdraw
consent

9.1.2 The Municipal Partner shall ensure that the documents provide that where it is alleged that the Municipal Partner or its contractor has breached any term, condition or standard in the Transfer Agreement, the Attorney General has the right to withhold or withdraw its consent.

Conflict of interest	9.1.3	Documents shall include a provision requiring the prospective contractor to disclose any real or perceived conflict of interest.
Performance standards	9.1.4	The contract shall provide that the person or organization performing the contract will perform the work to the same standard as required of the Municipal Partner under the Transfer Agreement and the Municipal Partner shall take whatever steps are necessary to ensure that applicable standards are met.
Definite term of contract	9.1.5	The contract shall be for a definite term and may be subject to renewal as long as the applicable standards under the Transfer Agreement are being met.
Process for complaints	9.1.6	The Municipal Partner shall ensure that there is an effective process in place to deal with complaints against the contractor and the Municipal Partner shall respond to such complaints directly.
Confidentiality standards	9.1.7	The contract shall contain a provision requiring the contractor to adhere to the same confidentiality standards as those required of the Municipal Partner.
Perform all aspects of contract	9.1.8	Persons providing services pursuant to such a contract must perform all aspects of the contract to ensure consistency and continuity in the administration of justice.
Contingency plan	9.1.9	The Municipal Partner shall ensure that an effective contingency plan is in place to address any situation where the contractor or its employees fail to comply with any term, condition or standard of the Transfer Agreement.
Attorney General's deemed consent	9.2	The consent of the Attorney General required for the contracting out of services under the Transfer Agreement shall be deemed to have been given where the process followed by the Municipal Partner has met the conditions set out in paragraph 9.1 of this Schedule and, where a regulation has been made pursuant to section 174 of the Act, the criteria prescribed by the regulations have also been met.

SCHEDULE 3

COMPLIANCE AND PERFORMANCE MEASURES

SCHEDULE 3 COMPLIANCE AND PERFORMANCE MEASURES

	1.0 Compliance	
Principle	1.1	The provisions set out in this schedule are intended to provide the Attorney General with an effective means to ensure compliance with the Transfer Agreement to preserve the integrity of the administration of justice.
Sanctions for Non-compliance	1.2	Where the Review Committee determines that there has been a breach of a term or condition of the Transfer Agreement following the dispute resolution process set out in paragraph 13.0 of the MOU, the Review Committee shall advise the parties of the nature of the breach, and may take one or more of the following measures: <ul style="list-style-type: none"> 1.2.1 The Review Committee may order that the parties continue to work together to achieve compliance or resolution of the issue. 1.2.2 The Review Committee may issue a written caution against continued non-compliance with the Transfer Agreement. 1.2.3 Where previous attempts have failed to result in compliance by the Municipal Partner, the Review Committee may recommend to the Attorney General that an audit, pursuant to paragraph 9.0 of the MOU, be undertaken. 1.2.4 Where previous attempts have failed to result in compliance by the Municipal Partner, the Review Committee may recommend to the Attorney General that a person be appointed to superintend the Municipal Partner's performance. Where the Attorney General accepts such recommendation, the Attorney General shall provide written notice to the Municipal Partner, advising of the following: <ul style="list-style-type: none"> 1.2.4.1 the identity of the appointee; 1.2.4.2 the purpose and duration of the appointment; and 1.2.4.3 whether the Municipal Partner will be responsible for the costs of the appointment.

- 1.2.5 Where previous attempts have failed to result in compliance by the Municipal Partner, the Review Committee may recommend to the Attorney General that financial penalties be assessed against the Municipal Partner.
- 1.2.6 Where previous attempts have failed to result in compliance by the Municipal Partner, the Review Committee may recommend to the Attorney General that an order be issued, pursuant to subsection 171(1) of the Act, directing the Municipal Partner to comply within a specified time.
- 1.2.7 Where previous attempts have failed to result in compliance by the Municipal Partner, the Review Committee may recommend to the Attorney General that the performance of a specific function or functions under the Transfer Agreement be assumed by or reassigned to someone other than the Municipal Partner, at the Municipal Partner's own expense.
- 1.2.8 Where the Municipal Partner fails to comply with the order issued pursuant to paragraph 1.2.6 of this Schedule, the Review Committee may recommend to the Attorney General that the Transfer Agreement be suspended or revoked, pursuant to subsection 171(2) of the Act.

