

AGREEMENT

THIS AGREEMENT made the day of April, 2008.

BETWEEN:

TRANSITION HOUSE ASSOCIATION

(“THA”);

AND:

EAST PRINCE FAMILY VIOLENCE PREVENTION INC.

(“EP”);

AND:

WEST PRINCE FAMILY VIOLENCE PREVENTION CO-OPERATIVE LTD.

(“WP”);

AND:

EASTERN P.E.I. FAMILY VIOLENCE PREVENTION SERVICES

(“E.P.E.I.”);

(hereinafter “the Parties”).

WITNESSETH:

WHEREAS THA is duly organized, validly existing, and in good standing as a non-profit corporation under Part II of the Prince Edward Island *Companies Act*;

WHEREAS EP is duly organized, validly existing, and in good standing as a non-profit corporation under Part II of the Prince Edward Island *Companies Act*;

WHEREAS WP is duly organized, validly existing, and in good standing as a co-operative under Part II of the Prince Edward Island *Co-operatives Act*;

WHEREAS E.P.E.I. is an unincorporated association;

WHEREAS the Parties provide family violence prevention services in various parts of Prince Edward Island;

WHEREAS the Board of Directors of THA, EP, and WP and E.P.E.I. deem it advisable and in the best interests of their respective organizations, and members, to enter into this Agreement;

WHEREAS the Government of Prince Edward Island has provided the majority of the funding used by the Parties to provide family violence prevention services;

WHEREAS the parties wish to make sure that the Government of Prince Edward Island is satisfied with the manner in which family violence prevention services will be provided pursuant to this Agreement;

WHEREAS THA and EP are registered as charities under the *Income Tax Act*;

WHEREAS the Parties consider it imperative that THA maintain its charitable registration number, and that this Agreement complies with any requirements for doing so imposed by Canada Revenue Agency (“CRA”).

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements set forth below, the Parties agree as follows:

Section 1: The Effective Date (the “Effective Date”) of this Agreement shall be September 30, 2008.

Section 2: On the Effective Date, THA will take over the provision of family violence prevention services in the geographical areas now served by EP, WP, and E.P.E.I..

Section 3: Subject to Section 7, as of the Effective Date, EP, WP, and E.P.E.I. shall cease to provide family violence prevention services in the Province of Prince Edward Island.

Section 4: On the Effective Date, EP, WP, and E.P.E.I. will transfer all of their respective assets to THA for the sum of \$1.00.

Section 5: From and after the Effective Date, any monies transferred by EP, WP, and E.P.E.I., respectively, to THA under Section 4, shall be deposited into separate accounts by THA, and shall be used to provide services in the geographic areas in which EP, WP, and E.P.E.I. were, respectively, operating prior to the Effective Date.

Section 6: On and after the Effective Date, all fundraising done by the Parties shall be carried out through and in the name of THA, unless otherwise agreed by THA's Board of Directors. EP, WP, and E.P.E.I. agree that they will not engage in any such fundraising effort without the specific written approval of THA's Board of Directors. If such approval is given, EP, WP, and E.P.E.I. will comply with any terms and conditions that THA's Board of Directors may establish with respect to that fundraising effort.

Section 7: On and after the Effective Date, THA's Board of Directors may agree that EP, WP, or E.P.E.I. may apply for external funding for a specific project or projects for which they may be eligible and for which THA is not eligible, or if it is otherwise in the overall best interests of THA that such an application be made. Any such application for such funding must be approved by THA's Board of Directors, and the administration of any funds received by EP, WP, or E.P.E.I., as the case may be, will be subject to such terms and conditions as THA's Board of Directors may establish.

Section 8: Any legal limitations on the use of any bequests or other gifts already received, or in the future received, by any of the Parties shall be respected by the Parties.

Section 9: EP and WP represent and warrant that they do not have, and will not have as of the Effective Date, any outstanding indebtedness, liabilities, or claims of any kind, other than those that are disclosed in their financial statements for the fiscal period ending March 31, 2008 and that have been disclosed to THA, on the Effective Date. E.P.E.I. also represents and

warrants that it will disclose any outstanding indebtedness, liabilities or claims that it may have to THA, on the Effective Date.

Section 10: On or before the Effective Date, THA shall offer to employ the employees of EP, WP, and E.P.E.I. commencing on the day following the Effective Date on the terms and conditions set by THA's Board. Any offer made prior to the Effective Date shall be made contingent on the implementation of this Agreement by the Parties. All such offers shall also be made subject to any collective bargaining obligations that THA may have with respect to those employees.

Section 11: Before or as soon as possible following the Effective Date, THA shall apply to change its name. Any name change shall be approved by THA's Board of Directors, and shall be subject to approval by THA's members as required by law.

