







IN WITNESS WHEREOF the Chief Negotiators for the Parties hereby initial this Kitselas Treaty this 24^{th} day of June, 2024.

INITIALLED on behalf of KITSELAS:			
Glenn Bennett Chief Negotiator Kitselas	Witnessed by: Susan Bevan Kitselas		
INITIALLED on behalf of CANADA:			
Frank Osendarp Chief Federal Negotiator Crown-Indigenous Relations and Northern Affairs Canada	Witnessed by: The Honourable Gary Anandasangaree Minister of Crown-Indigenous Relations		
INITIALLED on behalf of BRITISH COLUMBIA:			
Mark Lofthouse Chief Provincial Negotiator Ministry of Indigenous Relations and Reconciliation	Witnessed by: The Honourable Murray Rankin, KC Minister of Indigenous Relations and Reconciliation		

Kitselas Treaty Negotiations – Initialling Version

This initialling version of the Kitselas Treaty is an important milestone toward finalizing the Kitselas Treaty and is subject to the following understandings:

- 1. **Legal and Technical Review:** The legal and technical review, including the legal drafting process, is not yet complete. The initialling version is therefore subject to change as a result of this review.
- 2. **Substantive Changes:** The initialling version is subject to potential changes:
 - (a) to resolve any substantive matters that may arise as part of the legal and technical review as described in #1 above;
 - (b) to resolve any substantive matters that may remain outstanding at the time of initialling;
 - (c) as a result of the ongoing consultations as described in #3 below; and
 - (d) as a result of any outstanding internal reviews, including Kitselas internal community consultations, between initialling and the start of the community ratification process.
- 3. **Ongoing Consultations:** Canada and British Columbia are conducting consultations with other Nations potentially impacted by the Kitselas Treaty, in order to fulfill the Crown's legal duty to consult. These consultations will proceed beyond the initialling stage and may result in further changes to the Kitselas Treaty.
- 4. **Document Revision for Ratification:** A ratification version of the Kitselas Treaty will be prepared after completion of all remaining reviews and incorporation of potential changes. It is this later ratification version that will be presented for ratification by the Parties in accordance with the terms of the Kitselas Treaty.

KITSELAS TREATY APPENDICES

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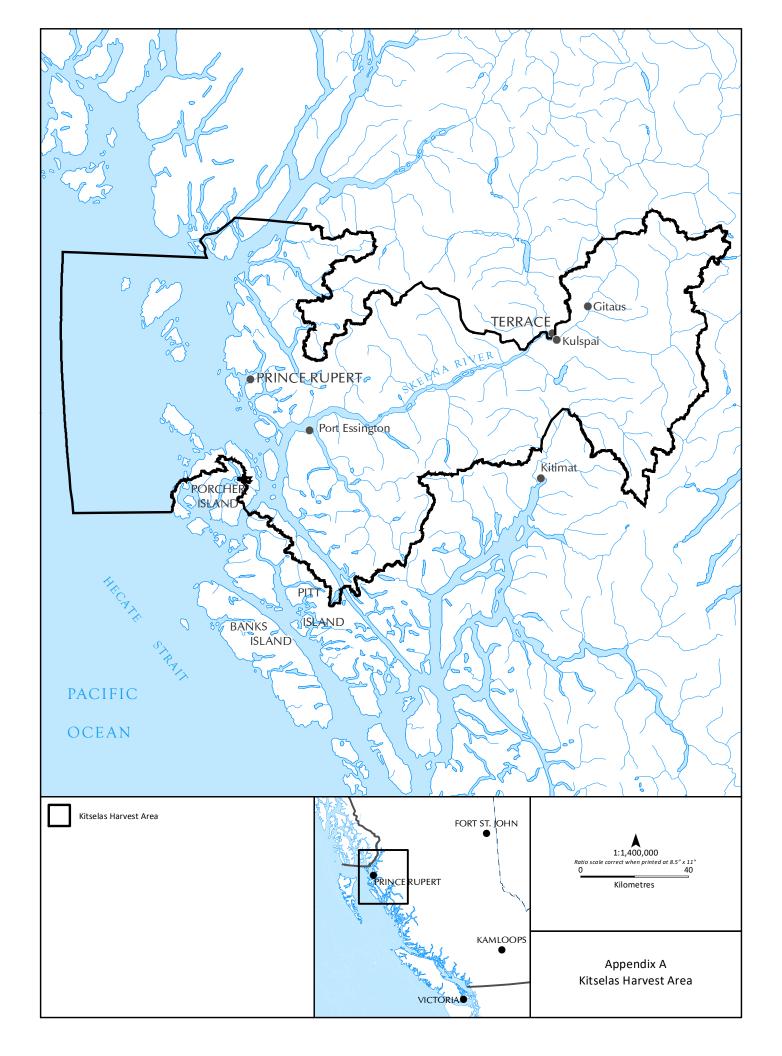
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Appendix A Kitselas Harvest Area

Map of Kitselas Harvest Area



Appendix B Kitselas Lands

Appendix B-1 Overview of Kitselas Lands

Overview Map of Kitselas Lands

Appendix B-2 Former Kitselas Indian Reserves

- Part 1: Land Descriptions of Former Kitselas Indian Reserves
- Part 2: Maps of Former Kitselas Indian Reserves

Appendix B-3 Maps of Former Provincial Crown Lands

- Part 1: Overview Map of Former Provincial Crown Lands
- Part 2: Maps of Former Provincial Crown Lands

Appendix B-4 Former Private Fee Simple Lands

- Part 1: Legal Descriptions of Former Private Fee Simple Lands
- Part 2: Maps of Former Private Fee Simple Lands
- Part 3: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Certificate of Fee Simple Ownership and Consent
- Part 4: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Certificate of Charge and Consent
- Part 5: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Release

Appendix B-5 Kitselas Lands to be Registered in the Land Title Office on Effective Date

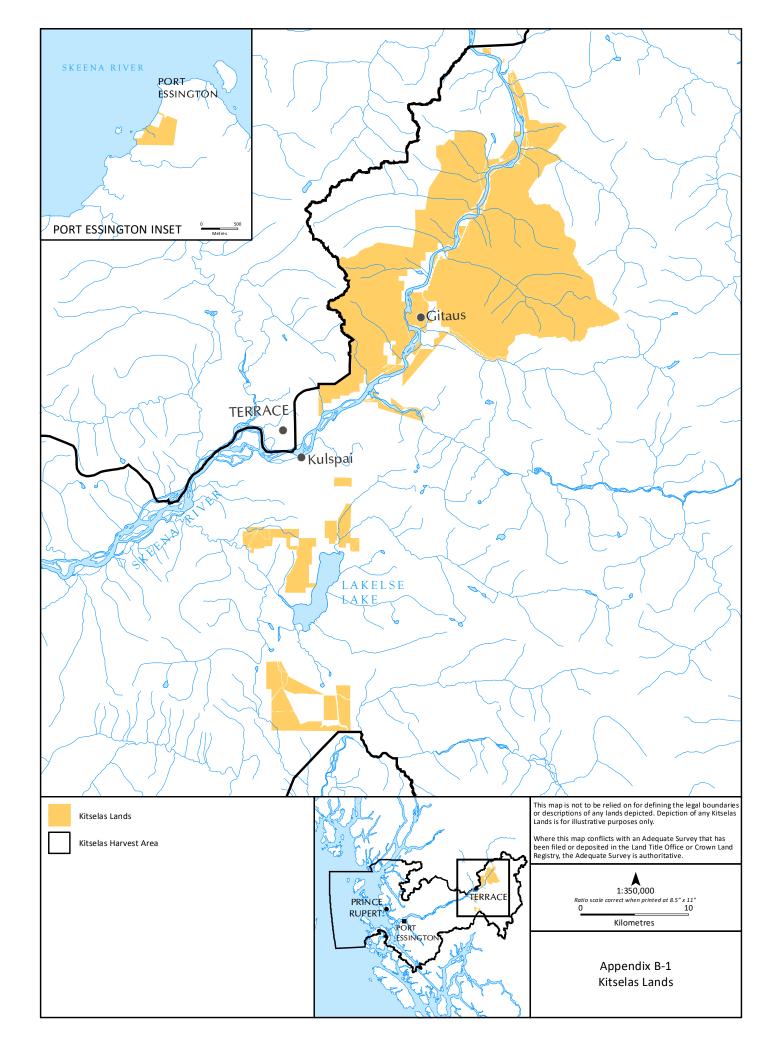
Legal Descriptions of Kitselas Lands to be Registered in the Land Title Office on Effective Date

Appendix B-6 Maps of Kitselas Agricultural Lands

Maps of Kitselas Agricultural Lands

Appendix B-1 Overview of Kitselas Lands

Overview Map of Kitselas Lands



Appendix B-2 Former Kitselas Indian Reserves

Part 1: Land Descriptions of Former Kitselas Indian Reserves

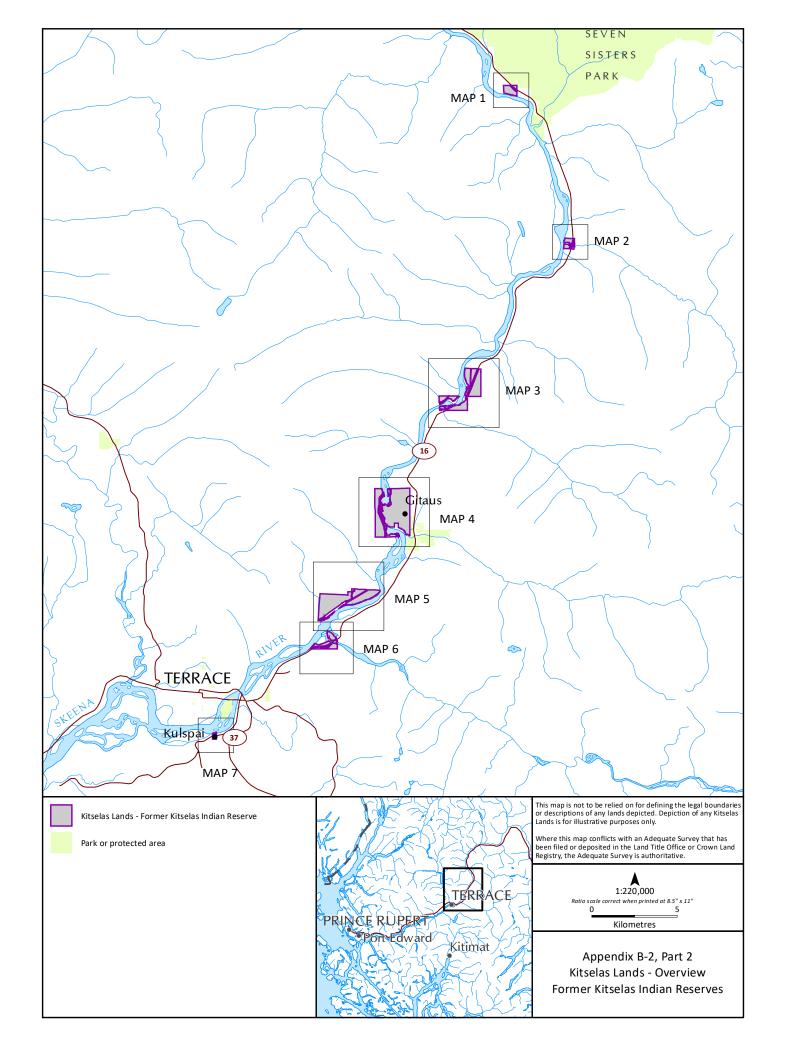
Former Kitselas Indian Reserve Name	Land Description ¹²
Kitselas 1	Kitselas Indian Reserve No. 1 as shown on plan BC124, save and except the railway rights of ways shown on plans RR1008A and RR1008B
Chimdimash 2	Chimdimash Indian Reserve No. 2 as shown on plan BC124, save and except the highway rights of ways shown on plans RD3274 and 52963, and save and except the railway right of way shown on plan RR1267A
Chimdimash 2A	Chimdimash Indian Reserve No. 2A as shown on plan BC124, save and except the highway rights of ways shown on plans RD3274 and 52963
Ikshenigwolk 3	Ikshenigwolk Indian Reserve No. 3 as shown on plan 90530, save and except the highway rights of ways shown on plans RD3372 and 57929
Kshish 4 and 4A	Kshish Indian Reserve No. 4 and 4A as shown on plan BC123, save and except the highway right of way shown on plan RD2540, and save and except the railway right of way shown on plan RR884B
Kshish 4B	Kshish Indian Reserve No. 4B as shown on plan BC585
Zaimoetz 5	Zaimoetz Indian Reserve No. 5 as shown on plan BC123, save and except the highway right of way being a parcel of consistent width of 20.116 metres, located 10.058 metres either side of a centerline shown on plan RD2230, and save and except the highway rights of ways shown on plans 52696 and 90180
Kulspai 6	Kulspai Indian Reserve No. 6 as shown on plan 58777, save and except the highway rights of ways shown on plans 51294 and 56361

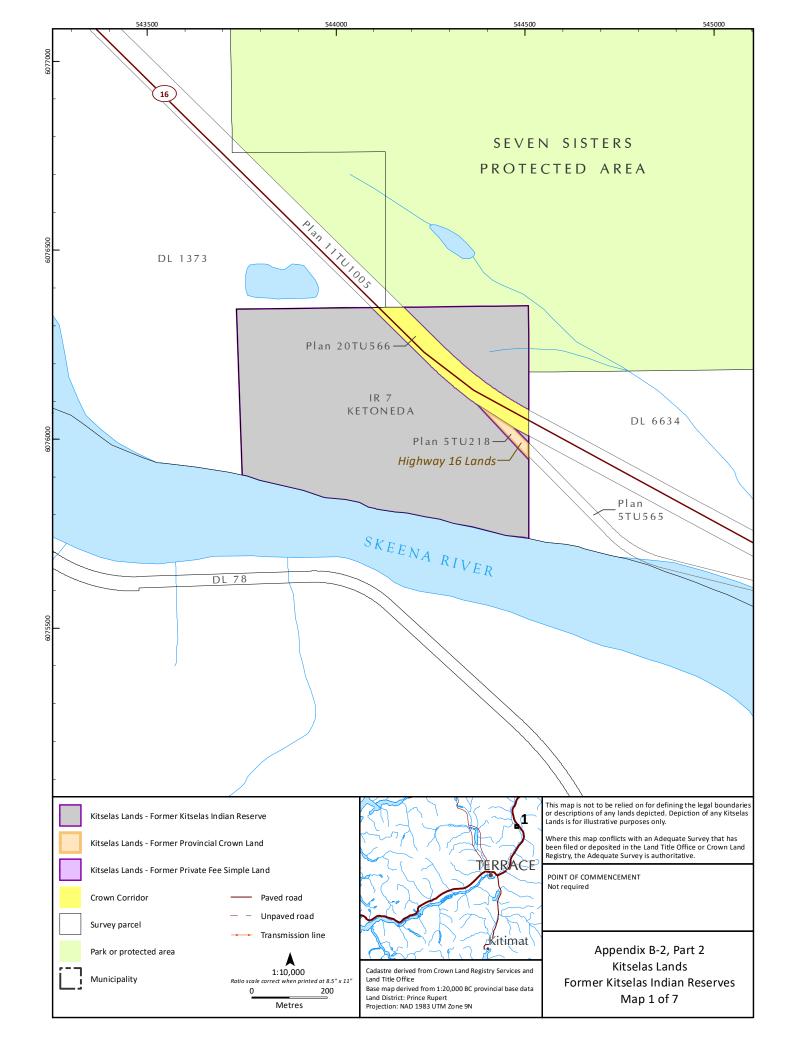
Plan numbers in this column are Canadian Land Survey Records on deposit in Ottawa.
 The location of natural boundaries may have moved since surveyed, and may continue to move and the associated titled areas may change

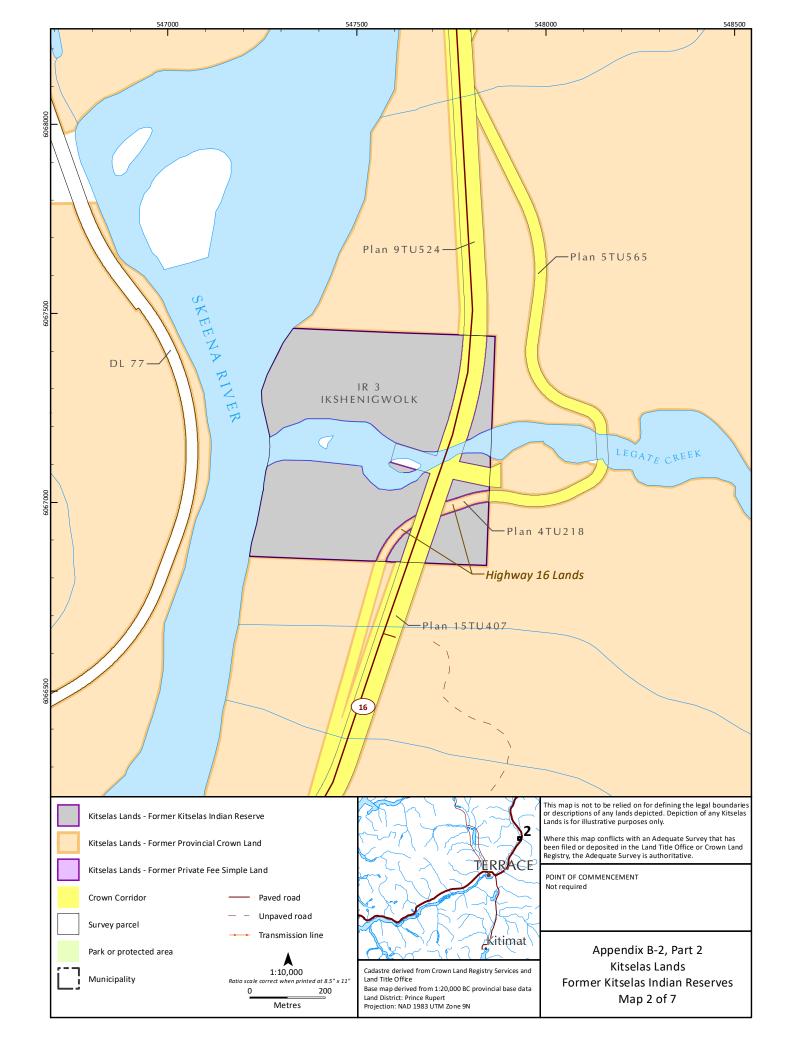
Ketoneda 7	Ketoneda Indian Reserve No. 7 as shown on plan 91179, save
	and except the highway rights of ways shown on plans
	RD3264 and 57236
	RD3204 and 37230

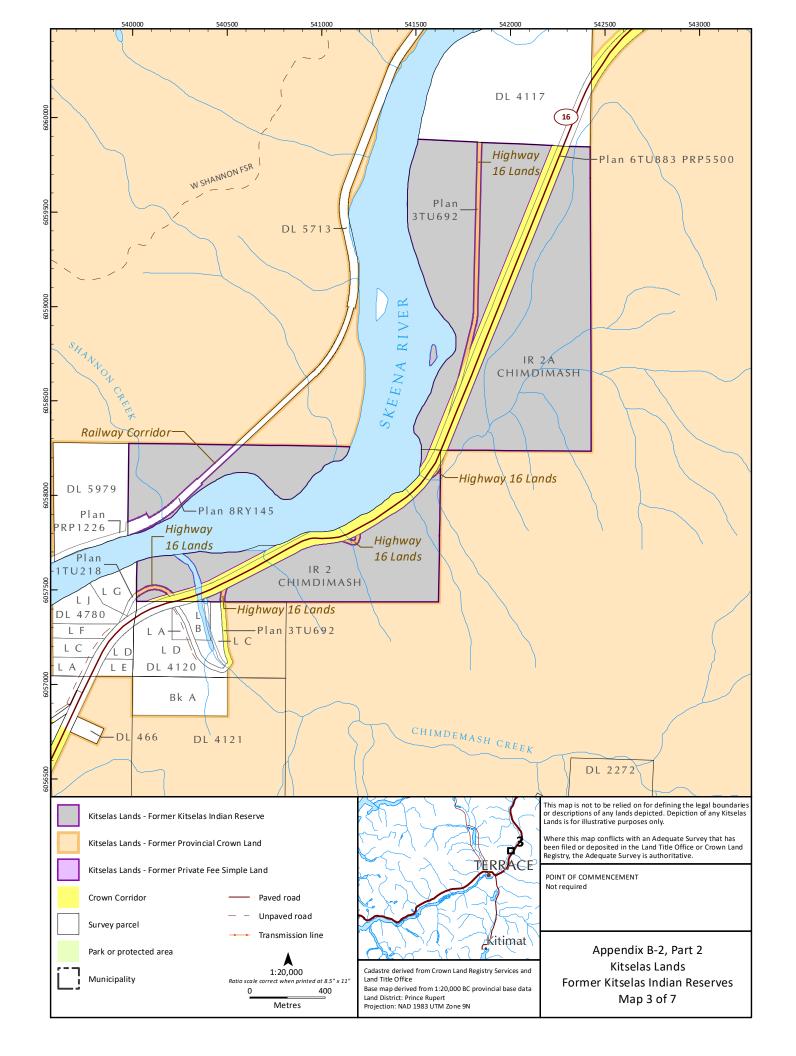
Appendix B-2 Former Kitselas Indian Reserves

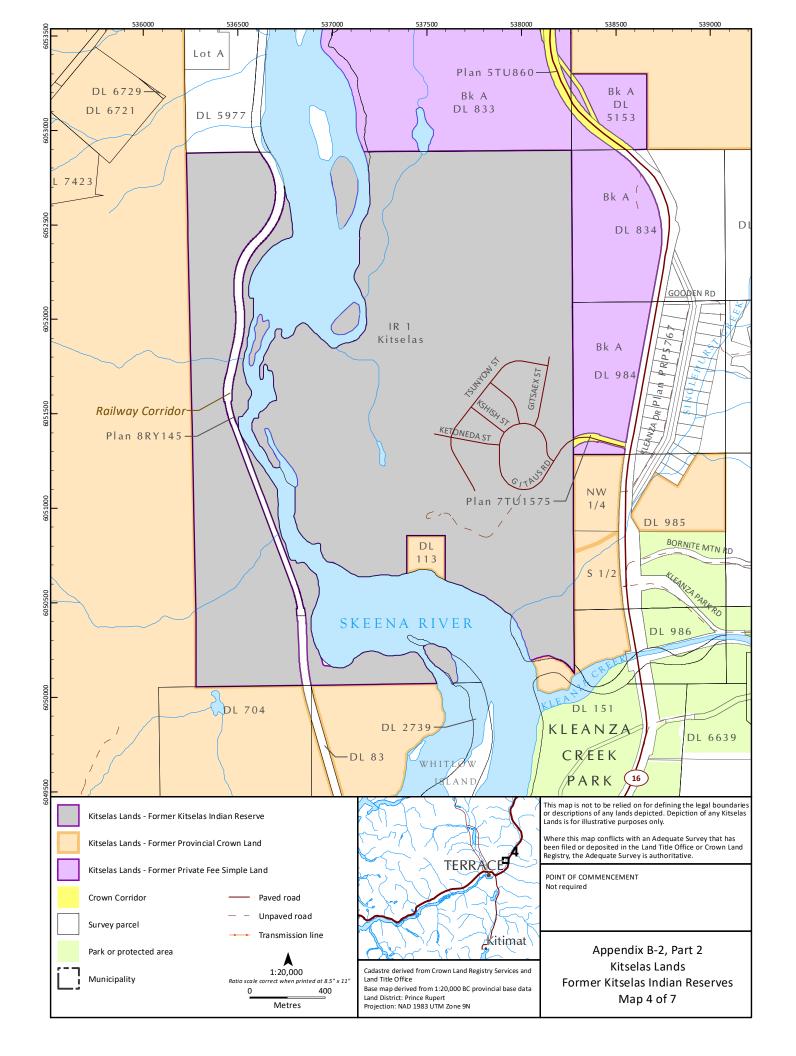
Part 2: Maps of Former Kitselas Indian Reserves