2.0 Performance Measures

Rationale for
performance
measures

- 2.1 The parties acknowledge that performance measures will assist the parties in meeting the standards set out in the Transfer Agreement and will provide the Attorney General with a management tool to assess the Municipal Partner's progress towards achieving stated goals and promote accountability.

Best practices

- 2.2 The Municipal Partner and the Attorney General agree to exchange best practices with other Municipal Partners to promote efficiency, consistency and compliance with the Transfer Agreement, and to assist in identifying and developing methods of improving service delivery.

SCHEDULE 4

EXISTING CONTRACTS

SCHEDULE 4

EXISTING CONTRACTS

- | | | |
|--|-------|--|
| Purpose | 1.1 | The purpose of this Schedule is to set out current contracted obligations relating to functions under the Transfer Agreement that are managed by Ontario. |
| Central contracts | 2.1 | Ontario currently has two such contracts. |
| Forms and ticket contracts | 2.1.1 | Management Board Secretariat has a sub-contract with its Vendor of Record for the purchase of sequentially numbered charging and service documents. The current sub-contract commenced in 1996 and is for a period of 7 years (5 years and 2 one year renewals). |
| Printing and mailing of notices contract | 2.1.2 | Xebec Imaging Services is a centrally managed contract for the printing and mailing of Notices of Fine and Due Date. Costs are based on the number of pieces produced per year. The contract, which expired on December 31, 1998, was renewed, and, unless sooner terminated or extended under its provisions, expires December 31, 2000. The term of the contract may be extended for two separate one-year periods to December 31, 2002, on the same terms and conditions by mutual agreement. The Municipal Partner shall reimburse the Ministry in relation to functions governed by the Transfer Agreement, from the effective date of transfer through December 31, 2000 and the Municipal Partner may at its option negotiate any further renewals. |
| | 3.1 | In addition to the contracts referred to in paragraph 2.1, Management Board Secretariat has contracts with private collection agencies for the collection of outstanding fines imposed before January 1, 1998, which contracts are due to expire on September 30, 2000. The Municipal Partner will not assume these contracts, but will be bound by them in that it will not be permitted to enter into separate contracts with these or other collection agencies in respect of outstanding fines imposed before January 1, 1998, until on or after October 1, 2000. |

SCHEDULE 5

COURT SERVICE AREA

However, the Municipal Partner may use any method authorized by relevant legislation or regulation for the collection of fines imposed on or after January 1, 1998.