Section 12: THA's memorandum of agreement will be amended to make provision for the representation of the following geographical areas of Prince Edward Island on THA's Board of Directors: West Prince, East Prince, Queen's County, and Eastern Prince Edward Island. That memorandum will also be amended to make provision for representation of the francophone community of Prince Edward Island on THA's Board of Directors. The precise number of regional representatives, the wording of any amendment making provision for such regional and francophone representation, and any increase in the number of Directors of THA required to provide for that representation, shall be as approved from time to time by THA's Board of Directors, and THA's members if and as required by law. The Parties understand and agree that the role of these regional and francophone representatives will be to bring, to the attention of the THA's Board of Directors, matters of concern within their locale or community, but they shall always have an over-riding obligation to represent the best interests of THA. THA's Board may have members of its Board of Directors who are not regional or francophone representatives. In

addition, nothing in this section affects the provisions of Article 11.5 of the Collective Agreement.

Section 13: THA's provision of family violence prevention services as contemplated by this Agreement is contingent on the receipt of funding from the Government of Prince Edward Island. The distribution of funds throughout the Province shall be determined by THA's Board of Directors, and shall be subject to the terms of the funding agreement between THA and the Government of Prince Edward Island.

Section 14: EP and WP may retain their legal existence (that is, their "shell") after the Effective Date.

Section 15: EP will be responsible for maintaining its charitable registration after the Effective Date, including the filing of any annual returns.

Section 16: THA agrees that it will do what is necessary to maintain its charitable registration number after the Effective Date, including the filing of annual returns.

Section 17: EP, WP, and E.P.E.I. agree to submit this Agreement to their respective members for approval, if and as required by law.

Section 18: The Parties agree that the costs and expenses of the reorganization process contemplated by this Agreement shall be shared by the Parties, based on the proportion of funding received by THA from the Government of Prince Edward Island distributed to each Party in the fiscal year ending March 31, 2008.

Section 19: Monies required to pay the costs and expenses referred to in Section 18 may be deducted from the monies segregated under Section 5.

Section 20: Notwithstanding anything herein to the contrary, if a Board of Directors of a Party should determine at any time prior to the Effective Date, for any legal, financial, or business reason deemed sufficient by it, that it is not in that Party's best interests, or is otherwise

inadvisable or inappropriate, to consummate this Agreement, that Party may withdraw from this Agreement by providing notice to the other Parties in writing.

Section 21: At any time prior to the Effective Date, this Agreement may, by an instrument in writing, be amended by mutual consent of the respective Boards of Directors of the Parties.

Section 22: Prior to and after the Effective Date, the Parties shall take or cause to be taken, all such action as may be necessary or appropriate in order to effectuate this Agreement, and shall use their best efforts to obtain any external or other approvals that may be required. If at any time prior to or after the Effective Date, any further action is necessary or desirable to carry out the purpose of this Agreement, including to vest THA with full title to all the assets and liabilities of the Parties, the Parties shall take all such steps as are necessary or appropriate.

Section 23: Any notice that are required or permitted to be given under this Agreement shall be sufficiently given if delivered personally or by registered mail to the following persons on behalf of the respective Parties:

1. East Prince Family Violence Prevention Inc.:

c/o Patricia Roy
Mailing address: P.O. Box 1478
Summerside, PE
C1N 3H2
Street address: 378 Enmore Road
RR #1
Ellerslie, PE
C0B 1J0

2. Eastern PEI Family Violence Prevention Services:

c/o Anne Nicholson
Mailing address: P.O. Box 820
Montague, PE
C0A 1R0
Street address: c/o Riverview Manor
82 Main Street
Montague, PE
C0A 1R0

Transition House Inc.:

c/o Karin LaRonde and Phil Matusiewicz
Mailing and Street address: 96 Kent Street
Charlottetown, PE
C1A 1M9

West Prince Family Violence Prevention Cooperative Ltd.:

c/o Bill Costain
Mailing address: P.O. Box 8
O'Leary, PE
C0B 1V0
Street address: 64 Howlan Road
RR #3
O'Leary, PE
C0B 1V0

Section 24: This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Prince Edward Island.

WITNESS my hand and seal the day, month and year as first written above.

SIGNED SEALED & DELIVERED
in the presence of:

Witness

TRANSITION HOUSE INC.

Per: _____

Per: _____

SIGNED SEALED & DELIVERED
in the presence of:

Witness

EAST PRINCE FAMILY VIOLENCE
PREVENTION INC.

Per: _____

Per: _____

SIGNED SEALED & DELIVERED
in the presence of:

Witness

WEST PRINCE FAMILY
VIOLENCE PREVENTION
CO-OPERATIVE LTD.

Per: _____

Per: _____

SIGNED SEALED & DELIVERED
in the presence of:

EASTERN P.E.I. FAMILY
VIOLENCE PREVENTION
SERVICES

Per: _____

Witness

Per: _____

DATED: APRIL , 2008

AGREEMENT

STEWART McKELVEY STIRLING SCALES
File No. PT1409/65388 RS/am