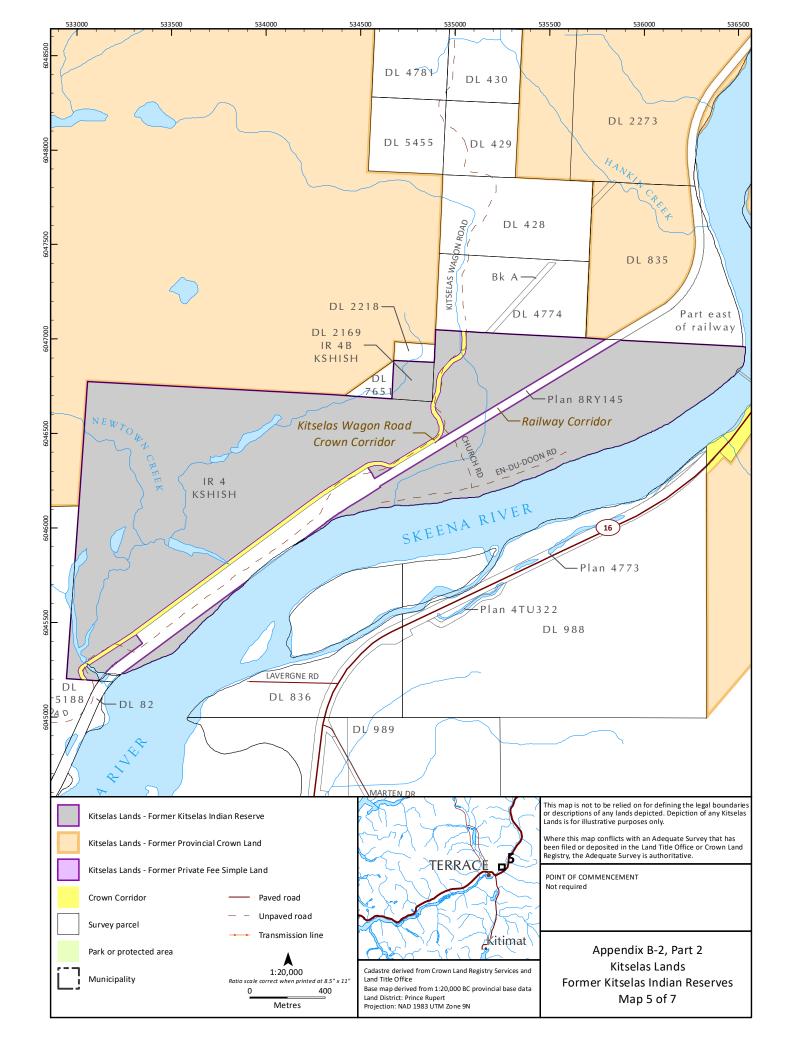


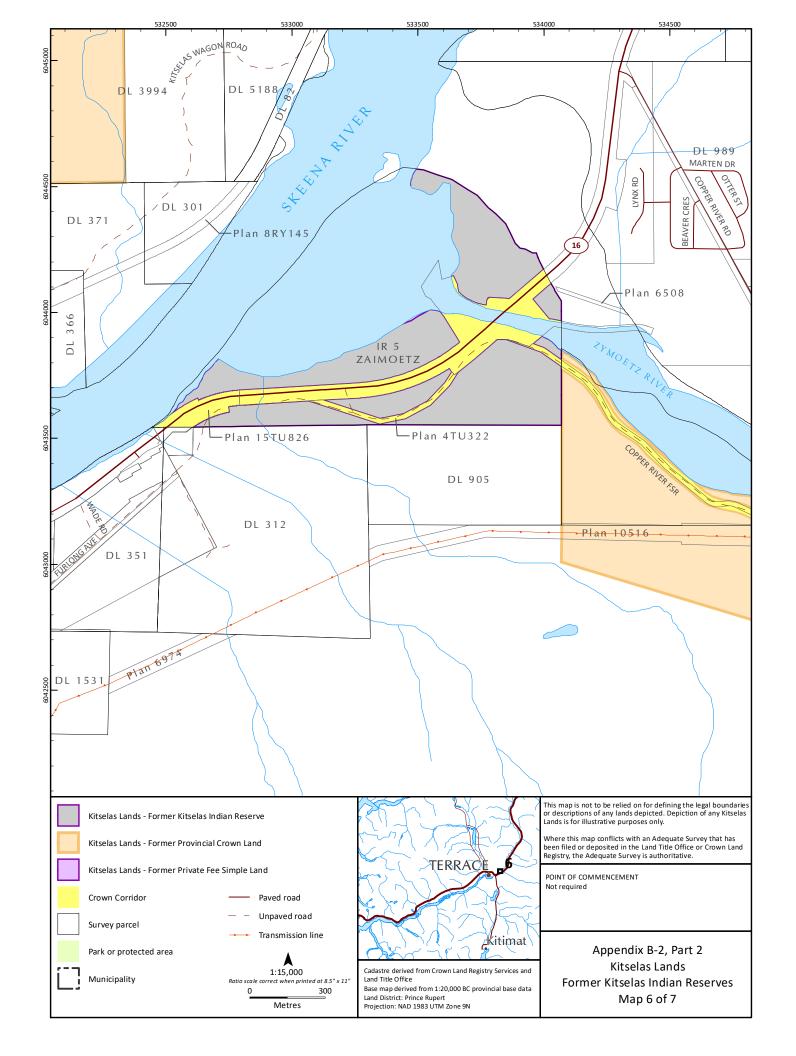


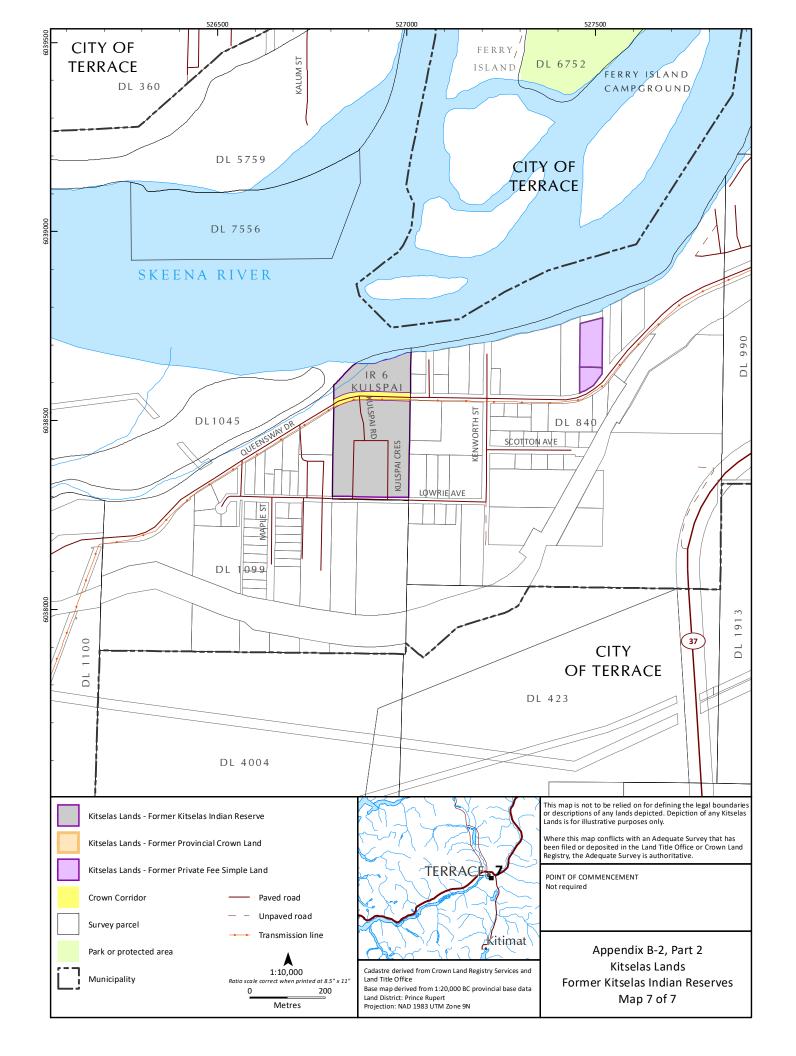








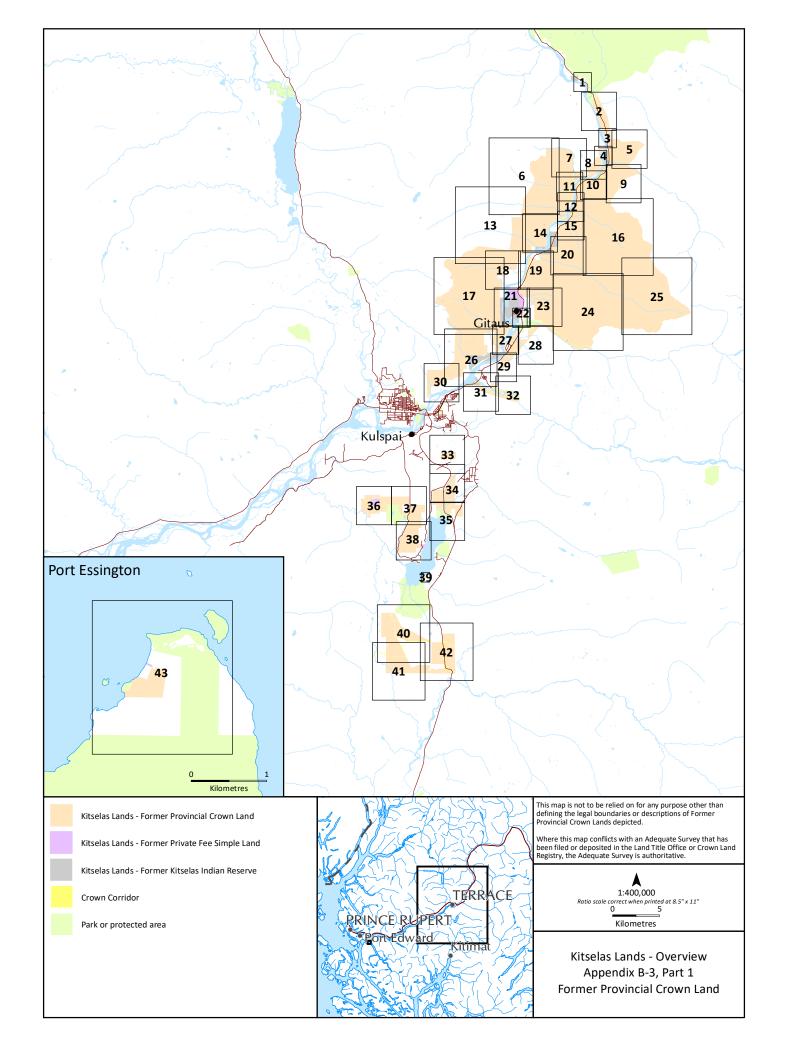




Appendix B-3 Maps of Former Provincial Crown Lands

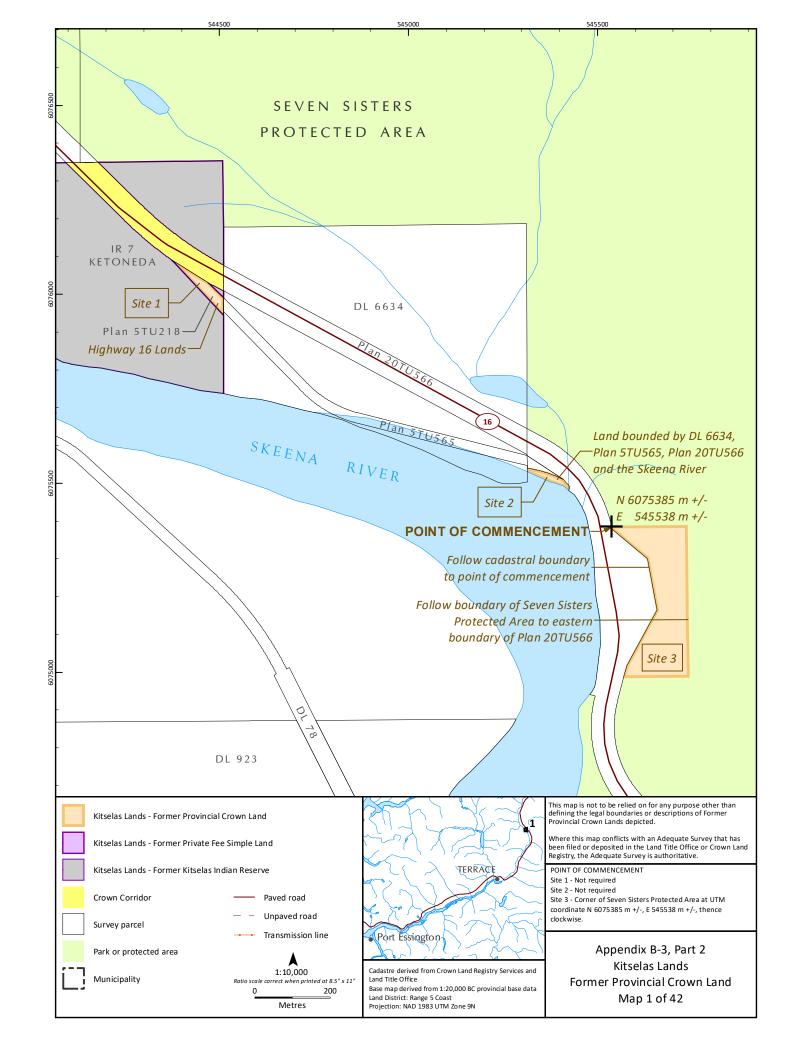
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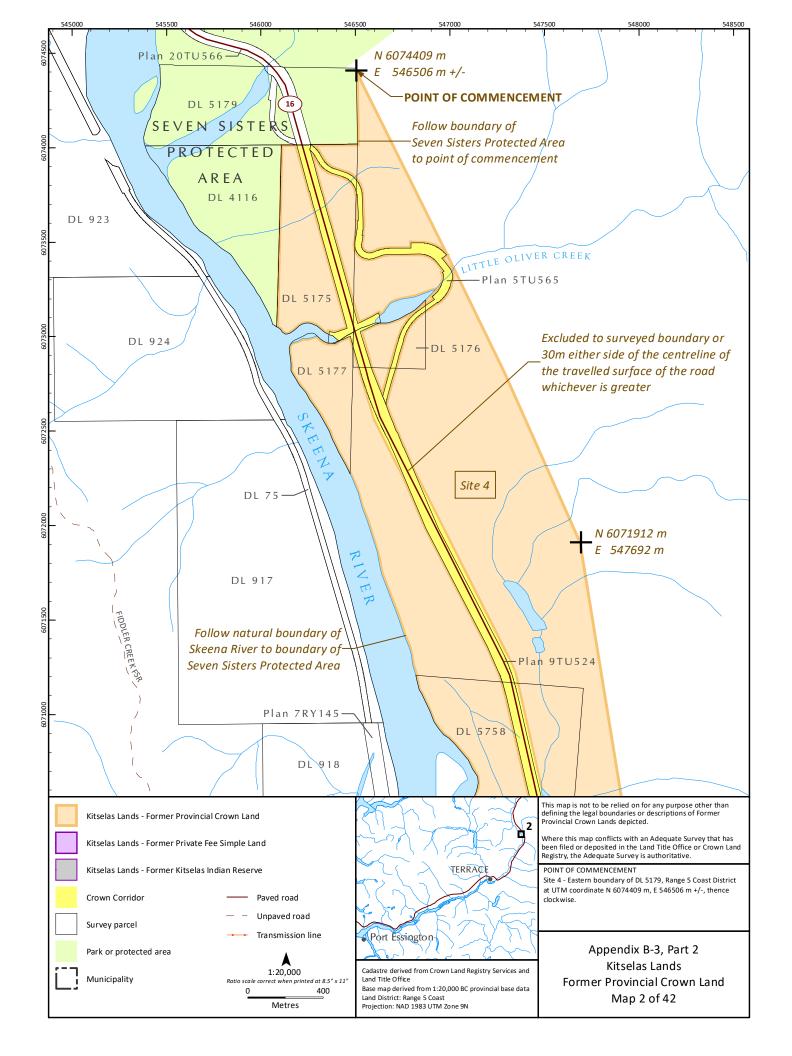
Part 1: Overview Map of Former Provincial Crown Lands

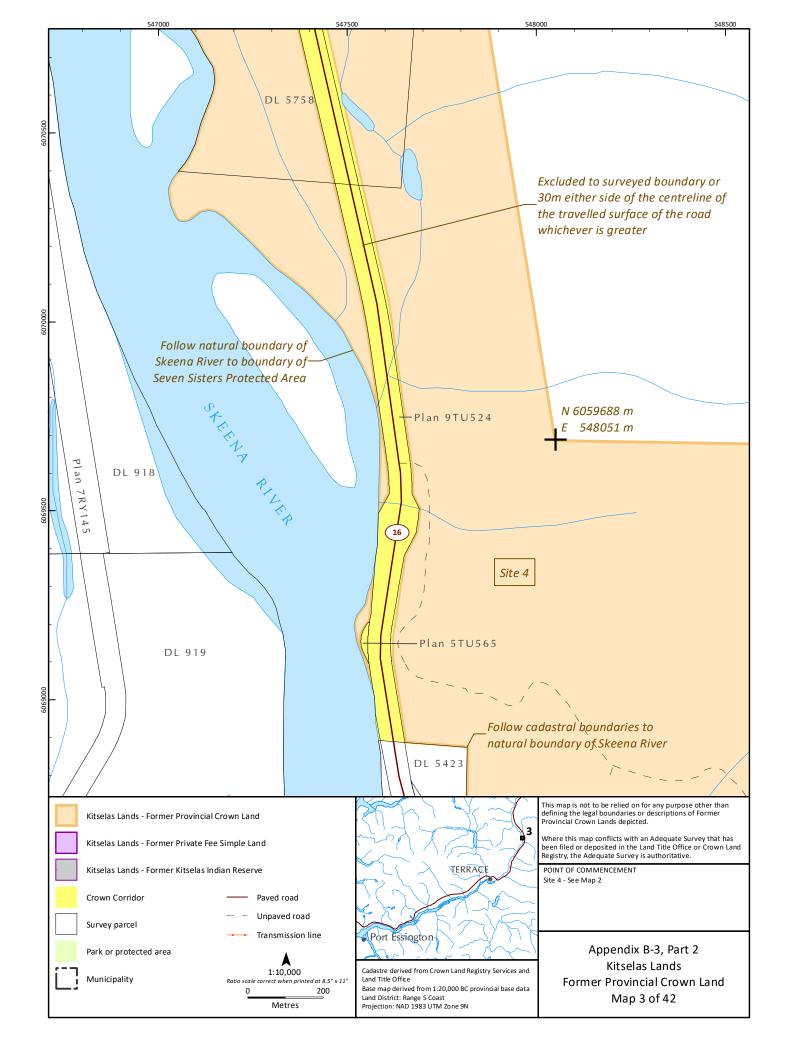


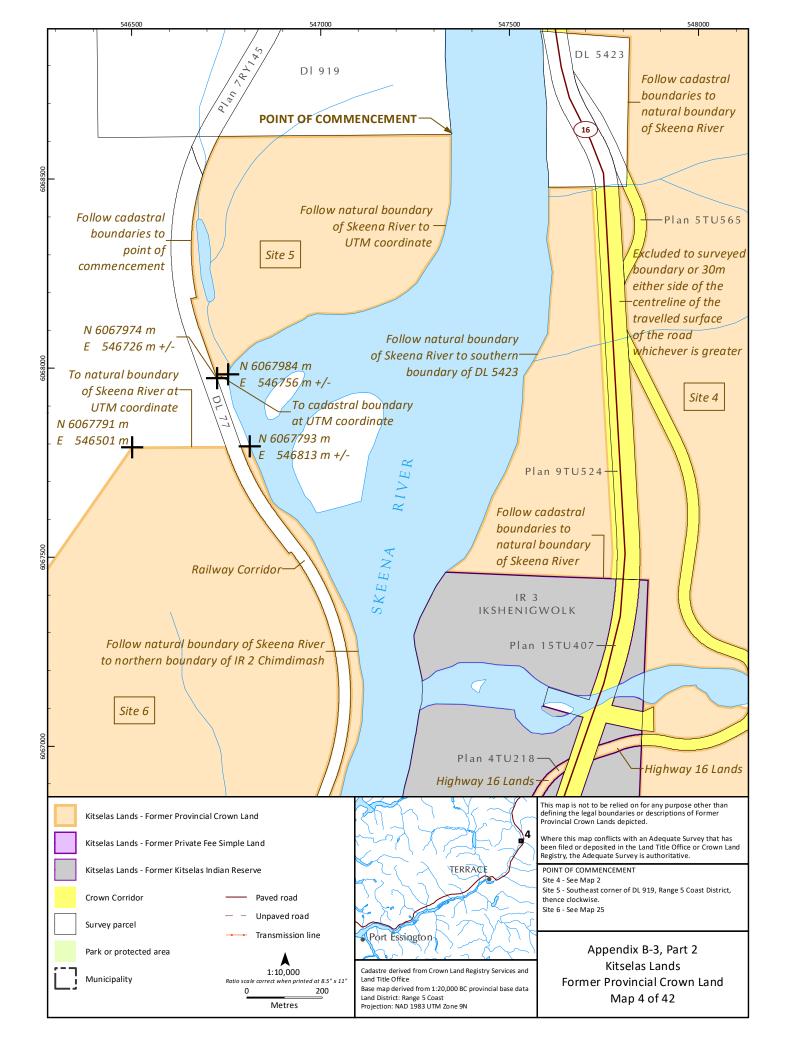
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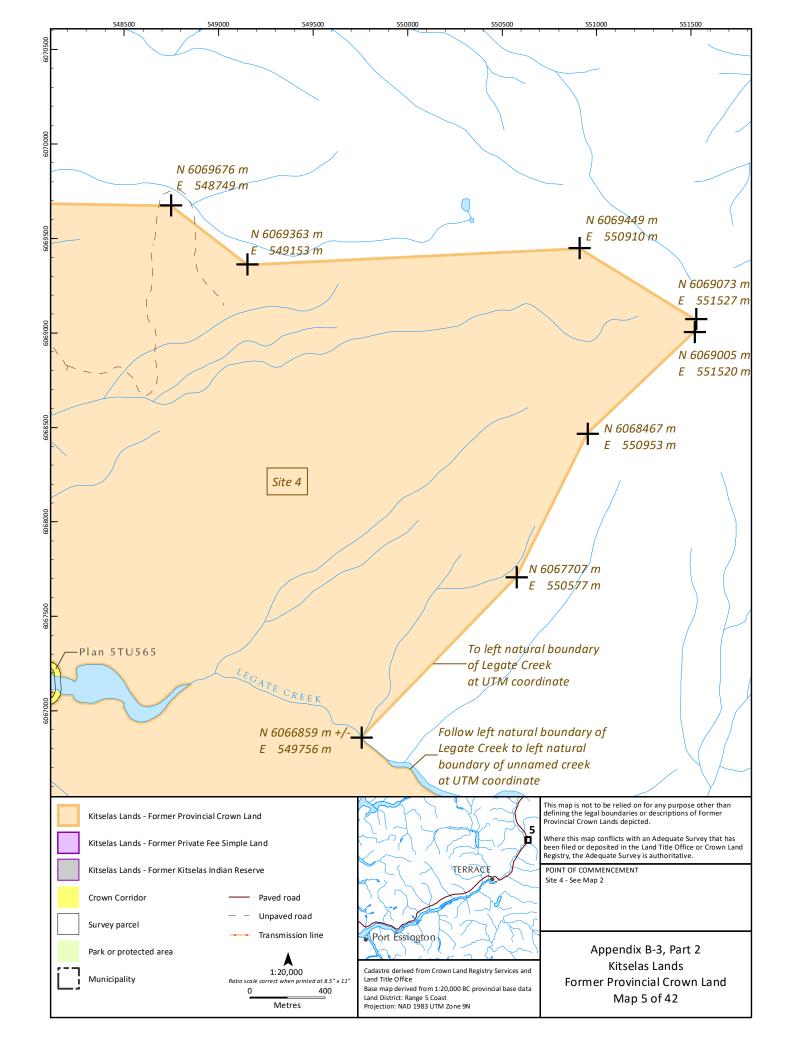
Part 2: Maps of Former Provincial Crown Lands