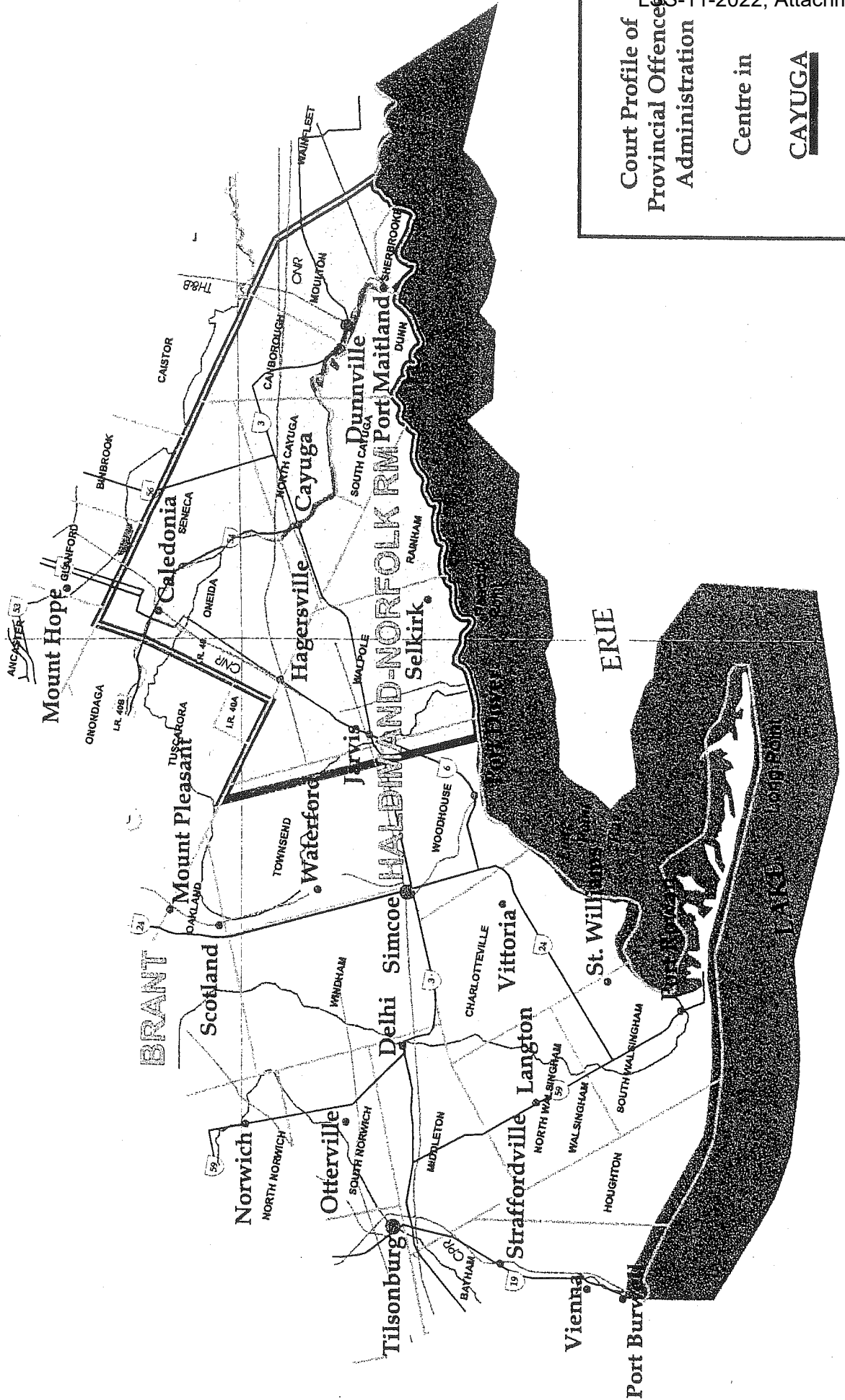
- Other contracts 3.2 Various contracts are held by local court offices for the purposes of data input, technology maintenance, and courier and armored car services. These contracts cover services for the Ontario Court (Provincial Division) and the Ontario Court (General Division). The Municipal Partner may assume these contracts as they relate to functions under the Transfer Agreement, as of the effective date of transfer.

Court Profile of
Provincial Offences
Administration

Centre in

CAYUGA

December 1997



SCHEDULE 5 COURT SERVICE AREA

The boundaries of the Court Service Area, which are set out in the attached map, include the following municipalities:

Haldimand County *

Note: * As of January 1, 2001, the boundaries of Haldimand County extend outside of the Cayuga Court Service area. The POA functions transferred under Transfer Agreement are limited to the boundaries of the Cayuga Court Service area as identified on the attached map.

LOCAL SIDE AGREEMENT

- b e t w e e n -

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Attorney General

- a n d -

THE CORPORATION OF HALDIMAND COUNTY

LOCAL SIDE AGREEMENT

B E T W E E N:

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO,
as represented by the Attorney General

(herein referred to as the "Attorney General")

OF THE FIRST PART

- and -

THE CORPORATION OF HALDIMAND COUNTY

(herein referred to as the "Municipal Partner")

OF THE SECOND PART

WHEREAS the Attorney General has entered into a Memorandum of Understanding (the "MOU") pursuant to the *Streamlining of Administration of the Provincial Offences Act, 1998*, S.O. 1998, c.4, (Bill 108) (the "Act"), with respect to the transfer of *Provincial Offences Act* ("POA") functions to the Municipal Partner;

AND WHEREAS the MOU contains terms and conditions that apply to every Municipal Partner;

AND WHEREAS the Attorney General and the Municipal Partner recognize that there are certain terms and conditions that are specific to a Court Service Area;

AND WHEREAS the MOU contemplates that the Attorney General and the Municipal Partner will execute a Local Side Agreement (the "LSA") setting out those terms and conditions;

NOW THEREFORE in consideration of mutual covenants set forth below, the Attorney General and the Municipal Partner agree as follows:

1.0 DEFINITIONS

1.1 In this LSA,

- (a) "Court Service Area" means the Court Service Area as defined in Schedule 5 of the MOU;
- (b) "Effective Date" means the date on which this LSA is signed by or on behalf of the Attorney General after having been signed by the Municipal Partner;
- (c) "Exit Audit" means the Exit Audit as defined in the MOU;
- (d) "Implementation Date" means the date on which the responsibility for POA functions is assumed by the Municipal Partner;
- (e) "Transition Phase" means the Transition Phase as defined in the MOU; and
- (f) "Transfer Agreement" means the MOU, the LSA, their respective schedules and any amendments.