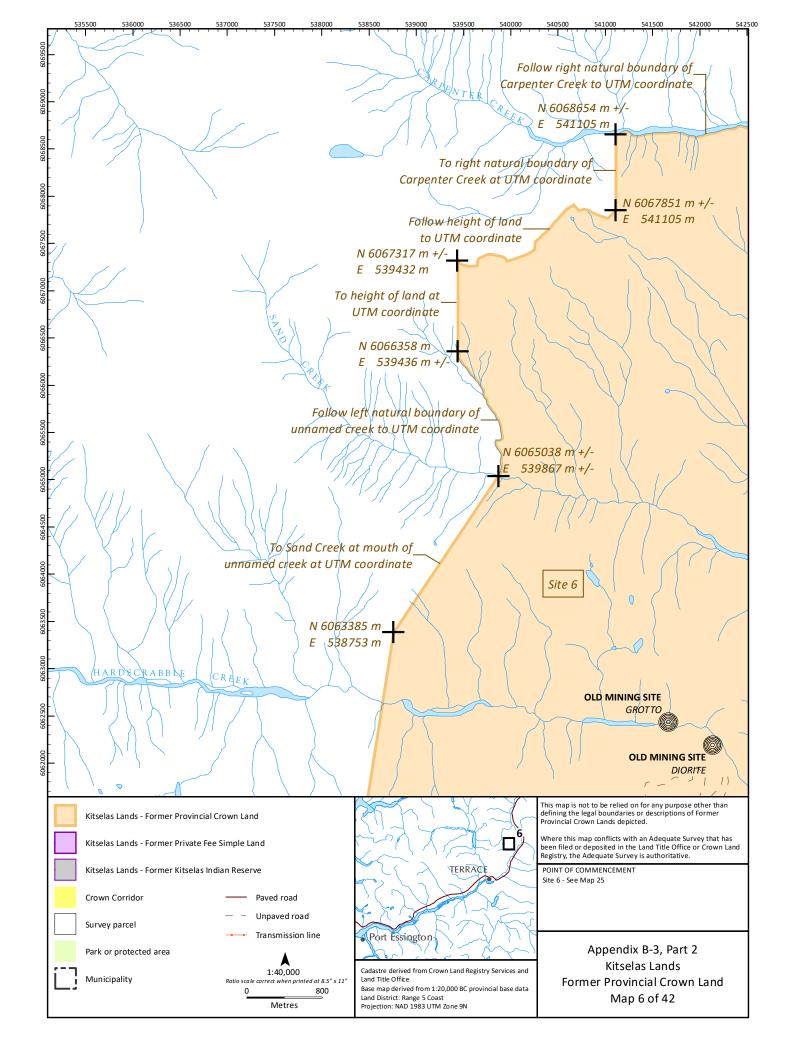


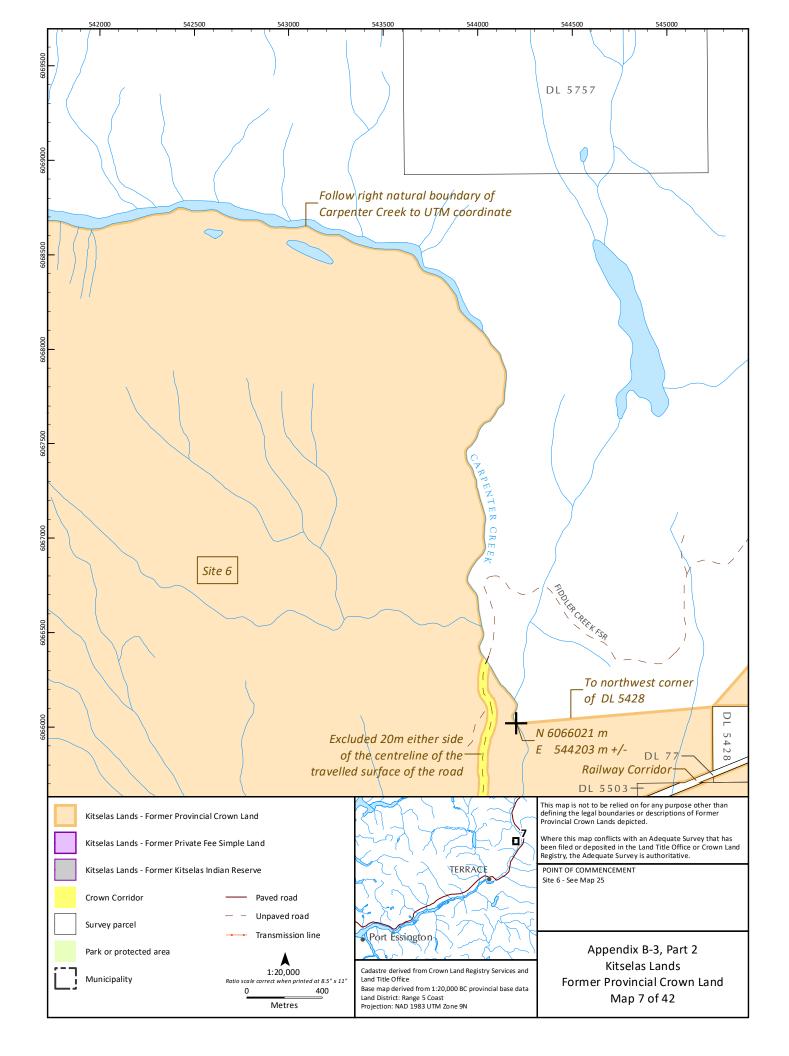


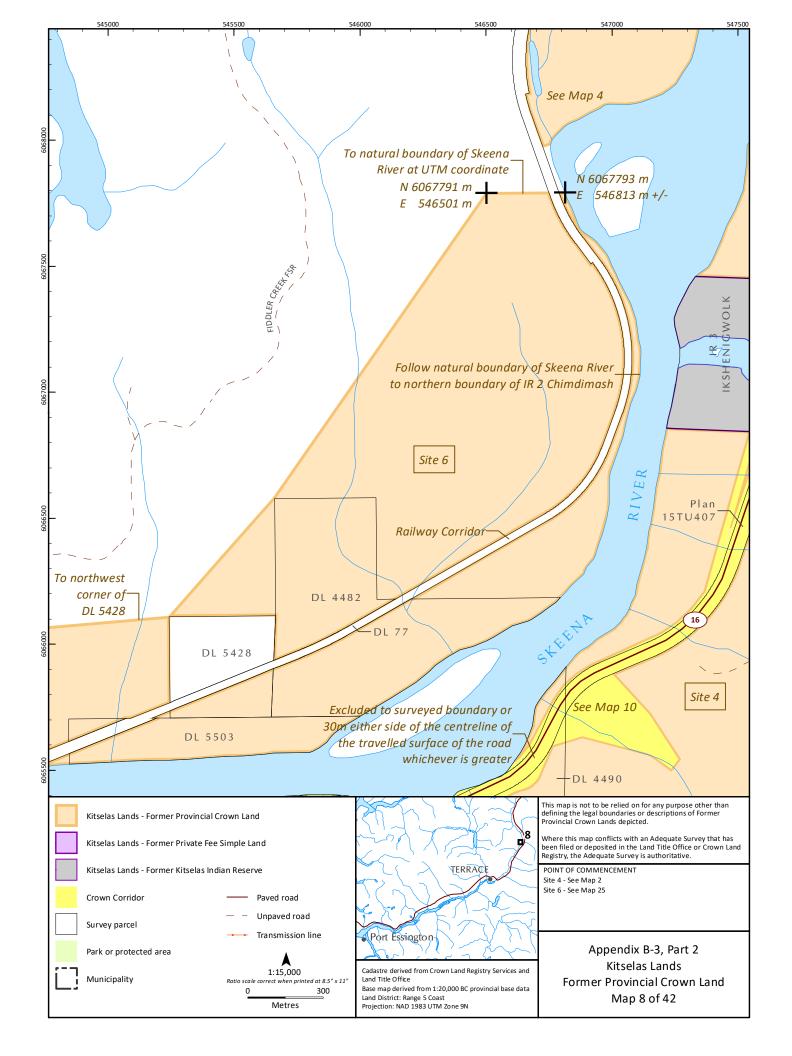


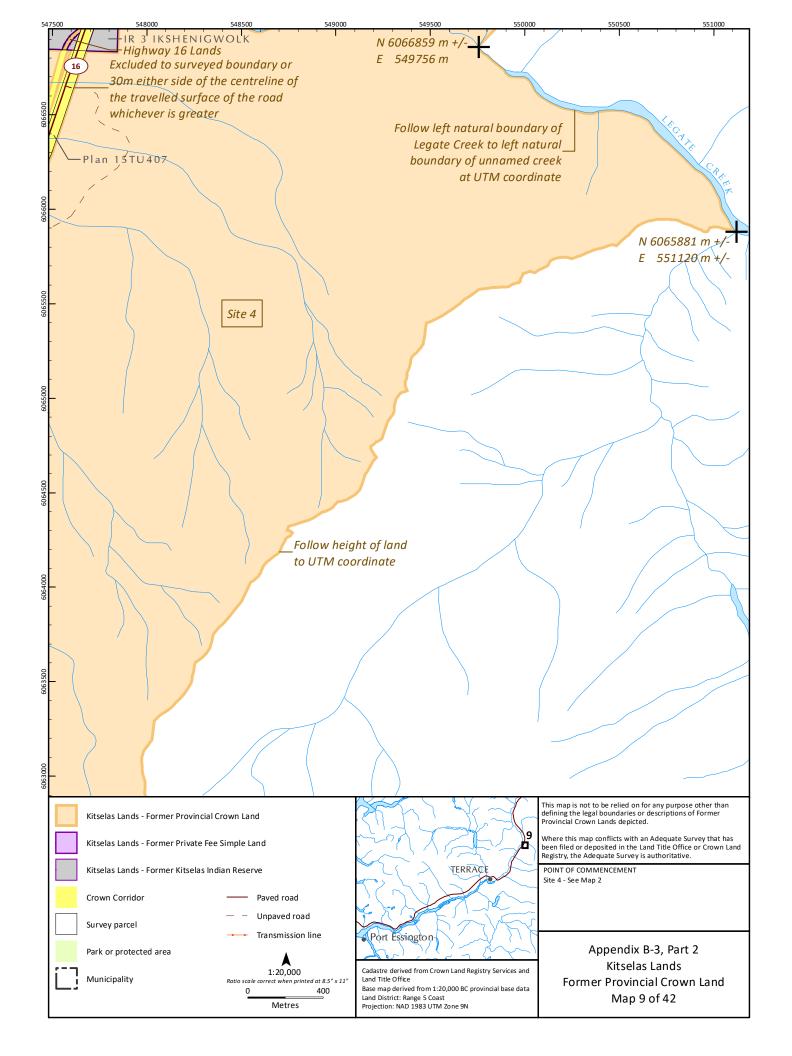


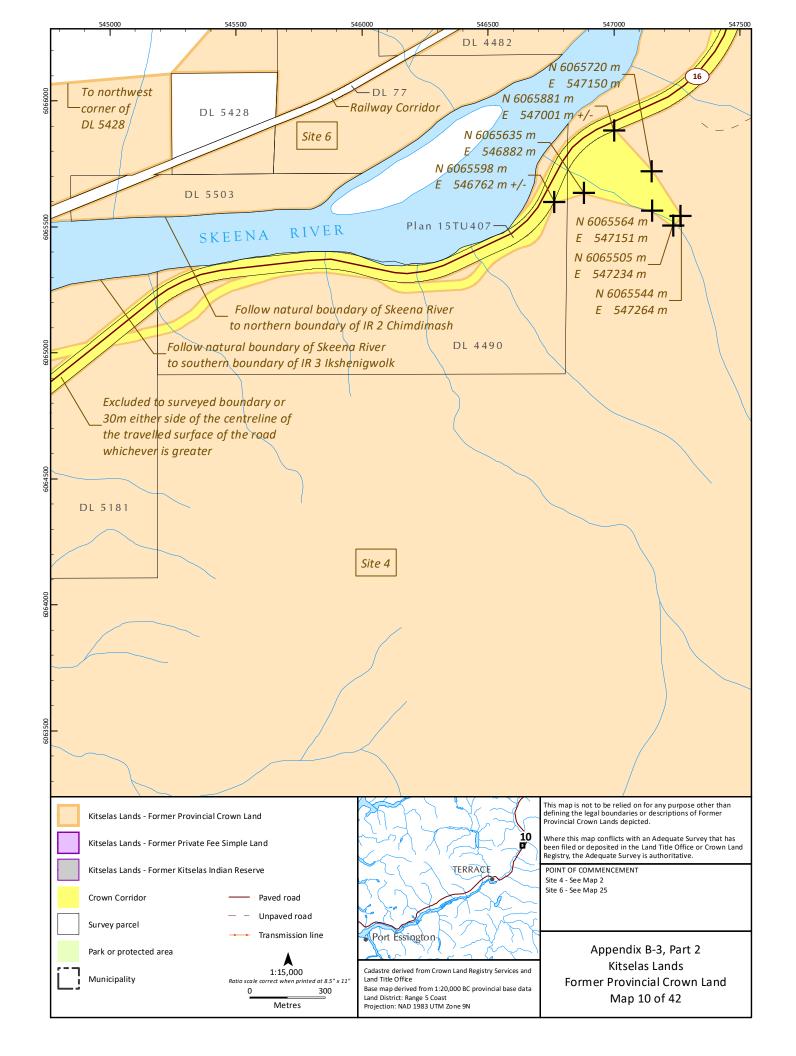


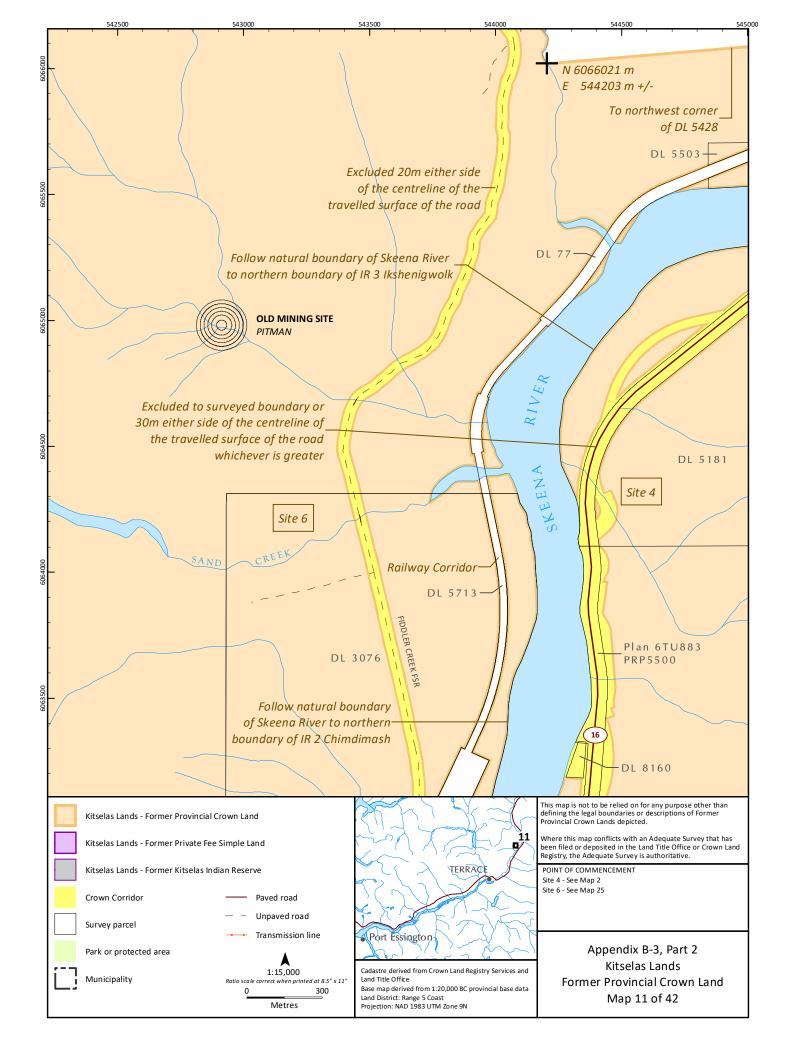


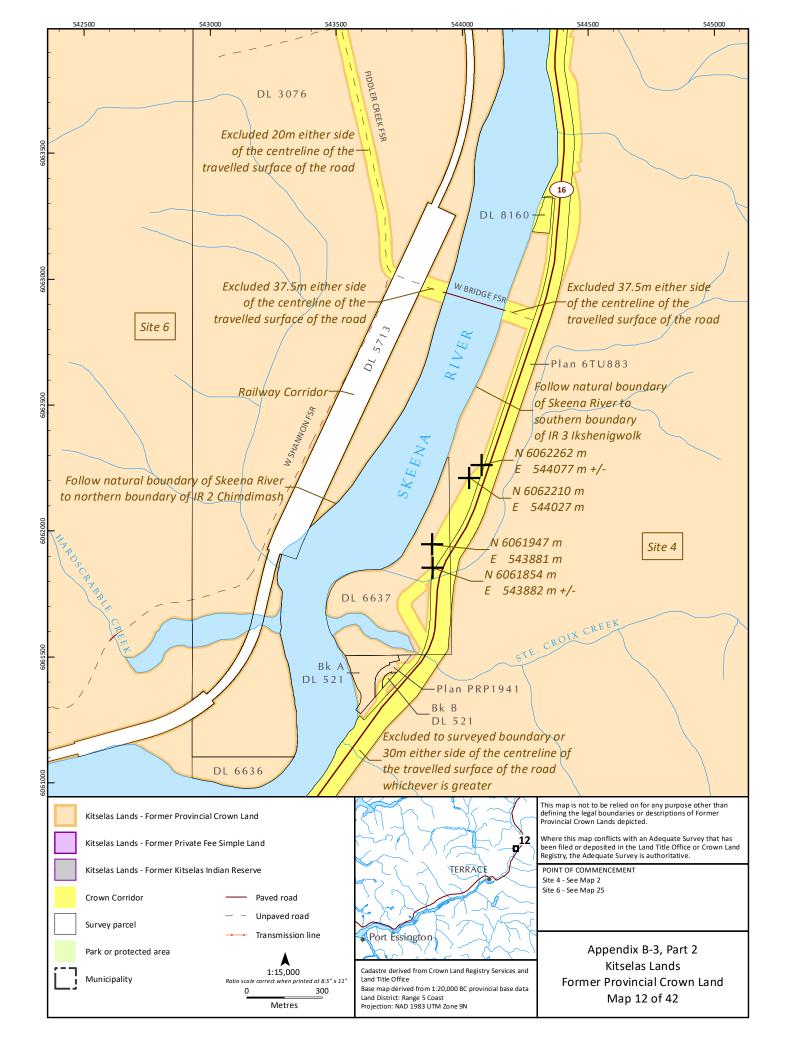


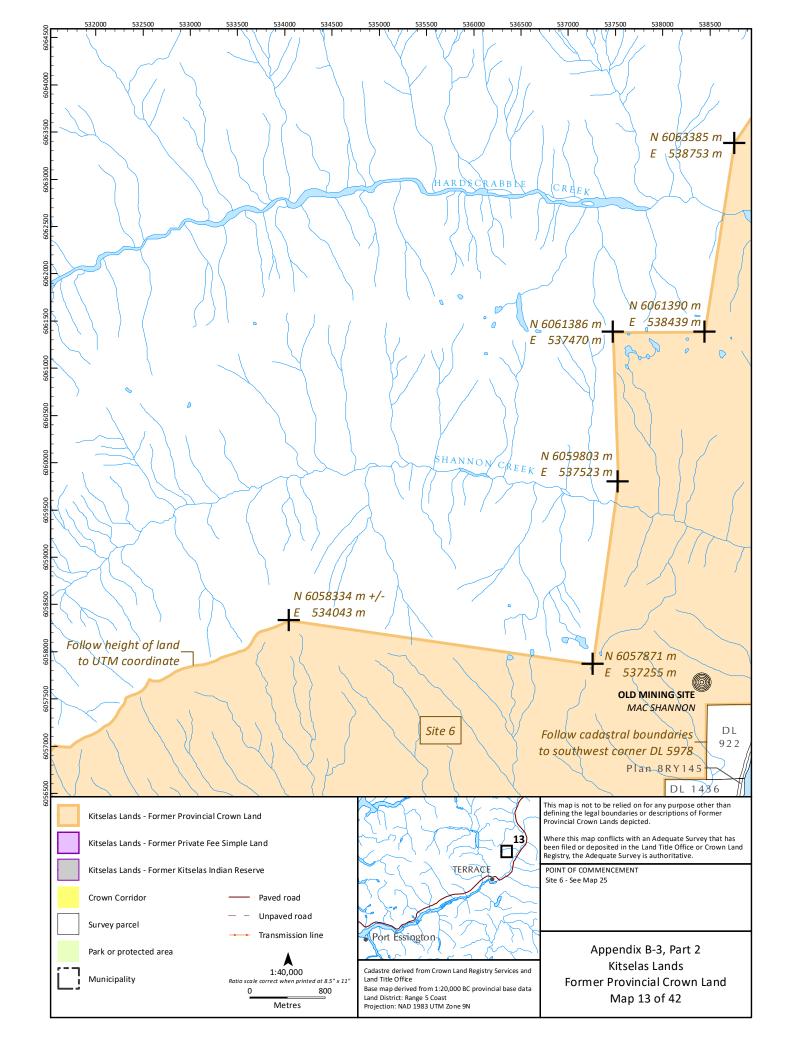


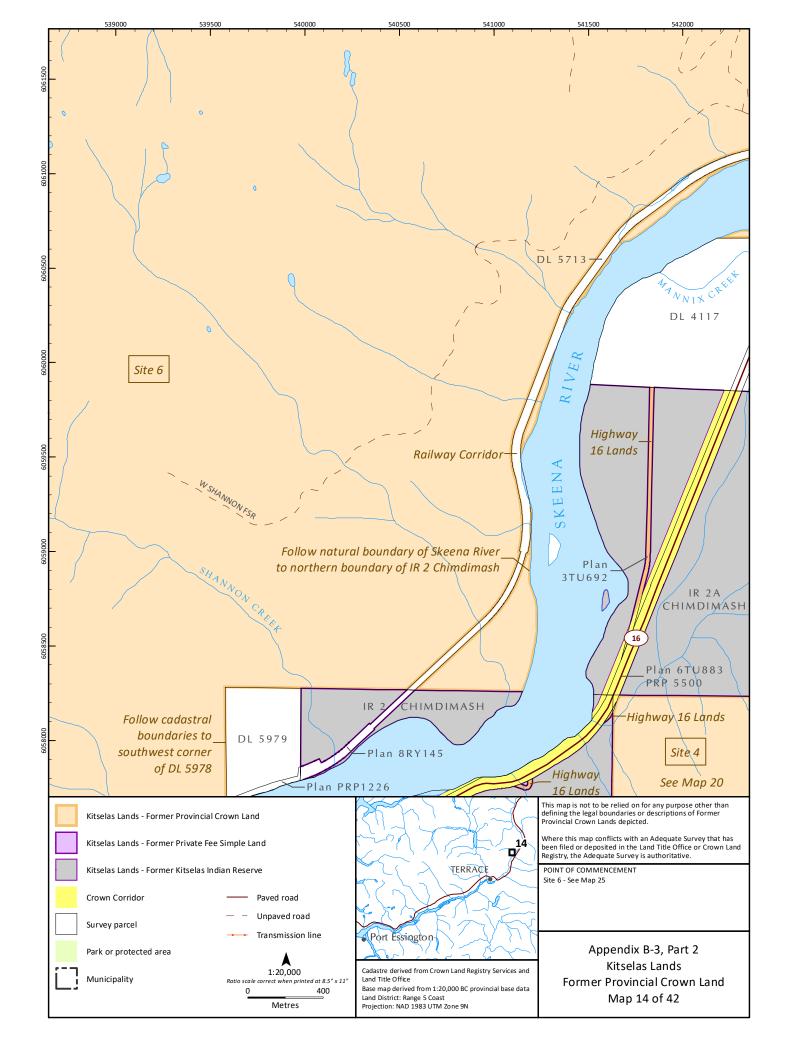


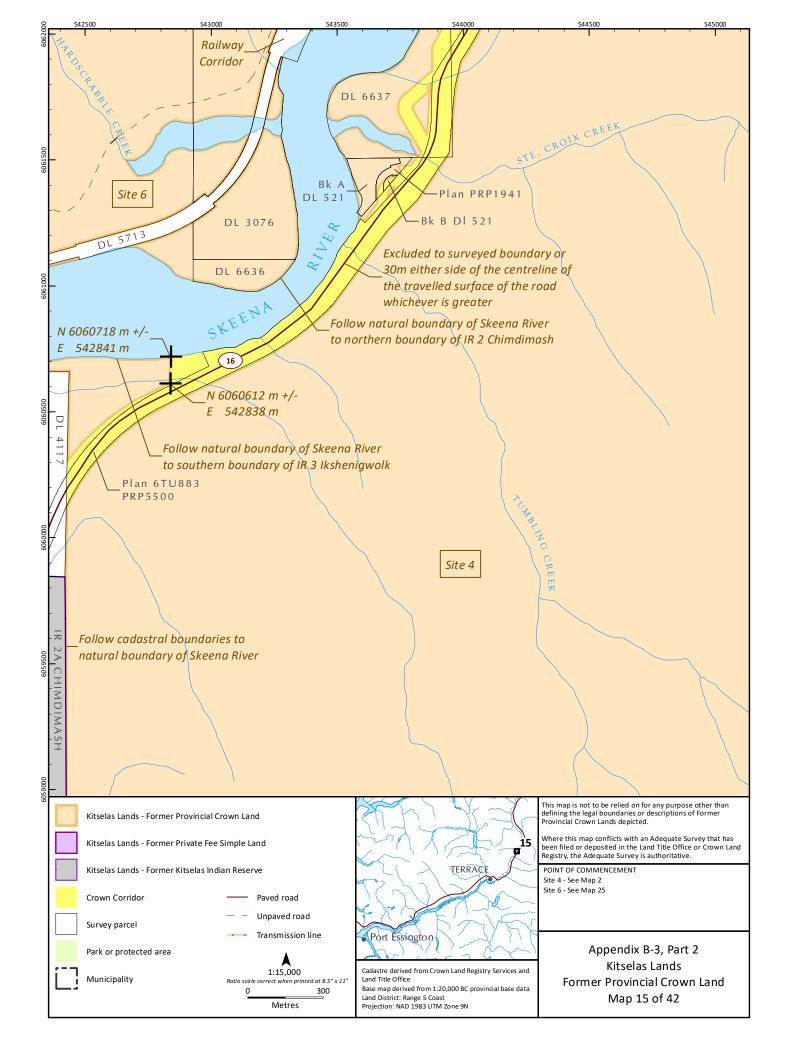


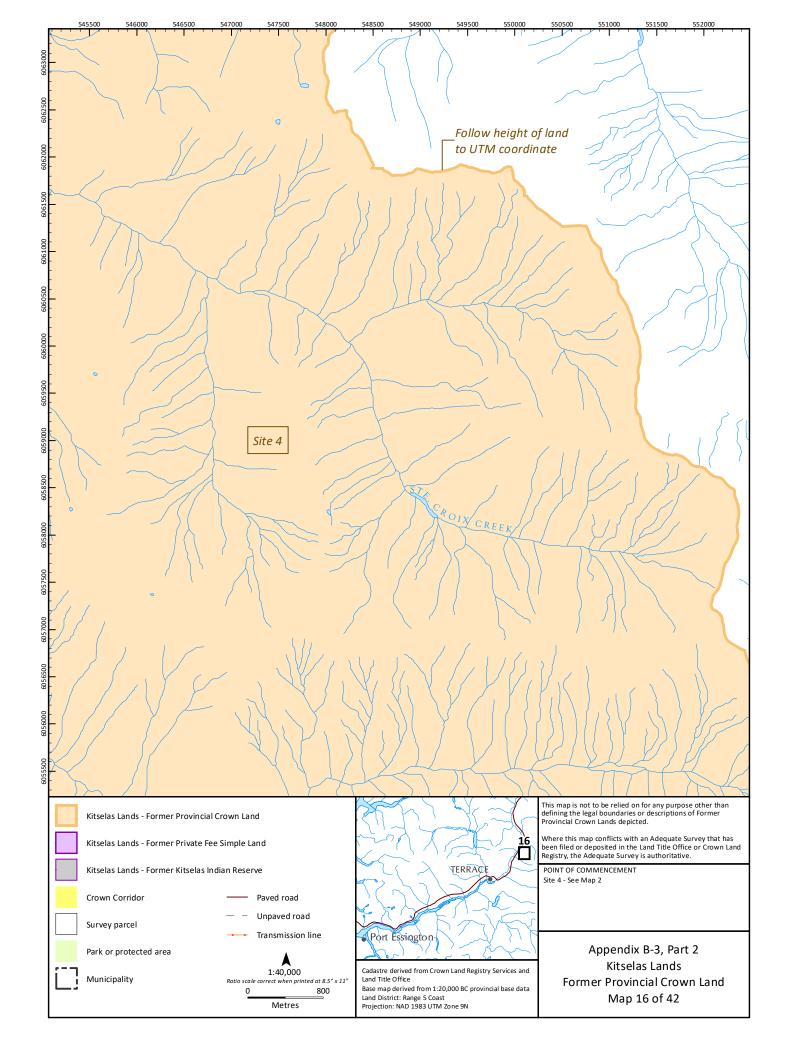


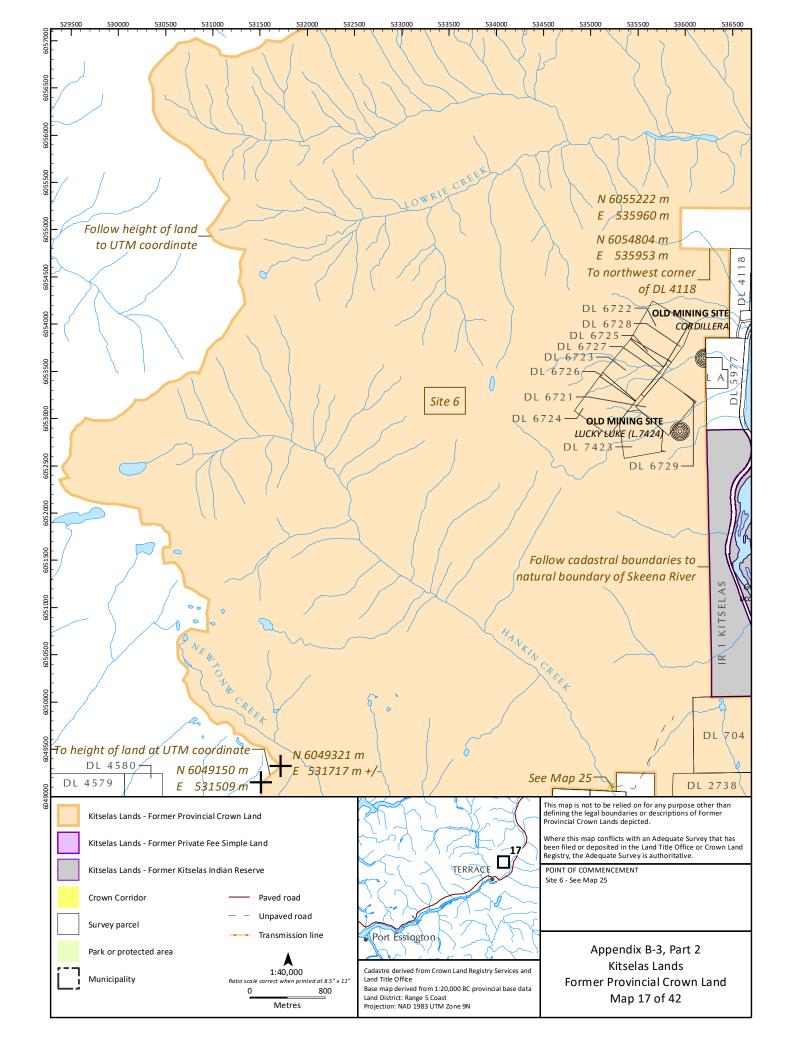


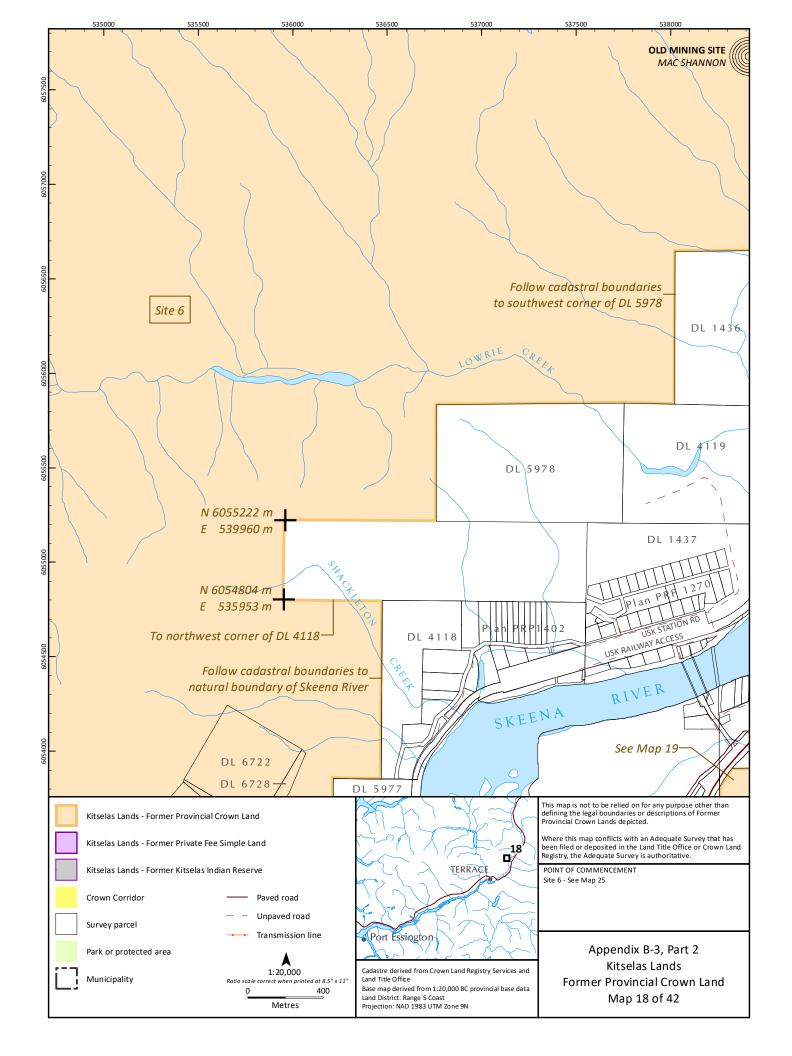


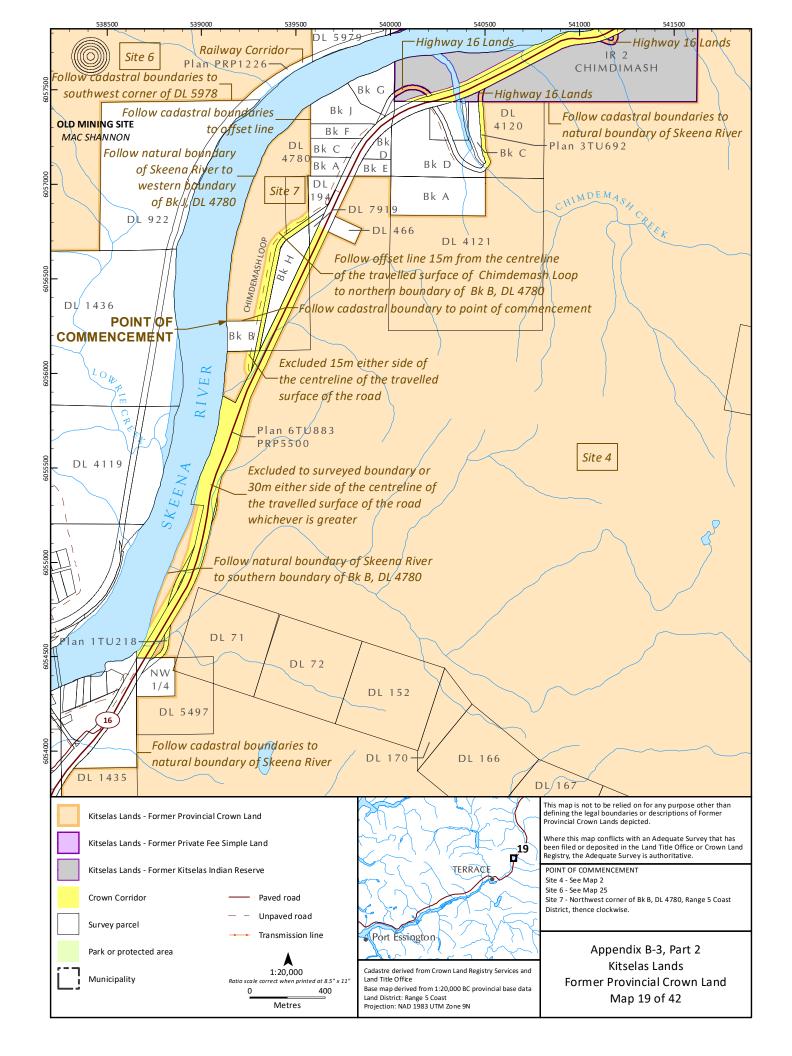


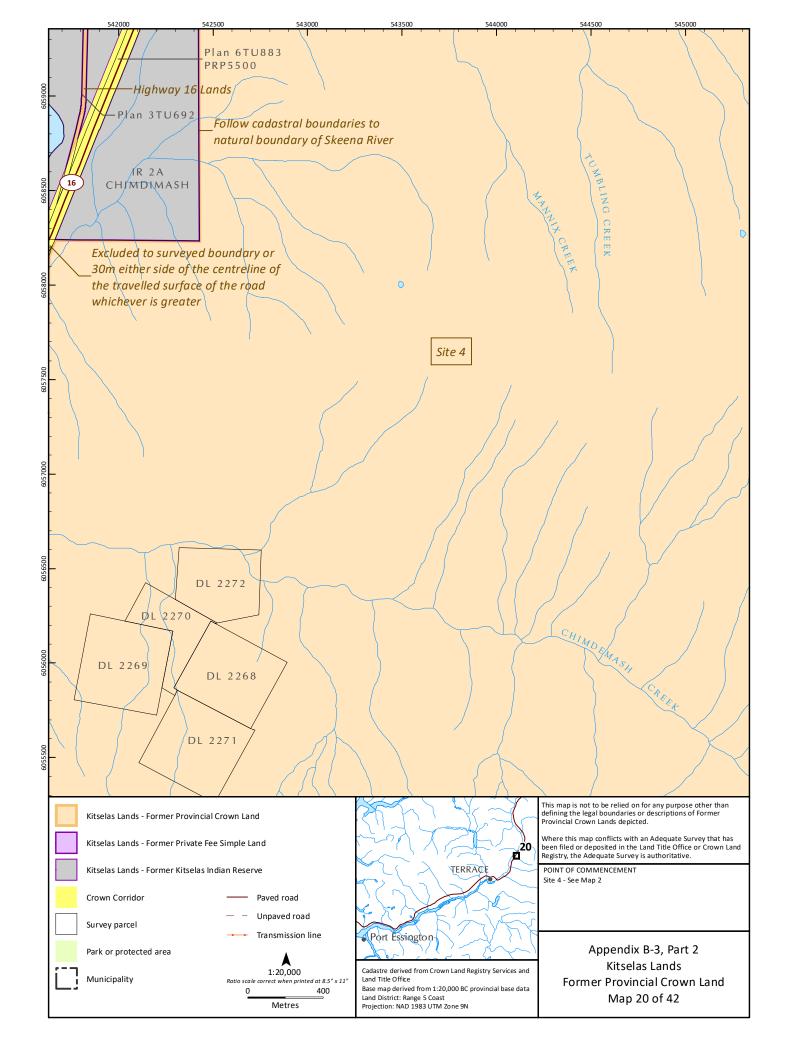


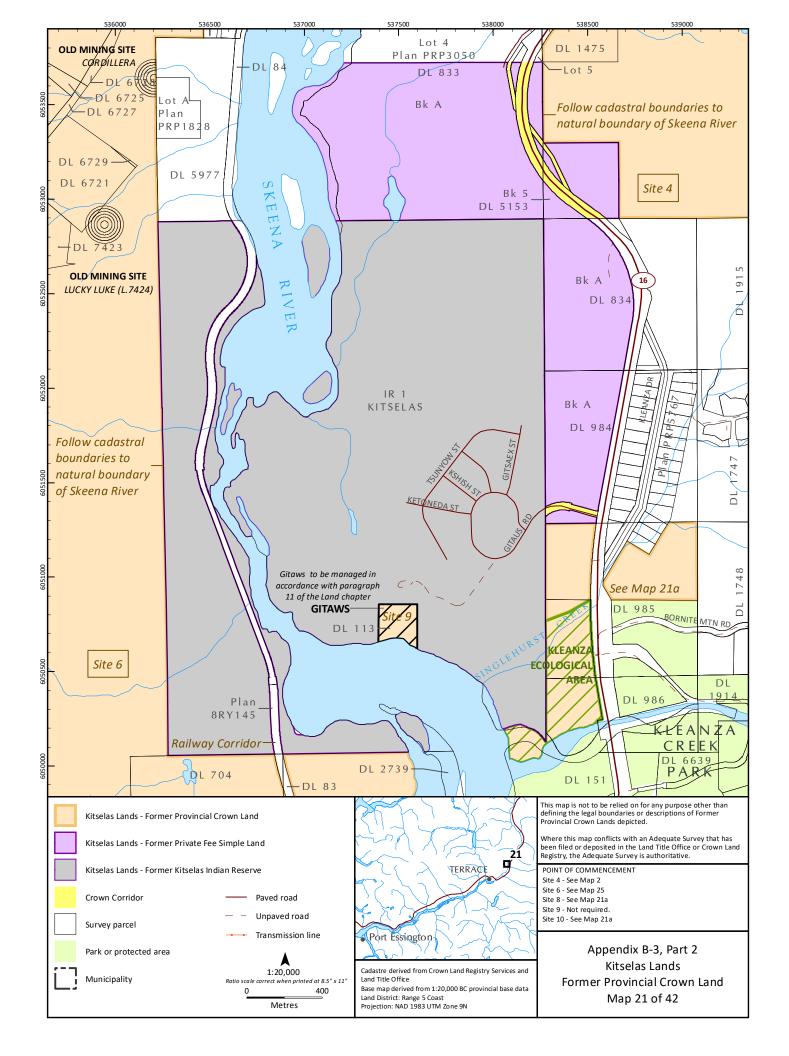


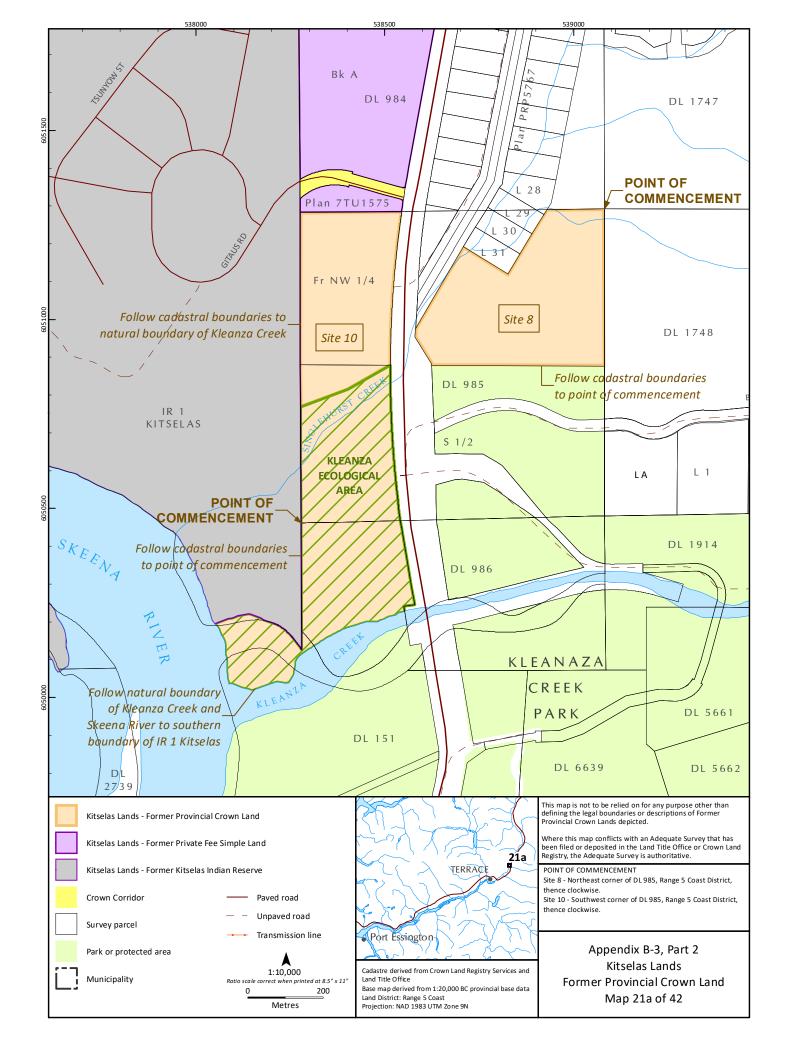


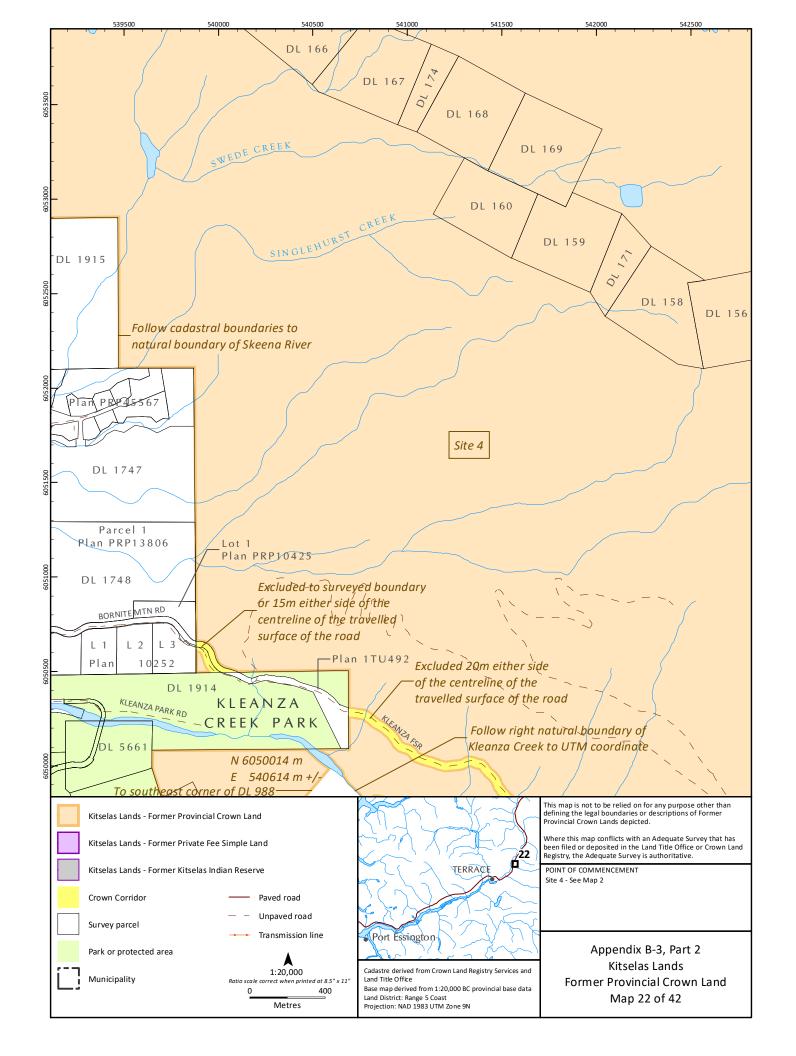


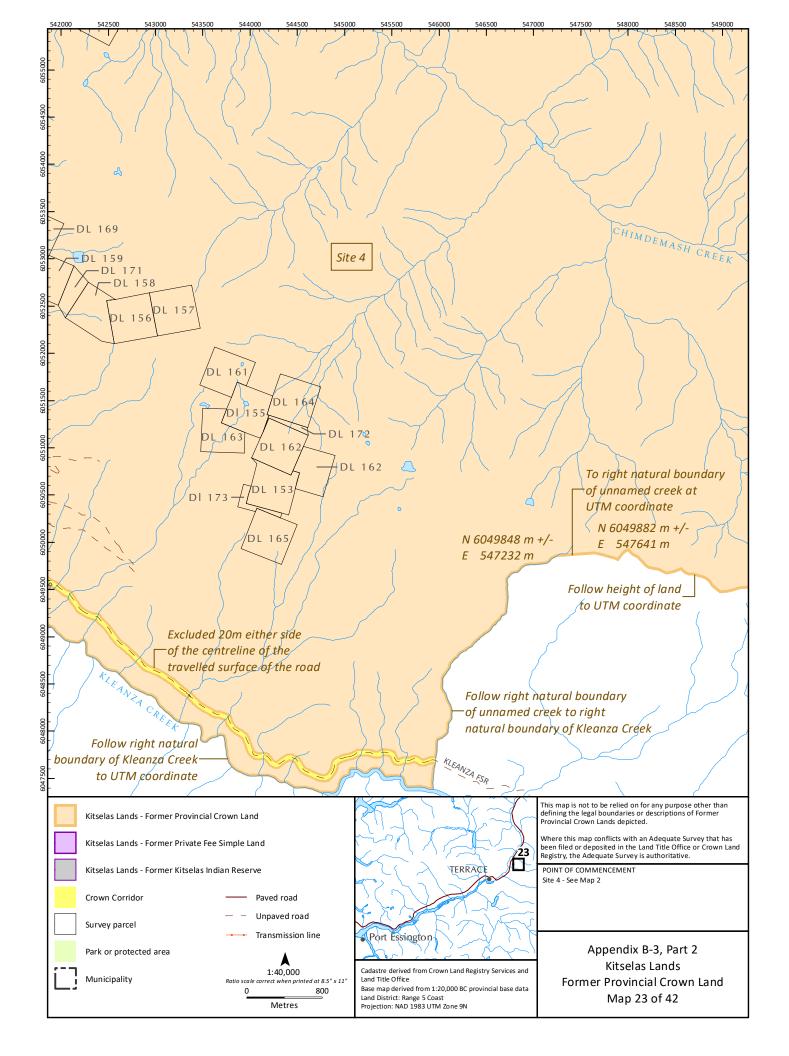


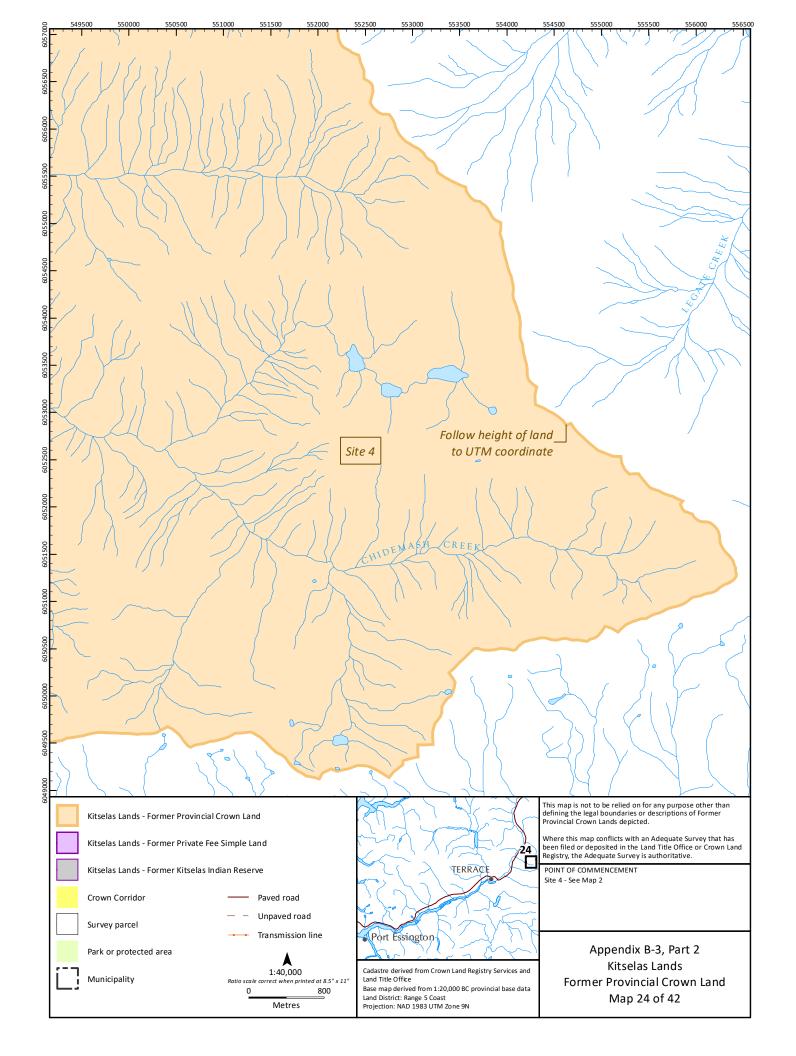


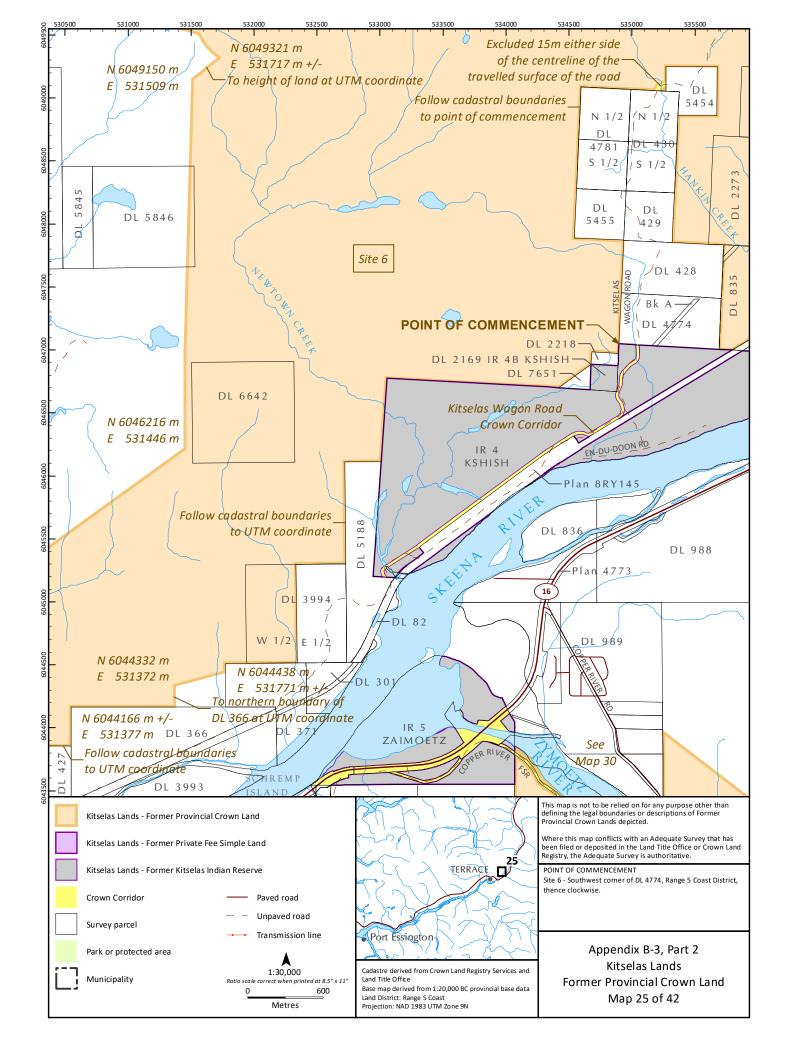


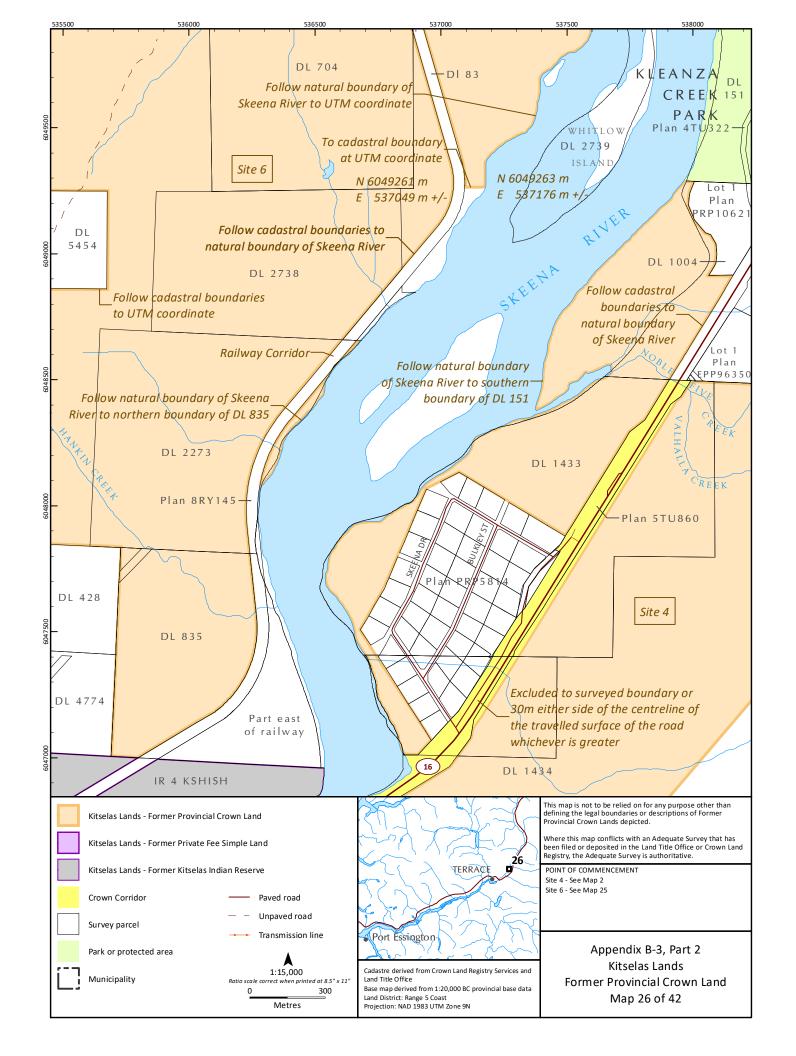


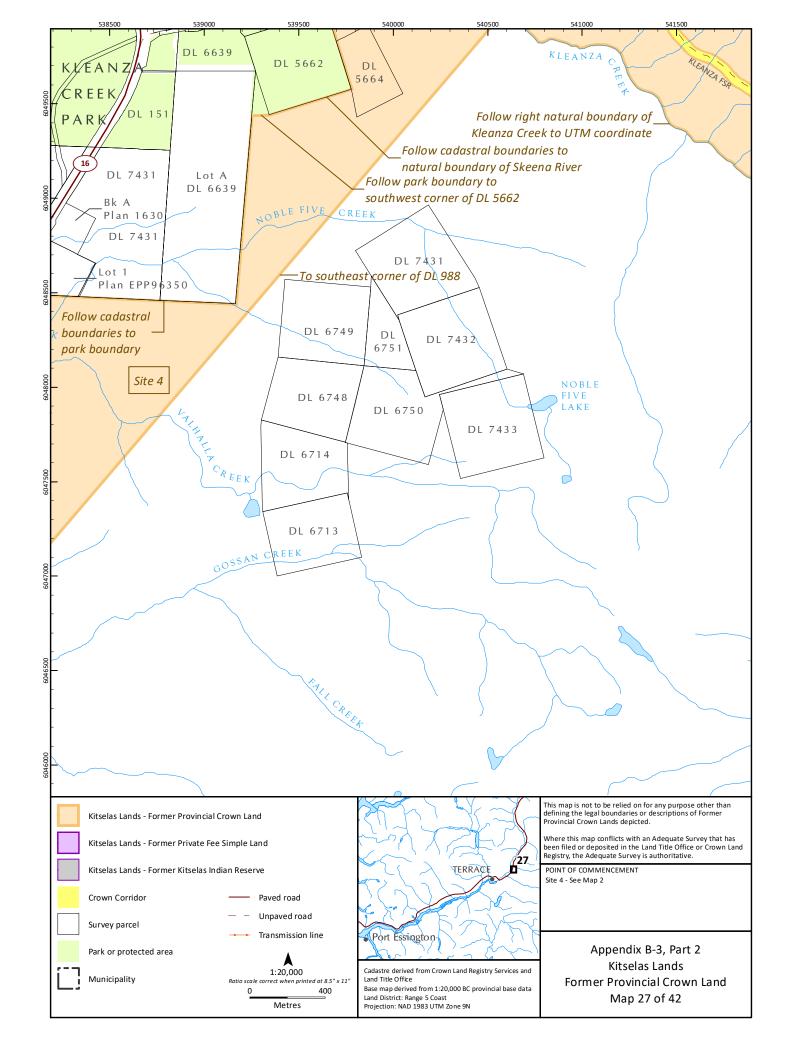


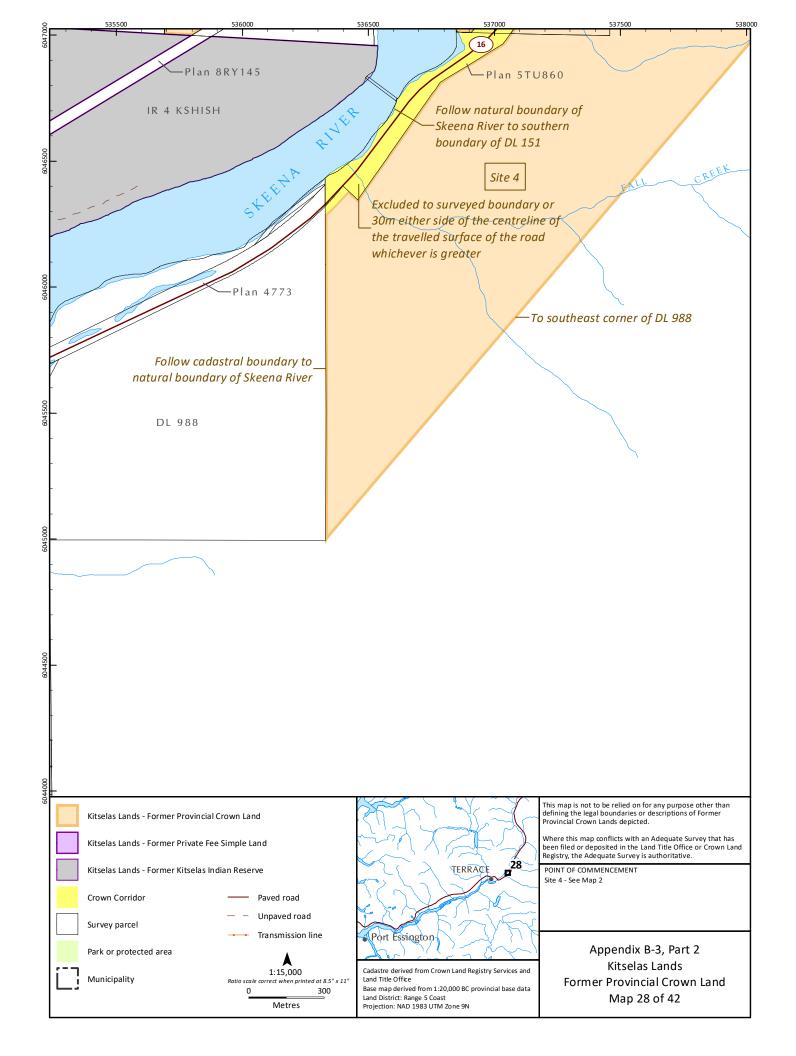


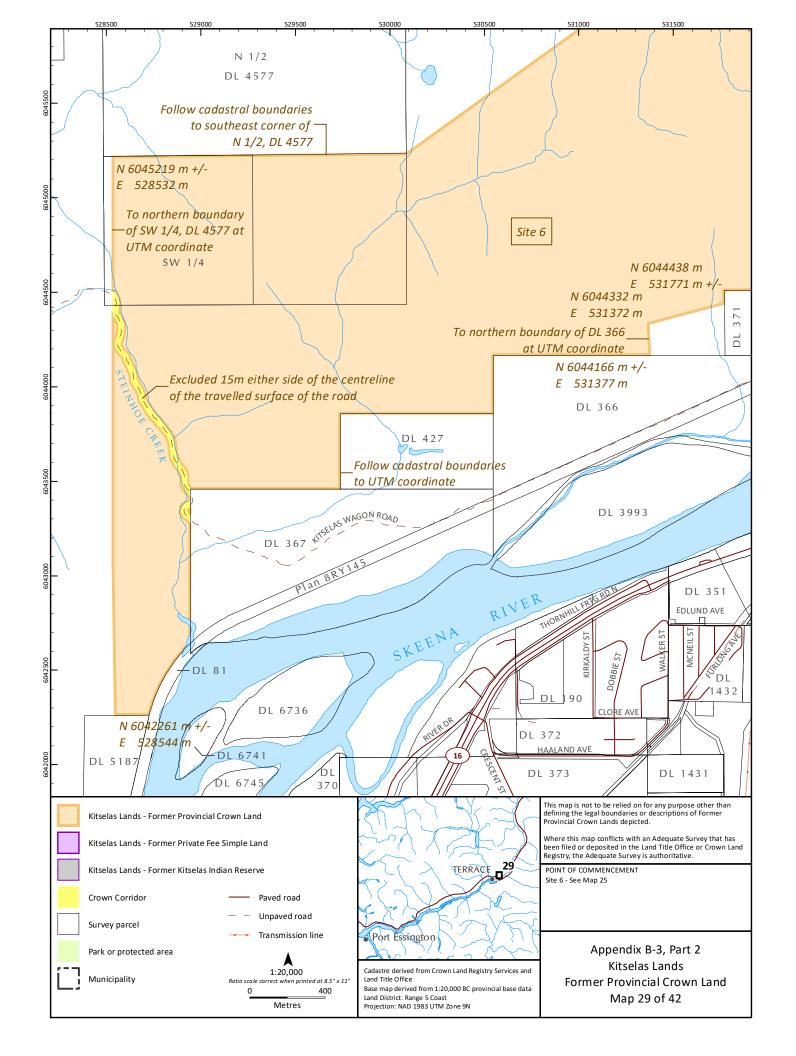


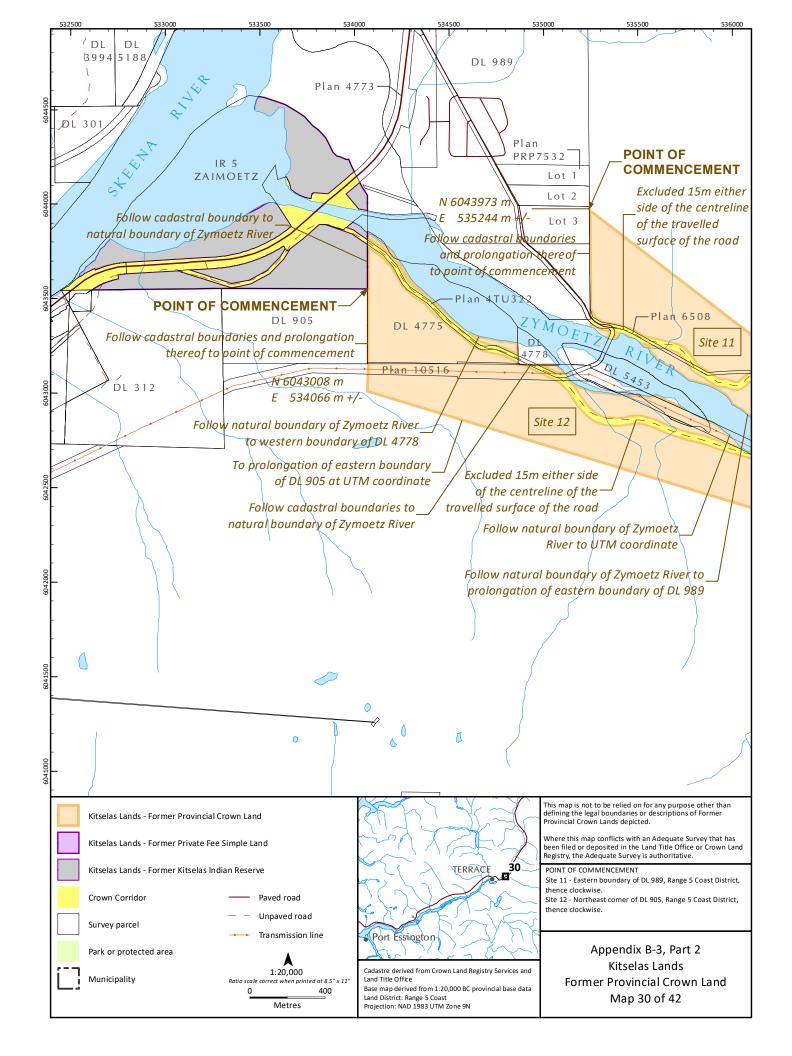


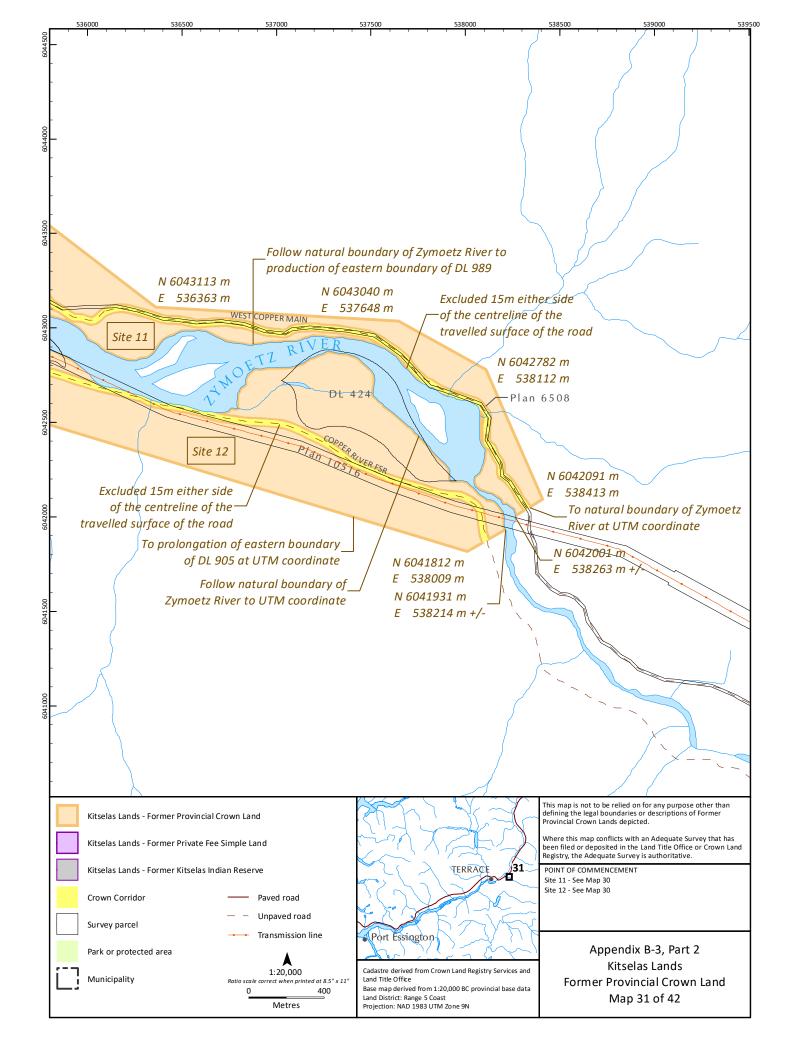


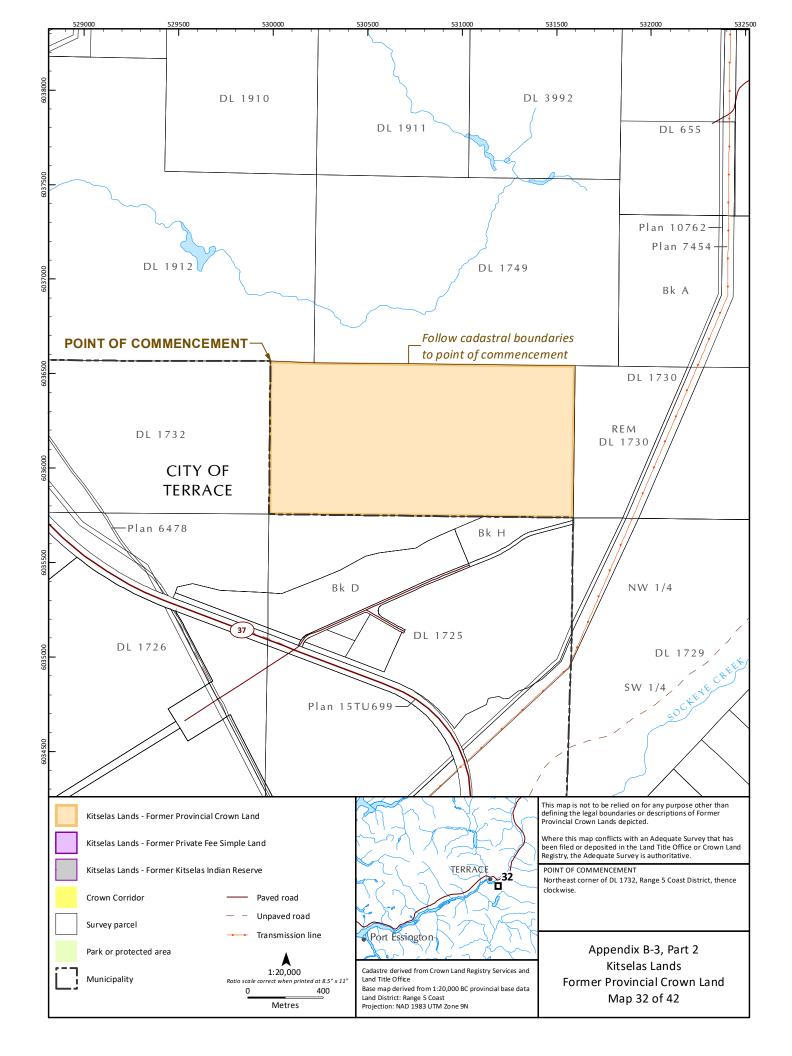