2.0 GENERAL

- 2.1 The obligations of the Municipal Partner pursuant to this LSA relate to the functions transferred to the Municipal Partner in the Court Service Area described in Schedule 5 of the MOU.
- 2.2 This LSA shall take effect on the Effective Date and shall remain in effect unless suspended, terminated or revoked, regardless of whether there is a change in the person of the Attorney General or in the council or councils of the Municipal Partner.
- 2.3 Schedule 1 attached is incorporated into and shall form part of the LSA.
- 2.4 If any one or more of the provisions of the LSA is held by a court of competent jurisdiction to be voidable or *ultra vires*, the provision or provisions shall be severed and the LSA shall continue in full force and effect according to its terms and conditions and, provided that the context allows, its provisions shall be interpreted in the same way as they would have been had the severance not taken place.
- 2.5 The LSA may be amended at any time during the term of the Transfer Agreement, in accordance with the process set out in paragraph 11.0 herein. The amendment shall be made in writing and executed by all parties. Any such amendment or amendments shall be deemed to be incorporated into and become part of the LSA.

- 2.6 In the event of any conflict between the provisions of the LSA and the provisions of the MOU, the provisions of the MOU shall prevail.

3.0 FACILITY ARRANGEMENTS

- 3.1 The parties acknowledge that, as of the date of execution of the LSA, the Ontario Realty Corporation ("ORC") leases space at 55 Munsee Street North, Cayuga, and that the Attorney General has an agreement with ORC for the use of the Premises.
- 3.2 Notwithstanding paragraph 3.1 of this LSA, for the purposes of the Municipal Partner's obligations under the Transfer Agreement, the Municipal Partner shall perform the POA functions at 45 Munsee Street North, Cayuga.

4.0 REVENUE AND FINANCIAL ARRANGEMENTS

- 4.1 Schedule 1, which contains a summary of 1998 revenues, deductions, expenses and advances, is attached to this LSA and forms part thereof.
- 4.2 On completion of the Exit Audit, the Municipal Partner shall receive the revenue collected for the period from January 1, 1998 through December 31, 1998 inclusive, less eligible deductions, expenses and advances. The Attorney General shall request delivery of such revenue to the Municipal Partner as expeditiously as possible.
- 4.3 The Municipal Partner shall receive, after the Implementation Date, the fine revenue collected from January 1, 1999 to the Implementation Date, less eligible deductions and expenses, which sum is subject to adjustment to take into account the results of an Audit and a final reconciliation. The Attorney General shall request the delivery of such fine revenue to the Municipal Partner as expeditiously as possible.
- 4.4 If the Municipal Partner or a serviced municipality is charged, convicted and fined under the POA, the Municipal Partner shall forthwith disclose the fine to the Attorney General and shall forthwith pay the fine to the Minister of Finance.
- 4.5 The Attorney General shall submit to the Municipal Partner, in a timely manner, invoices for services rendered in accordance with clause 165 (5)(c) of the POA.
- 4.6 Adjudication expenditures shall be paid by the Municipal Partner at the rate of \$160.00 per hour (which calculation is based on the total cost of providing adjudication) multiplied by the number of scheduled court hours spent on POA matters, as recorded on the ICON system. The parties acknowledge that the hourly rate for adjudication is subject to any increase in costs paid by the

Attorney General for the provision of adjudication, on a cost recovery basis. The Attorney General shall give the Municipal Partner reasonable notice of expected increases in costs to assist the Municipal Partner in budgeting for the Municipal Partner's next fiscal year, being January 1 to December 31 of any given year.