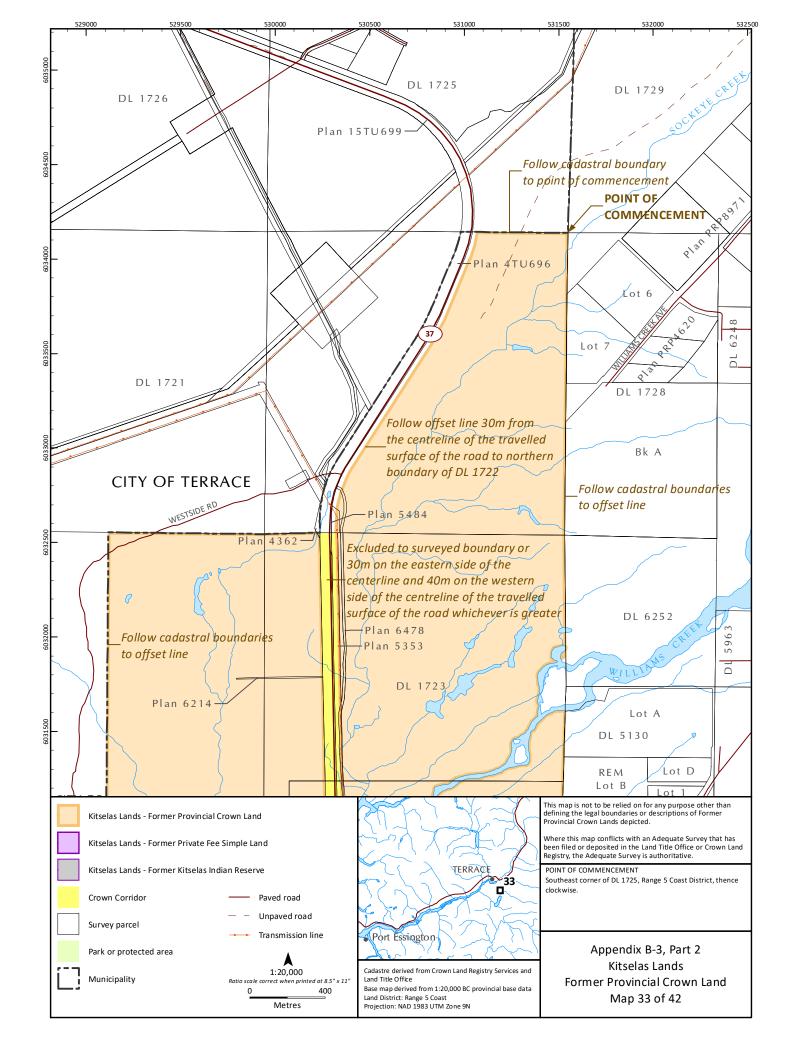


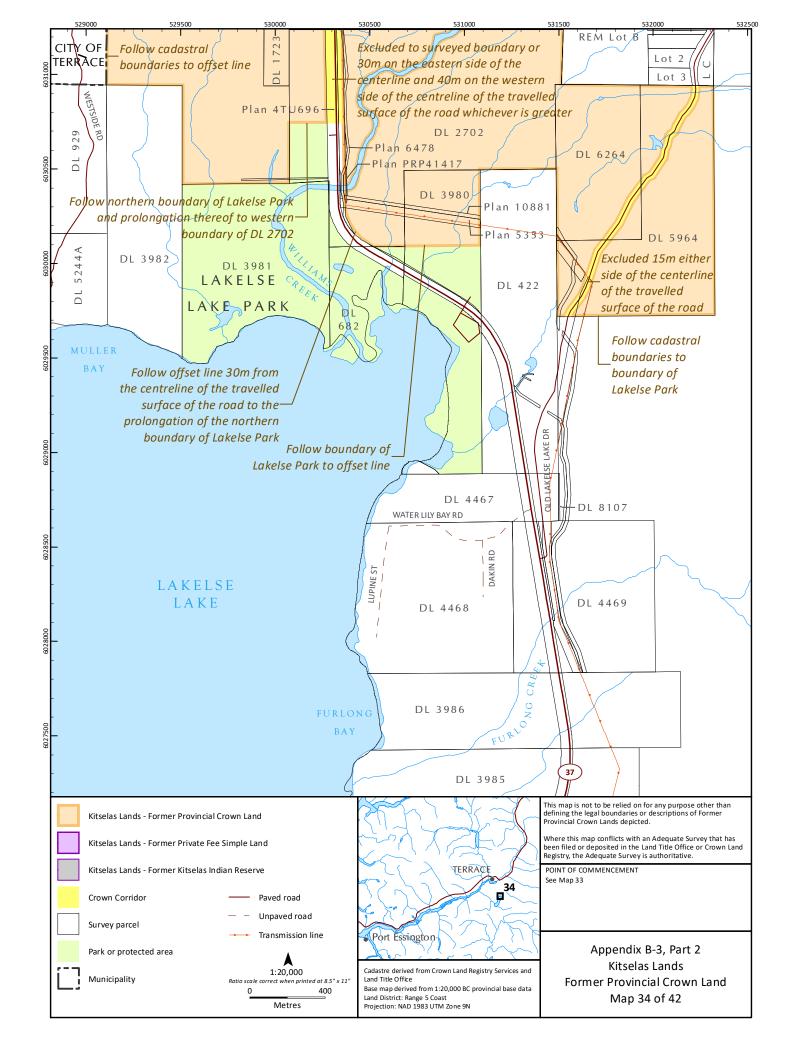


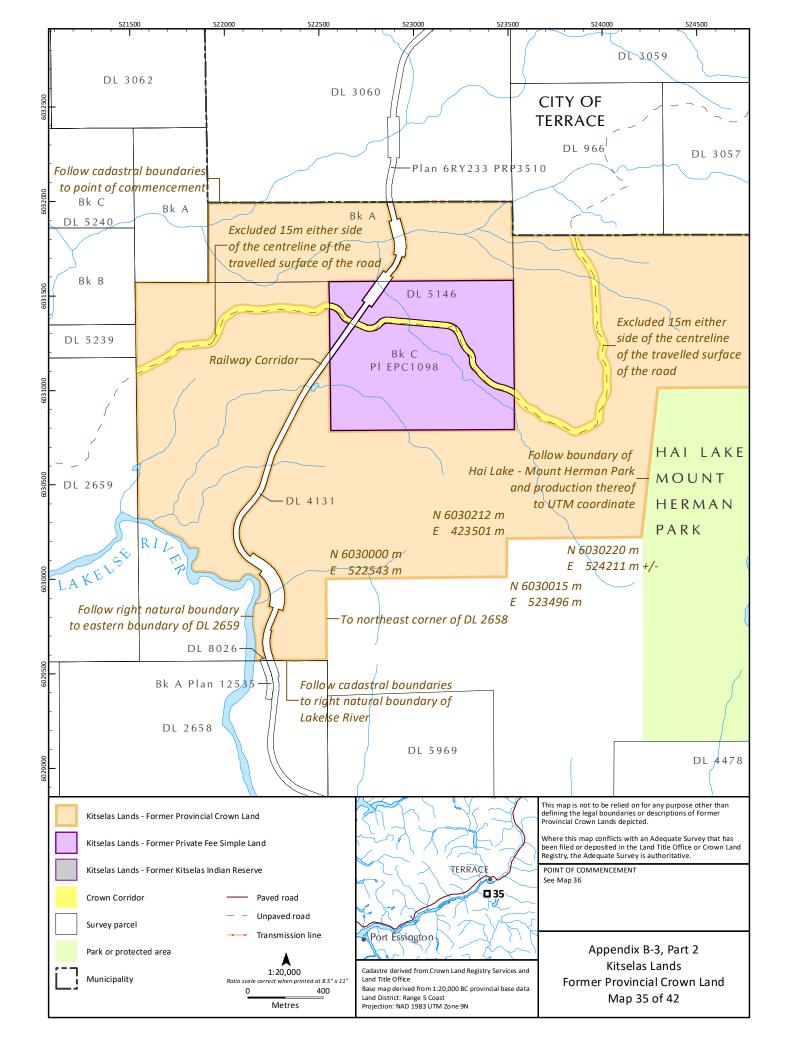


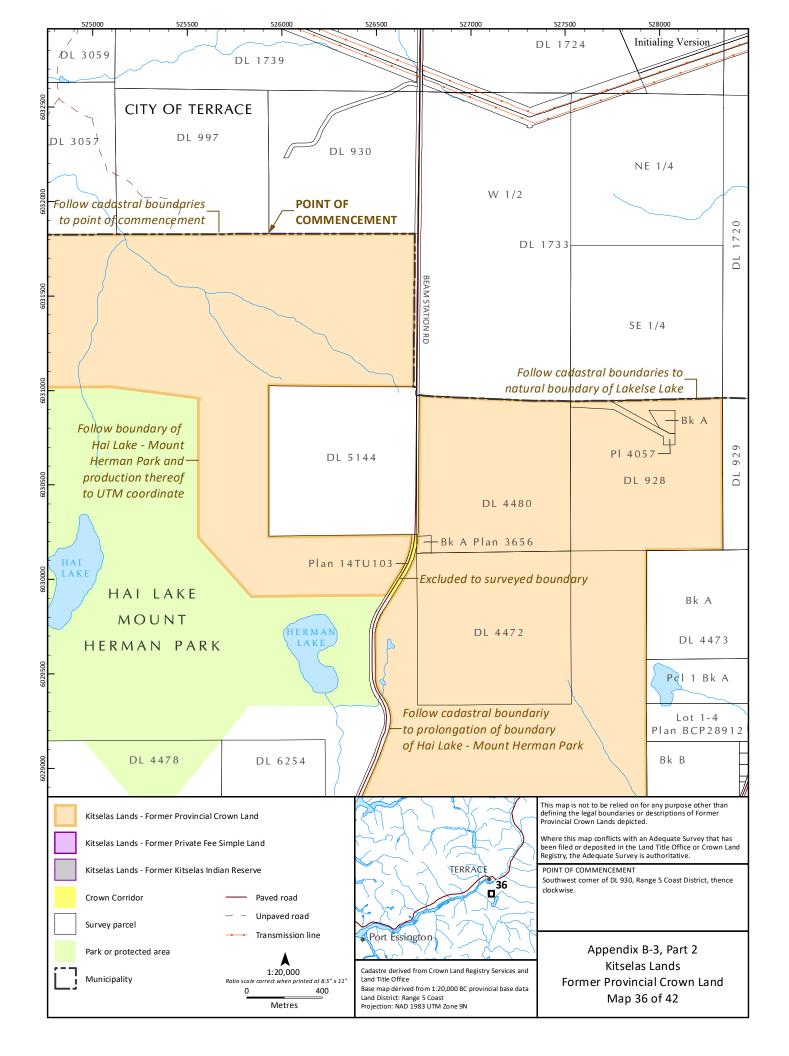


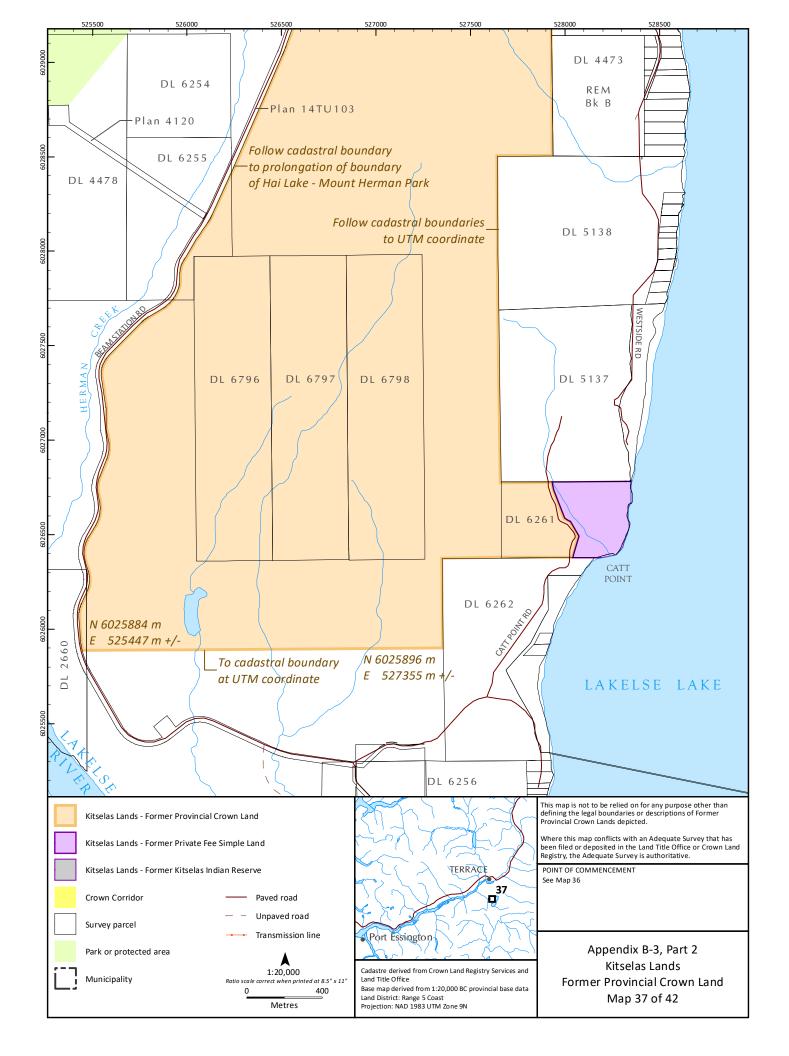


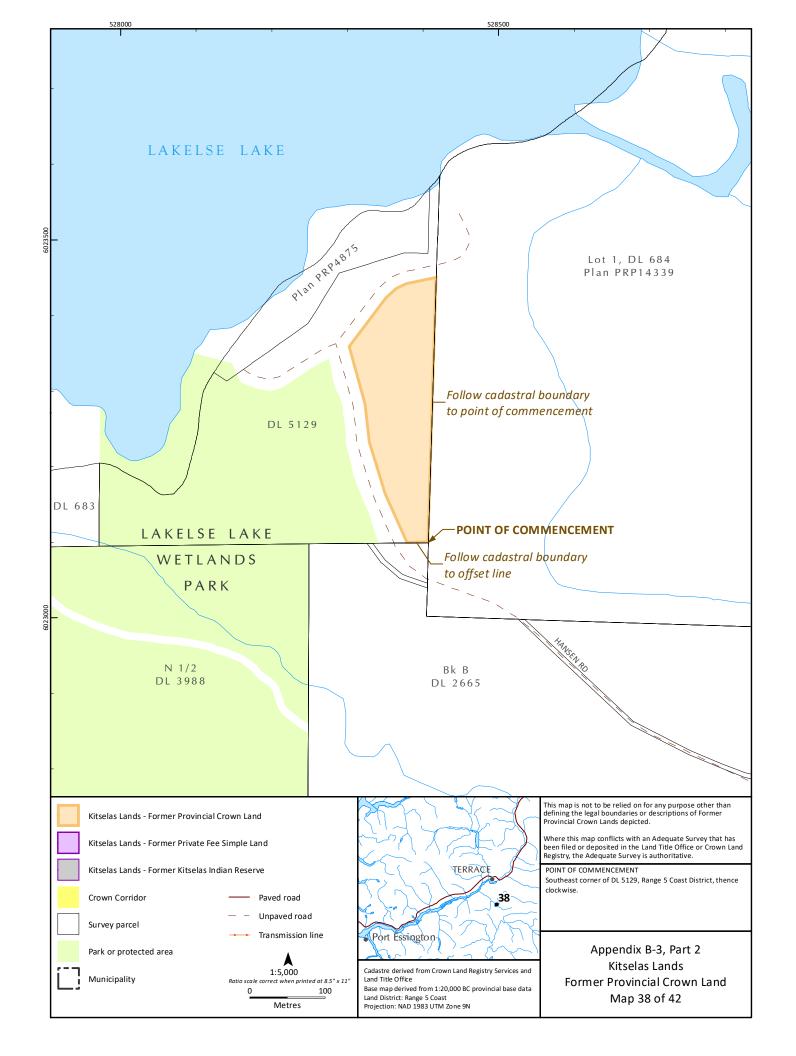


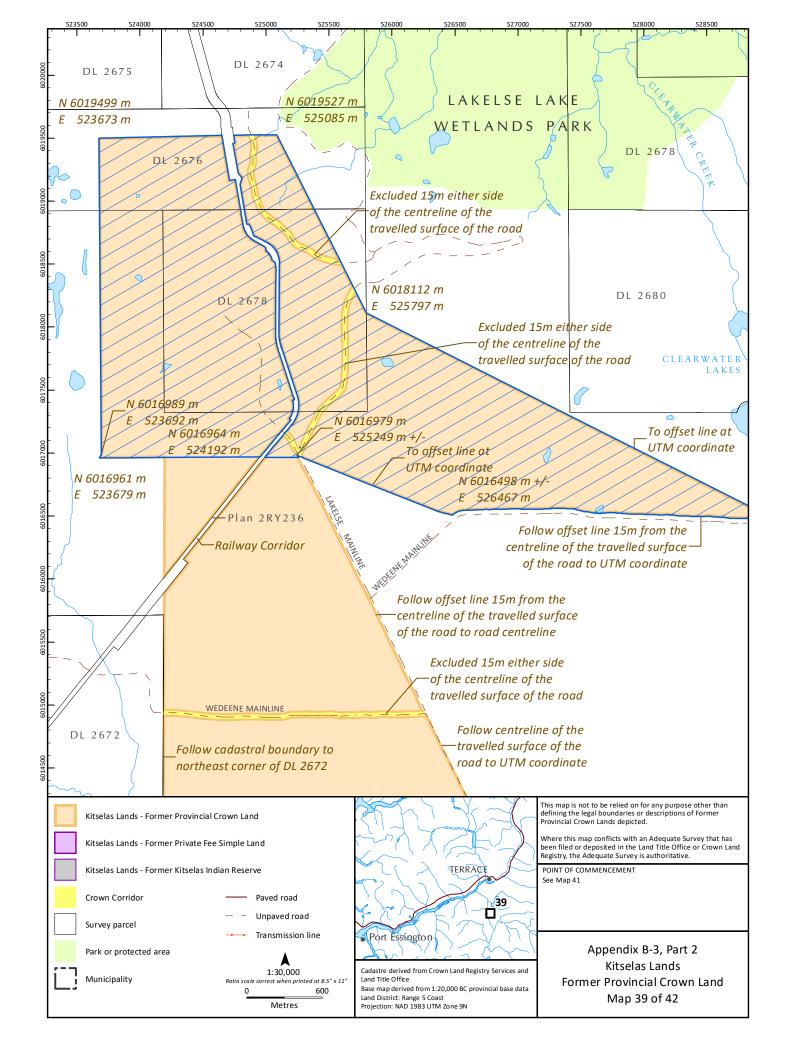


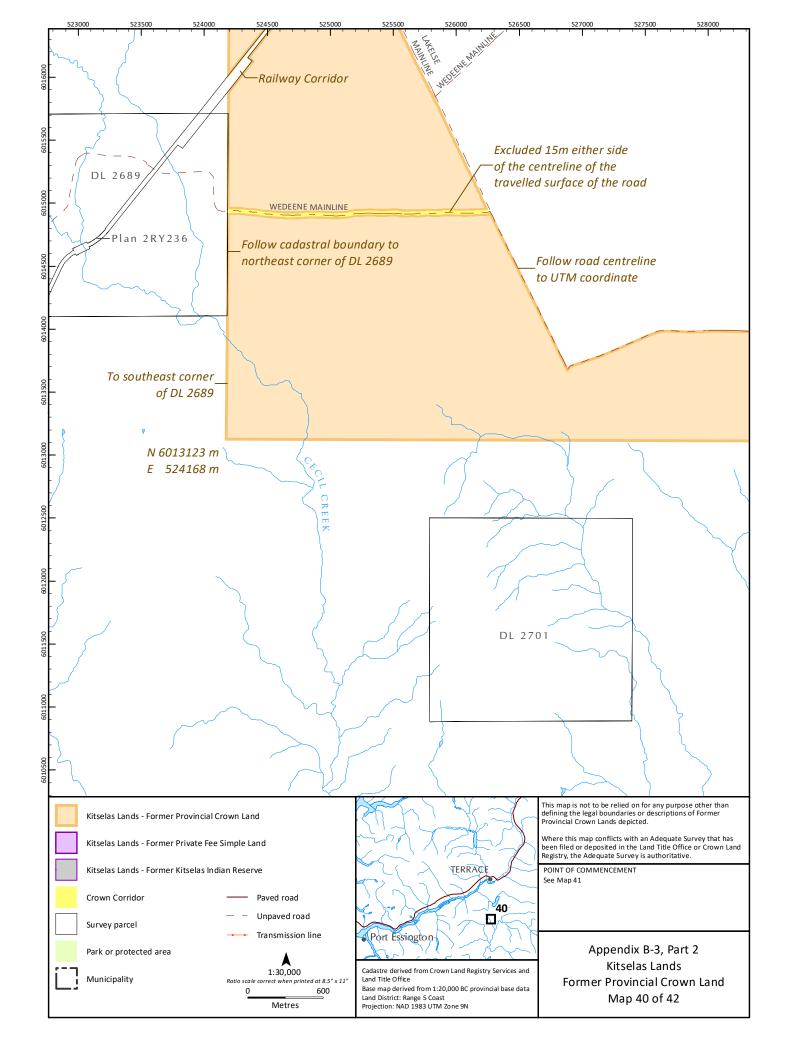


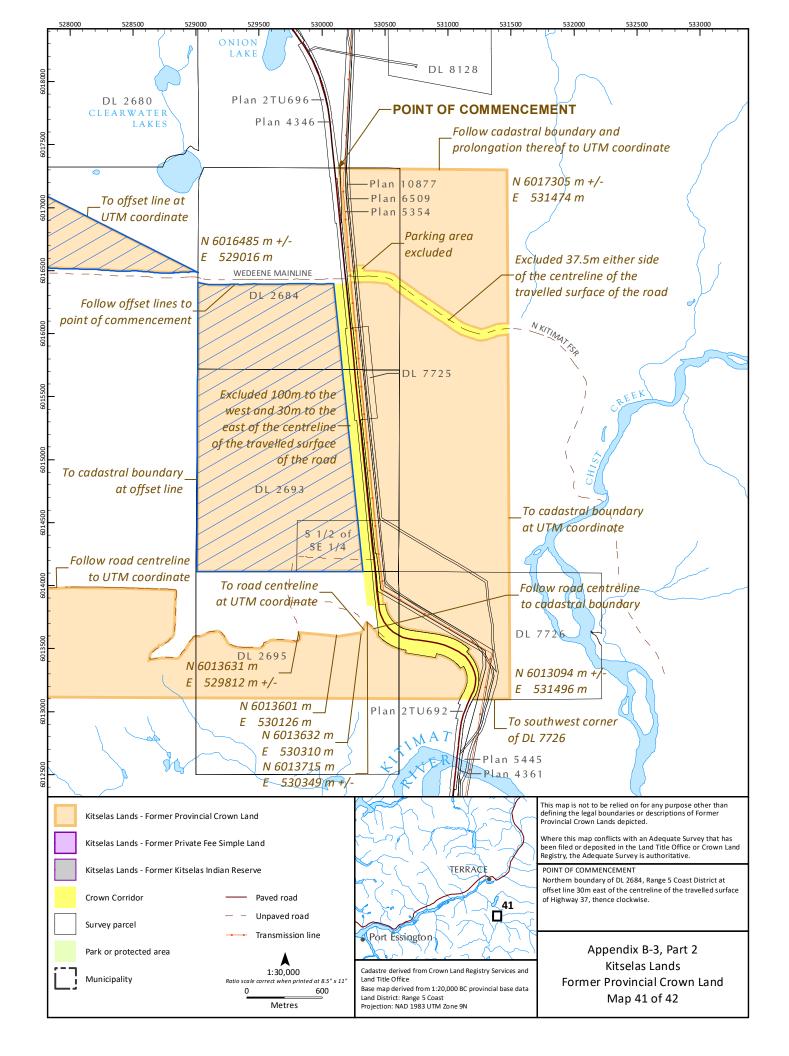


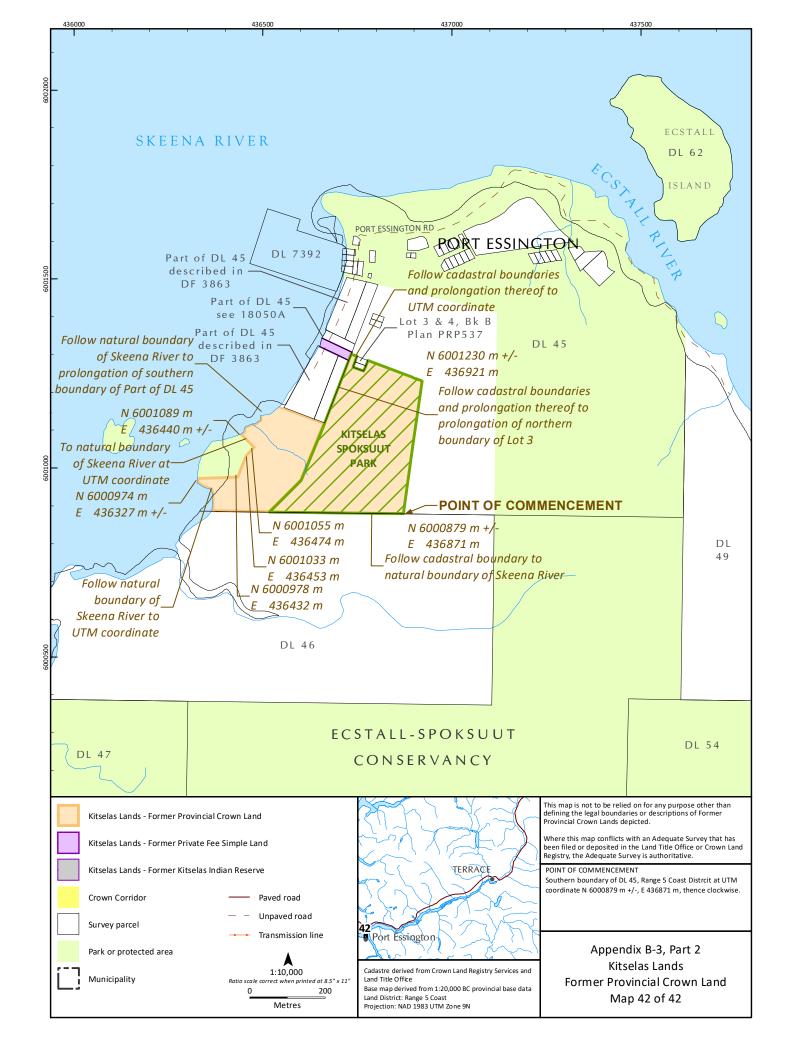








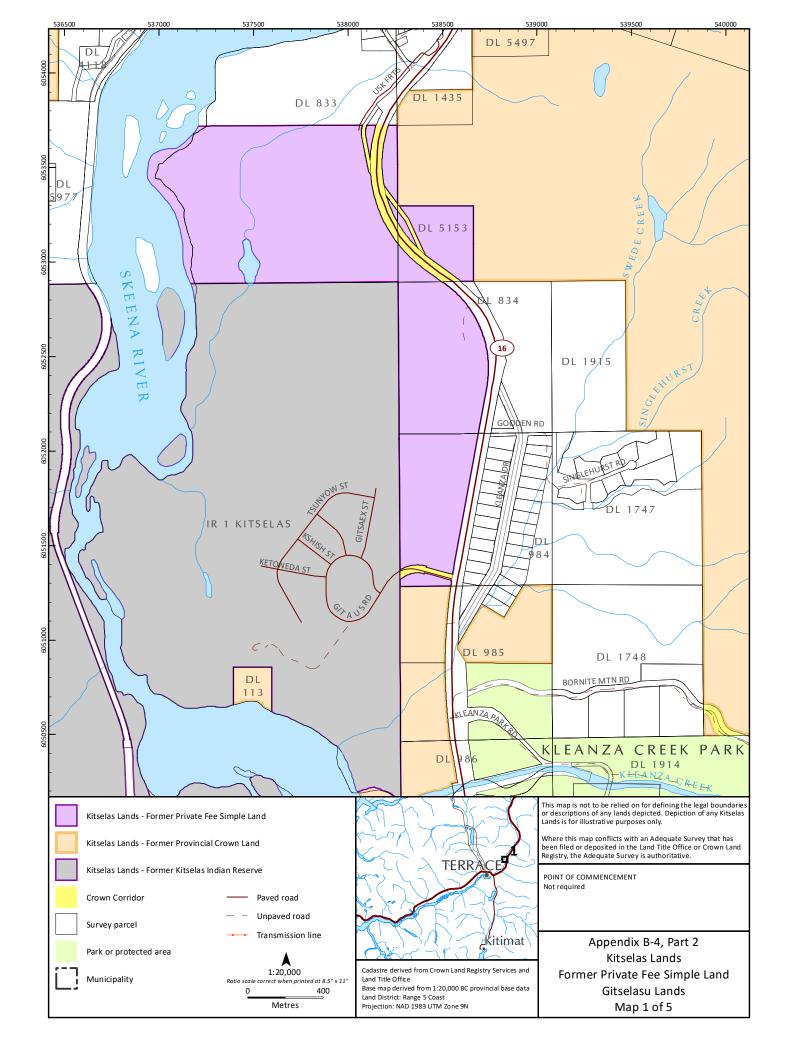


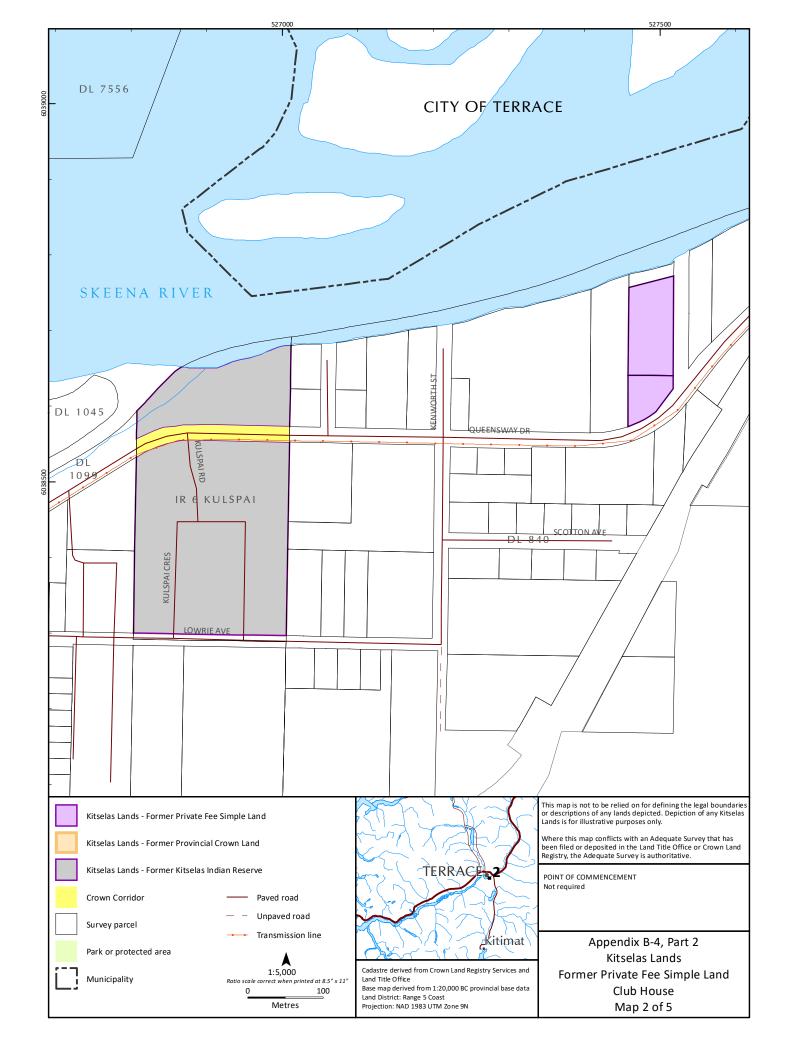


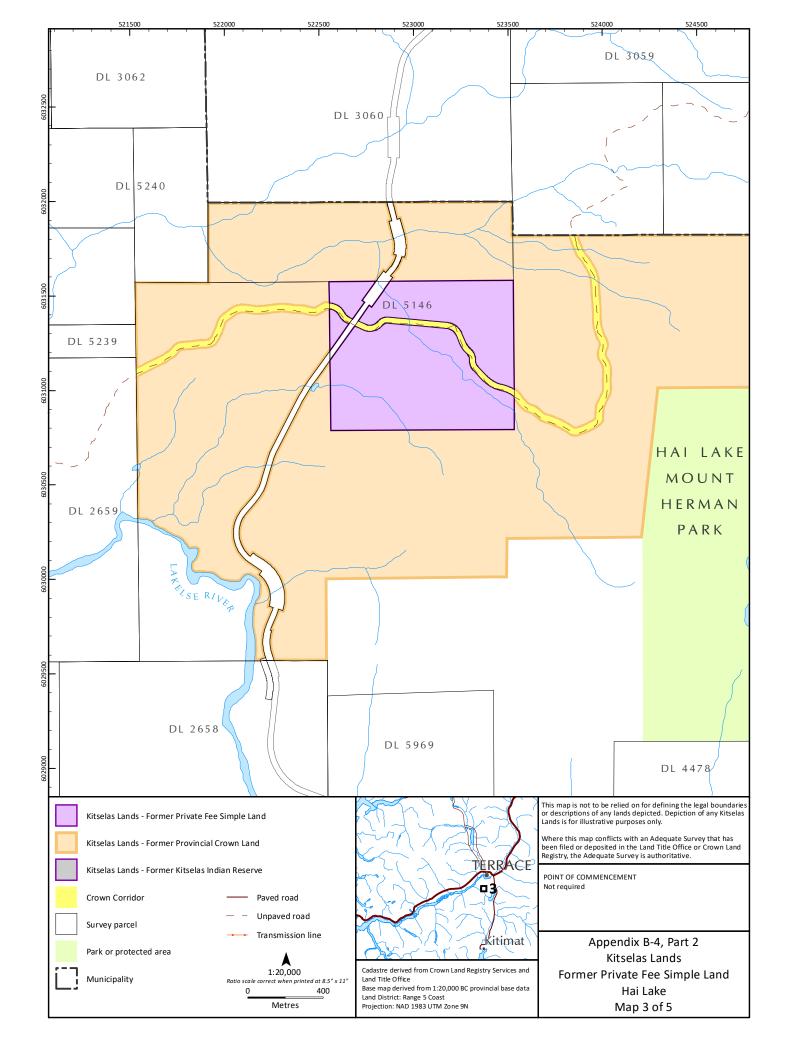
Part 1: Legal Descriptions of Former Private Fee Simple Lands

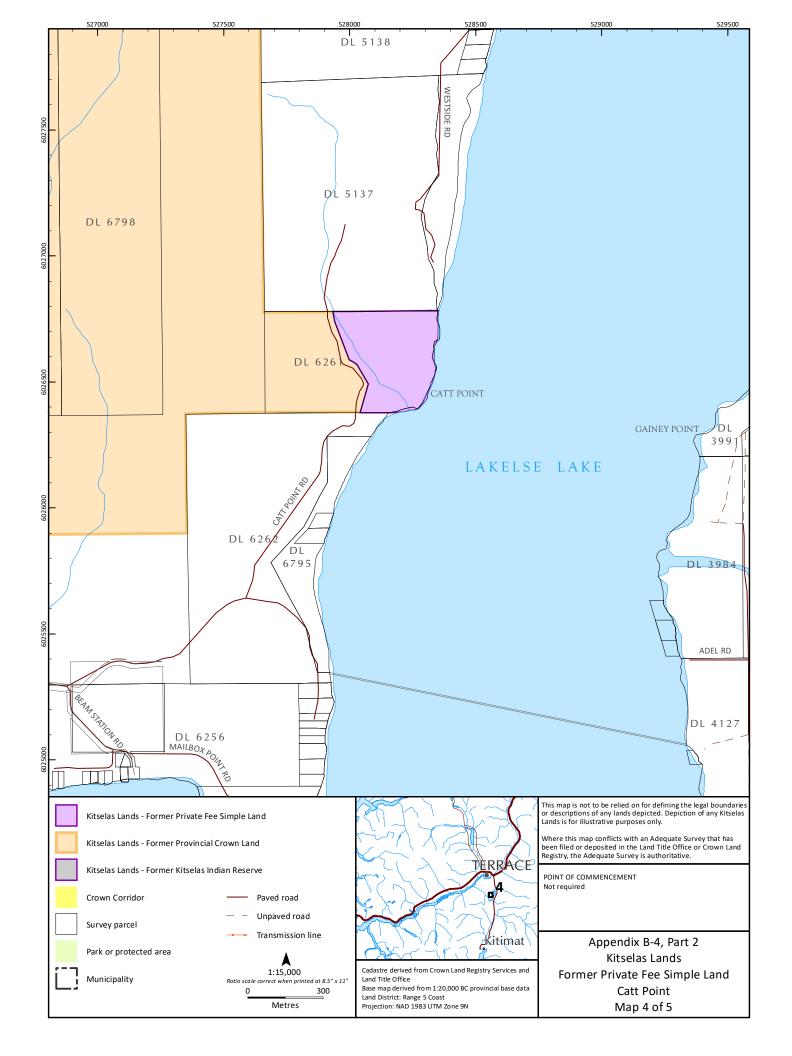
Parcel Name	Legal Description	PID	General Location
Gitaus	Block A, District Lot 984,	029-350-701	Appendix B-4 Part 2,
	Range 5, Coast District Block A, District Lot 834,	029-350-697	Map 1
	/	029-350-662	
	Range 5, Coast District Block A, District Lot 833, Range 5, Coast District	029-350-689	
Clubhouse Property	Lot 2, plan PRP46201, District Lot 840, Range 5, Coast Range 5 Land District	024-891-991	Appendix B-4 Part 2, Map 2
	Block 2, Plan PRP1246, District Lot 840, Range 5, Coast Range 5 Land District, Except Plan 4254, 5031 & 7633	012-883-875	Appendix B-4 Part 2, Map 2