- 4.7 Part III prosecution expenditures incurred by the Ministry of the Attorney General, shall be paid by the Municipal Partner at the rate of \$90.00 per court hour (which calculation is based on the total cost for providing such services).
- 4.8 The Attorney General shall recover from the Municipal Partner, on a cost recovery basis relating only to the Court Service Area covered by this LSA, all ICON expenditures for POA transaction charges and programming requirements and all expenditures for postage and distribution of fine notices related to POA matters.
- 4.9 The parties acknowledge that the Attorney General is entitled, pursuant to clause 165 (5)(c) of the POA and the terms and conditions of the Transfer Agreement, to recover costs incurred in monitoring and enforcing the performance of the Transfer Agreement after the Implementation Date, but as of the Effective Date, these costs have yet to be ascertained.
- 4.10 The rates for recoverable adjudication, prosecution, monitoring and enforcement expenditures shall be subject to annual review by the Attorney General and may be adjusted at the sole discretion of the Attorney General, on a cost recovery basis.
- 4.11 The Attorney General shall transfer to the Municipal Partner, on the Implementation Date, all outstanding accounts receivable for the Court Service Area covered by this LSA to the Implementation Date. The accounts receivable up to March 31, 2000 are estimated at \$1,539,744.10 and are subject to any necessary adjustments. The amount of the accounts receivable after March 31, 2000 to the Implementation Date will be provided within ninety (90) days of the Implementation Date.
- 4.12 Notwithstanding paragraph 4.11 of this LSA, the parties acknowledge that the transfer of these accounts receivable is subject to paragraph 3.1 of Schedule 4 of the MOU.

5.0 RECORDS TRANSFER

- 5.1 The Attorney General shall provide the Municipal Partner, on the Implementation Date, with the following:
 - (a) a list of all files and records to be transferred to the Municipal Partner, together with the actual files and records;

- (b) a list of all 1998 charges with fines paid and a list of all 1999 charges with fines paid to the Implementation Date;
- (c) a list of cases purged after January 1, 1998 to the Implementation Date, after the purge on ICON is complete;
- (d) a list of charges with unpaid fines at Central Collection Services (CCS) as of the Implementation Date;
- (e) a list of charges with a completion date 90 days prior to the Implementation Date that have been converted to the transfer court ID number; and
- (f) a list of all charges with a future court date.

5.2 The Attorney General shall provide to the Municipal Partner all available manuals necessary for the proper administration of the courts, including the Municipal Manager Manual, the ICON Operations Manual and the Prosecutor Training Manual, when completed.

5.3 The Attorney General shall provide to the Municipal Partner a list, current as of the Implementation Date, showing the names of court translators.

6.0 PART I PROSECUTIONS EXEMPT FROM TRANSFER

6.1 In accordance with paragraph 1.3.2 of the MOU, the prosecutions commenced under Part I of the POA conducted prior to the Implementation Date by a ministry, other than the Ministry of the Attorney General, or agency responsible for the offence creating statute, regulation or other enactment, shall continue to be conducted by the responsible ministry or agency, at its own expense.

7.0 CONTRACT PROSECUTORIAL EMPLOYEES

7.1 Further to Schedule 1, paragraph 2.5.5 of the MOU, the parties acknowledge that the Municipal Partner may contract out prosecutorial services to persons who personally, or through a partner in the practice of law, act as agent, counsel or solicitor for persons charged under the POA. The Municipal Partner agrees that where prosecution services are contracted out, the Prosecutor shall not address any matter for which he or she appears as agent, counsel or solicitor, on the same day that he or she appears as Prosecutor.

8.0 TECHNOLOGY ARRANGEMENTS

- 8.1 The Municipal Partner shall bear the costs of acquiring and using the Government of Ontario network data telecommunication services required by the Municipal Partner to implement the transfer and more particularly to enable the Municipal Partner to access the ICON system. Such services shall be acquired by the Municipal Partner through the Attorney General and the costs for such services shall be a one-time installation charge and applicable monthly fees.
- 8.2 The Municipal Partner shall acquire the MS SNA Gateway solution to enable the Municipal Partner to access the ICON system through the municipal network. The Attorney General shall provide, at no cost to the Municipal Partner, the DLL user software and the Municipal Partner shall be responsible for the costs, including material and labour costs, associated with the operation, maintenance and support of the hardware and the software required for the MS SNA Gateway solution.
- 8.3 The Attorney General shall not be liable for any injury or damages, whether physical or economic, attributable to the installation or use by the Municipal Partner of any hardware or software used by the Municipal Partner in accordance with paragraph 8.1 and 8.2 above.

9.0 YEAR 2000 READINESS

- 9.1 For the purposes of paragraph 4.0 of Schedule 2 of the MOU, the Attorney General states that the ICON system has been converted to comply with the Ontario government's definition of Year 2000 readiness.