Hai Lake	Block C, District Lot 5146, Range 5, Coast District	029-350-654	Appendix B-4 Part 2, Map 3
Catt Point	Block A, District Lot 6261, Range 5, Coast District	029-350-671	Appendix B-4 Part 2, Map 4
United Church	Lot B, District Lot 45, Range 5, Coast District Plan EPP135951	032-233-191	Appendix B-4 Part 2, Map 5

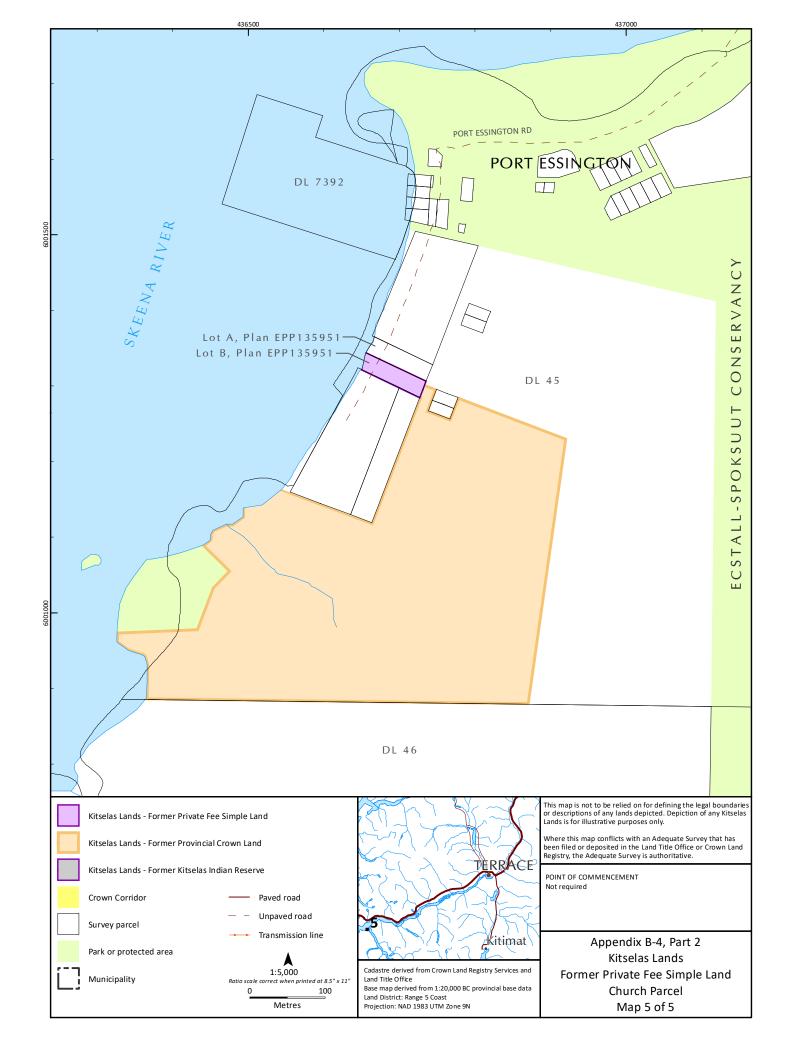
Part 2: Maps of Former Private Fee Simple Lands











Part 3: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Certificate of Fee Simple Ownership and Consent

Note: The Parties will update the Appendices before the Effective Date.