The Ontario government's definition of Year 2000 readiness contains the following requirements:

- no value of current date will cause any interruption in the operation of or change in the functionality of the system or any misrepresentation of the information;
- date-based processing must behave consistently for dates prior to, during and after the Year 2000;
- the century in any date must be specified explicitly or by unambiguous algorithms or reference rules; and
- Year 2000 is recognized as a leap year.

10.0 AUDIT

- 10.1 The Exit Audit to be conducted on behalf of the Attorney General as required by the MOU, may not have been completed as of the Effective Date. If incomplete,

the Exit Audit shall be completed as expeditiously as possible and the Attorney General shall present the Municipal Partner with a copy of the audit report within one week of its receipt by the Attorney General.

- 10.2 The execution of this LSA shall not be deemed to be an acceptance by either of the parties of the content of the audit. Any issue arising with respect to the results of the audit may be resolved in accordance with the dispute resolution mechanism set out in paragraph 13.0 of the MOU.

11.0 AMENDMENTS TO THE LSA

- 11.1 Either party may at any time make a written request to the other to amend the terms and conditions of the LSA.
- 11.2 Any request to amend the LSA shall set out the reason or reasons for the request and shall include any explanatory or supporting documents.
- 11.3 The recipient of the notice of a request to amend shall respond to the notice in writing within thirty (30) days.
- 11.4 Where the Attorney General and the Municipal Partner agree to amend the LSA, the amendment shall be made in writing and shall be incorporated into and form part of the Transfer Agreement.
- 11.5 Where the Attorney General and the Municipal Partner are unable to agree on the requested amendment, either party may invoke the dispute resolution provisions set out in paragraph 13.0 of the MOU.

12.0 TERMINATION OF THE LSA

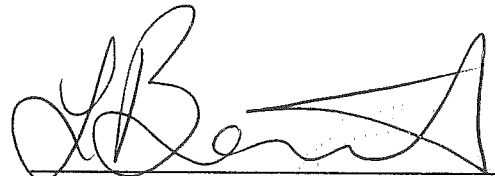
12.1 The term of this agreement shall be concurrent with the term of the MOU and in the event that the MOU is terminated in accordance with the provisions of the MOU or is revoked in accordance with subsection 171(2) of the Act, this LSA shall be terminated accordingly.

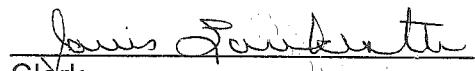
IN WITNESS WHEREOF the parties hereto have executed this Local Side Agreement.

DATED AT Cayuga ON, this 19 day of February, 2001.

THE CORPORATION OF HALDIMAND COUNTY

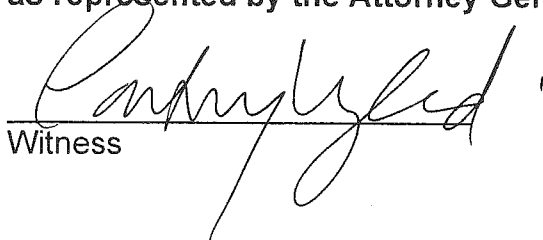
{Corporate Seal}

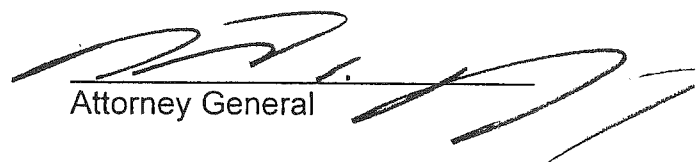

Mayor


Clerk

DATED AT Toronto, this 13th day of March, 2001.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO,
as represented by the Attorney General


Witness


Attorney General

SCHEDULE 1

NET REVENUE CALCULATION
 (To be confirmed by Exit Audit)
Haldimand County

Gross POA Revenue		591,309
(January 1, 1998 to December 31, 1998)		
Deductions:		
Victim Fine Surcharge	77,668	
Dedicated Fines	1,576	
Subtotal	79,244	
Gross Revenue net of deductions		512,065
Expenses:		
Prosecutions under Part 1	16,581	
Adjudication and Part 3		
Prosecutions	16,768	
Administration	52,224	
Facilities	8,983	
Subtotal	94,556	
Net Revenue		417,509
Less: Advances *		<u>1,119,000</u>
Total Owing		0 =====

* Represents the total amount advanced to the
 Regional Municipality of Haldimand-Norfolk