- I, [name], hereby certify that:
- 1. I am the [title] of [company name] and I am duly authorized to execute this Certificate.

As of the date of this Certificate, [company name] is the registered owner in fee simple of the lands illustrated in Appendix [XX] Part [XX] of the Kitselas Treaty and legally described as:

- a. [legal description]
- b. [legal description]
- 2. [company name] hereby consents to the addition of the above lands to Kitselas Lands as defined in the Kitselas Treaty.

Dated	
Name of Authorized Signatory	Name of Witness
Title of Authorized Signatory	Address of Witness
Signature of Authorized Signatory	Signature of Witness

Part 4: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Certificate of Charge and Consent

Note: This document is not required if a land title search reveals no charges or encumbrances immediately before the [Effective Date or date of addition to Kitselas Lands].

I, [name], hereby certify that:

- 1. I am the [title] of [company name] and I am duly authorized to execute this Certificate.
- 2. As of the date of this Certificate, [company name] is holder of the following charge or encumbrance:

[describe charge or encumbrance]

charging or encumbering the lands illustrated in Appendix [XX] Part [XX] of the Kitselas Treaty and legally described as:

- a. [INSERT LEGAL DESCRIPTION]
- 3. [company name] hereby consents to the addition of the above lands to Kitselas Lands as defined in the Kitselas Treaty.

Dated	
Name of Authorized Signatory	Name of Witness
Title of Authorized Signatory	Address of Witness
Signature of Authorized Signatory	Signature of Witness

Part 5: Applicable Forms of Documents for Inclusion of Former Private Fee Simple Lands or Pre-Approved Fee Simple Lands in Kitselas Lands: Release

Note: The Parties will update the Appendices before the Effective Date.

I, [name] hereby certify that I am the [title] of [company name] and I am duly authorized to execute this Release.

[company name], on behalf of itself and its successors and assigns (the "Releasing Parties"), and in consideration of the agreement of His Majesty the King in right of Canada ("Canada") and His Majesty the King in right of the Province of British Columbia ("British Columbia") to the addition to Kitselas Lands of the lands legally described as:

- a. [legal description]; and
- b. [legal description]

the sufficiency of which is hereby acknowledged, does hereby, [as of the Effective Date of the Kitselas Treaty or as of the date of addition to Kitselas Lands]:

- c. release, acquit and forever discharge each of Canada and British Columbia, including their respective employees, servants, agents, officers, directors, members, successors and assigns of and from any and all claims, demands, actions, or proceedings of whatsoever kind and howsoever arising, whether known or unknown, and which any of the Releasing Parties now have, have had or at any time hereafter can, shall or may have, in any way resulting from, arising from, or related to, the addition of the above lands to Kitselas Lands; and
- d. acknowledge and agree that:
 - i. it has sought and received independent legal advice in connection with this matter; and
 - ii. it has voluntarily provided this Release in exchange for the addition of the above lands to Kitselas Lands.

Dated	
Name of Authorized Signatory	Name of Witness
Title of Authorized Signatory	Address of Witness
Signature of Authorized Signatory	Signature of Witness

Appendix B-5 Kitselas Lands to be Registered in the Land Title Office on the Effective Date

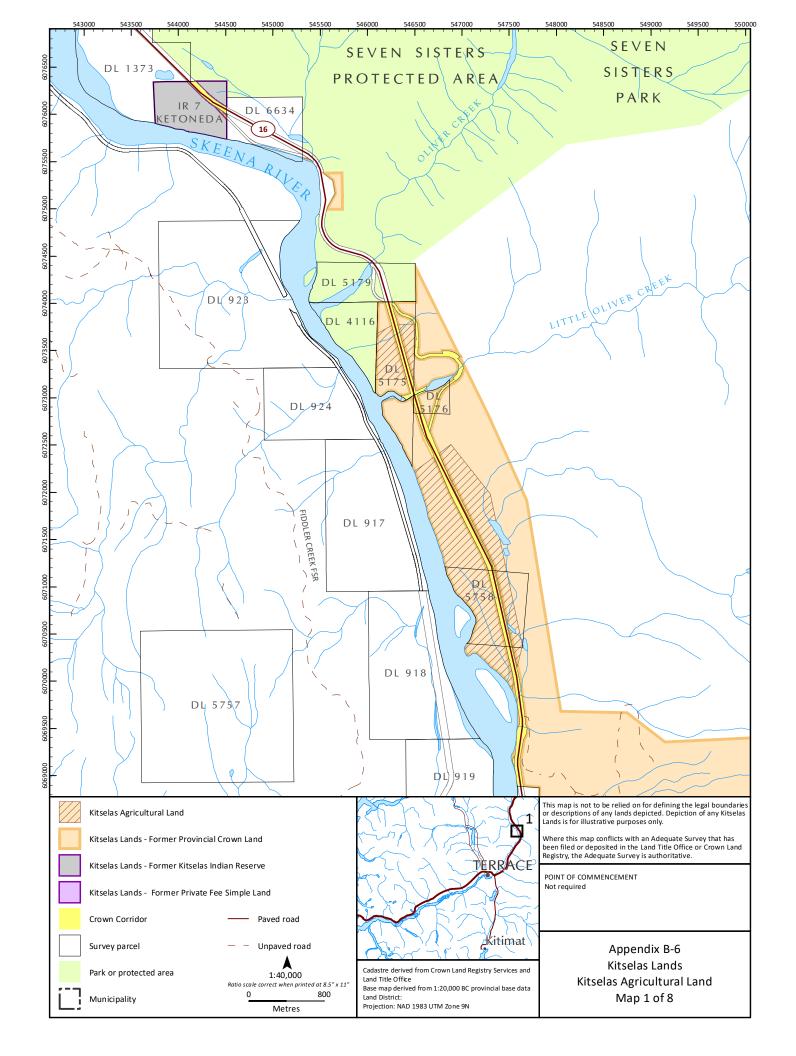
Legal Descriptions of Kitselas Lands to be Registered in the Land Title Office on the Effective Date

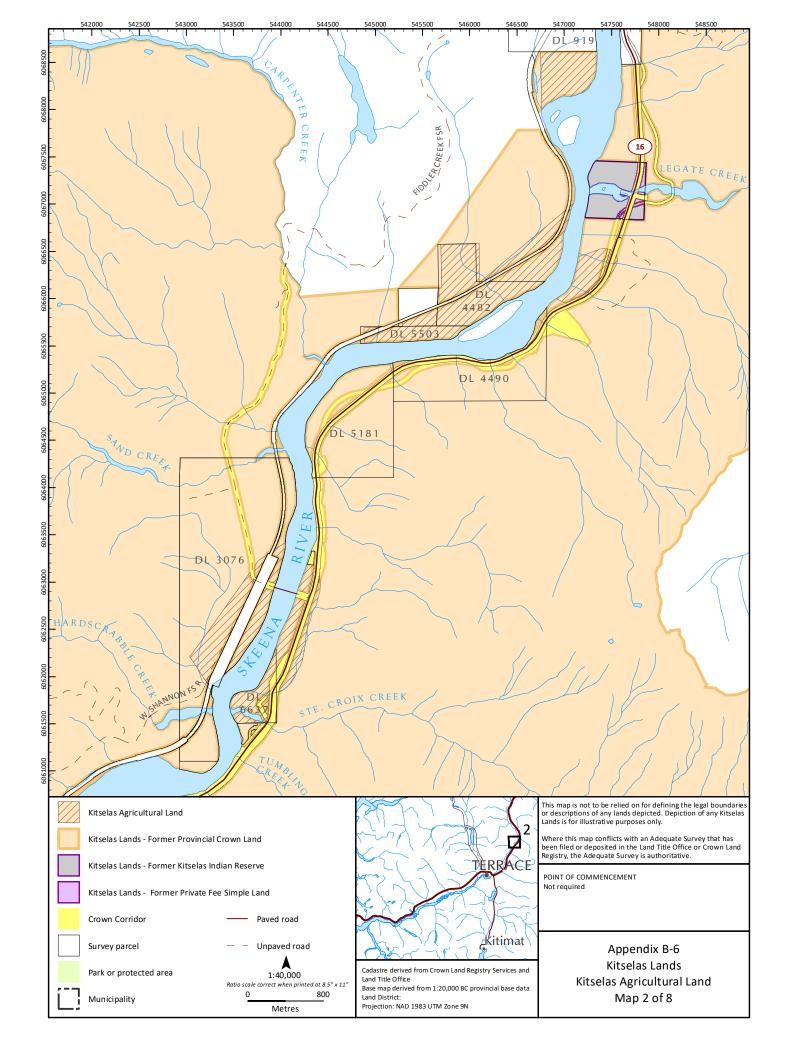
Note: The Parties will complete this sub-appendix for the Ratification version of the Treaty.

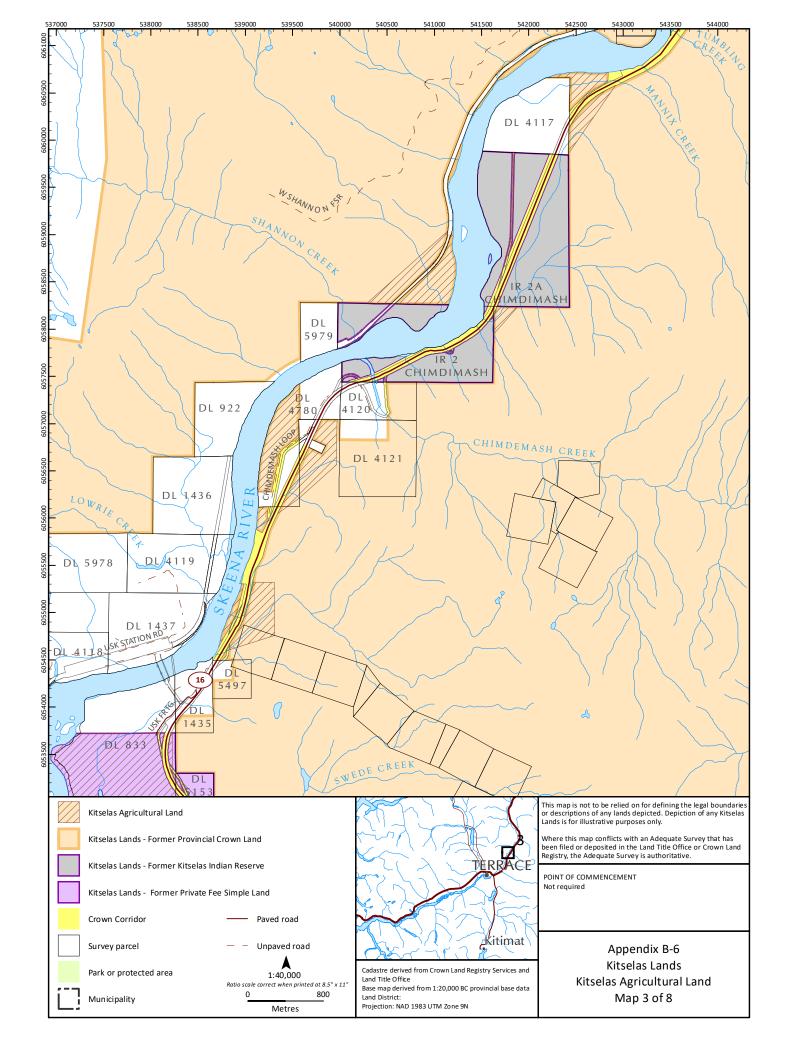
Appendix B-5 will include the British Columbia Hydro and Power Authority transmission line corridor, Pacific Northern Gas transmission line corridor, and Enbridge PTP Statutory Right of Way corridor over Former Provincial Crown Land.

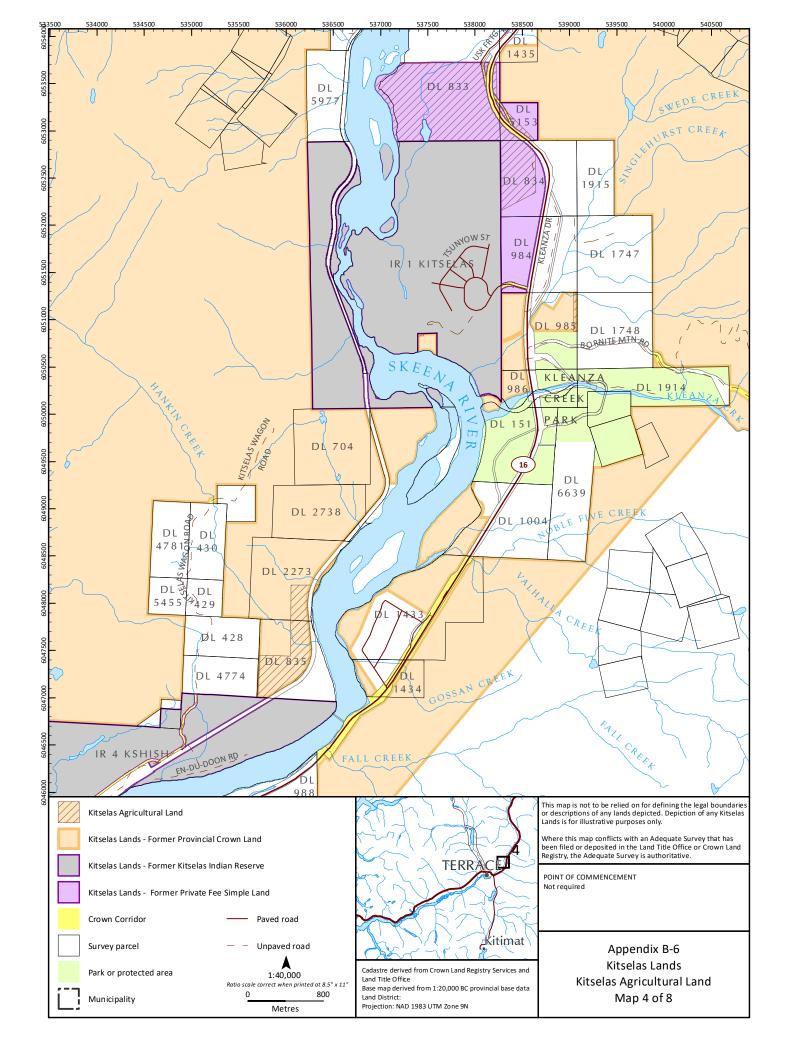
Appendix B-6 Maps of Kitselas Agricultural Lands

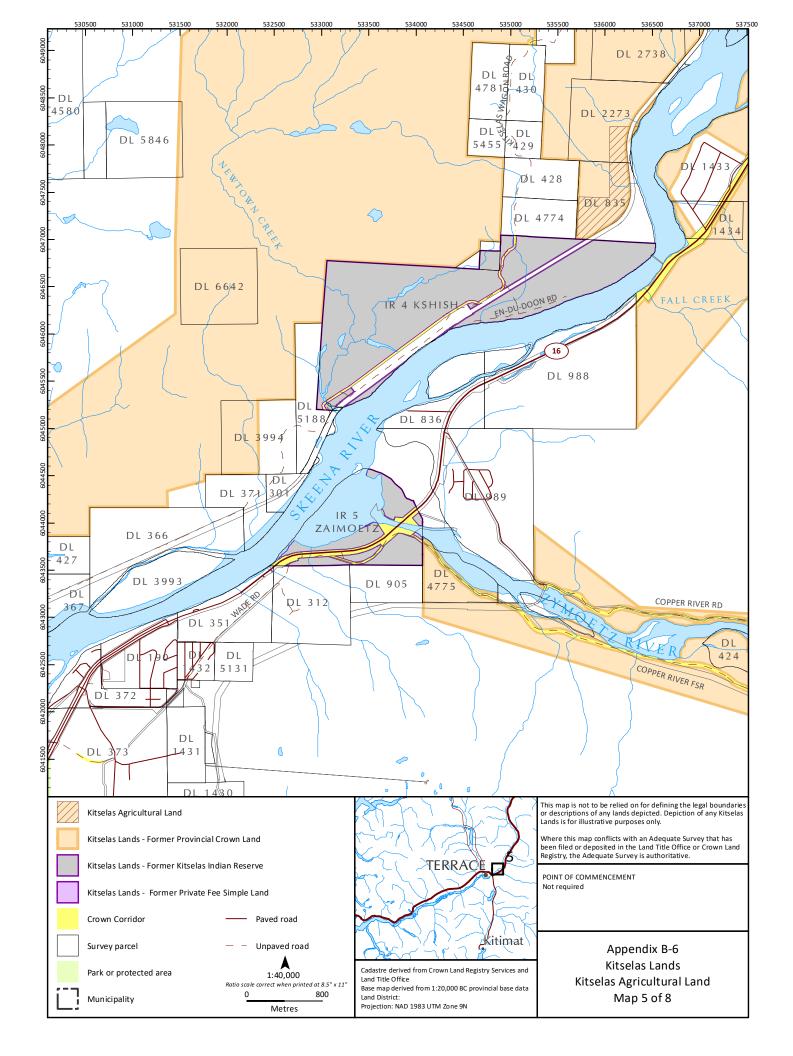
Maps of Kitselas Agricultural Lands

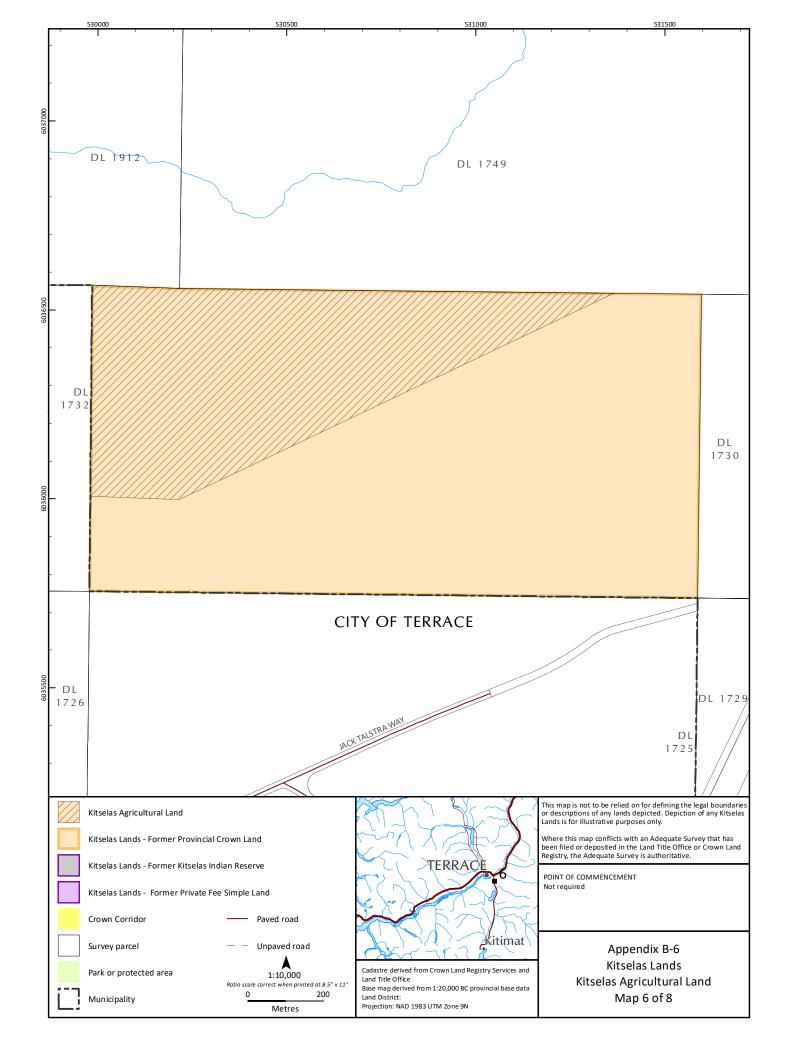


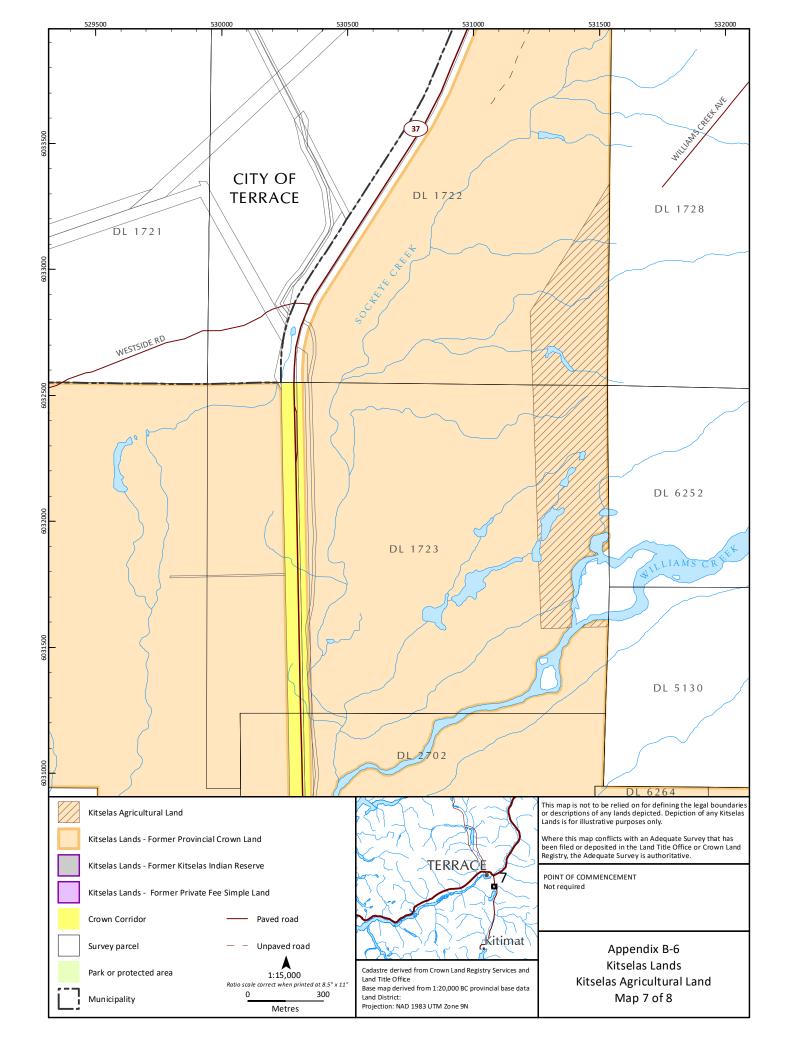


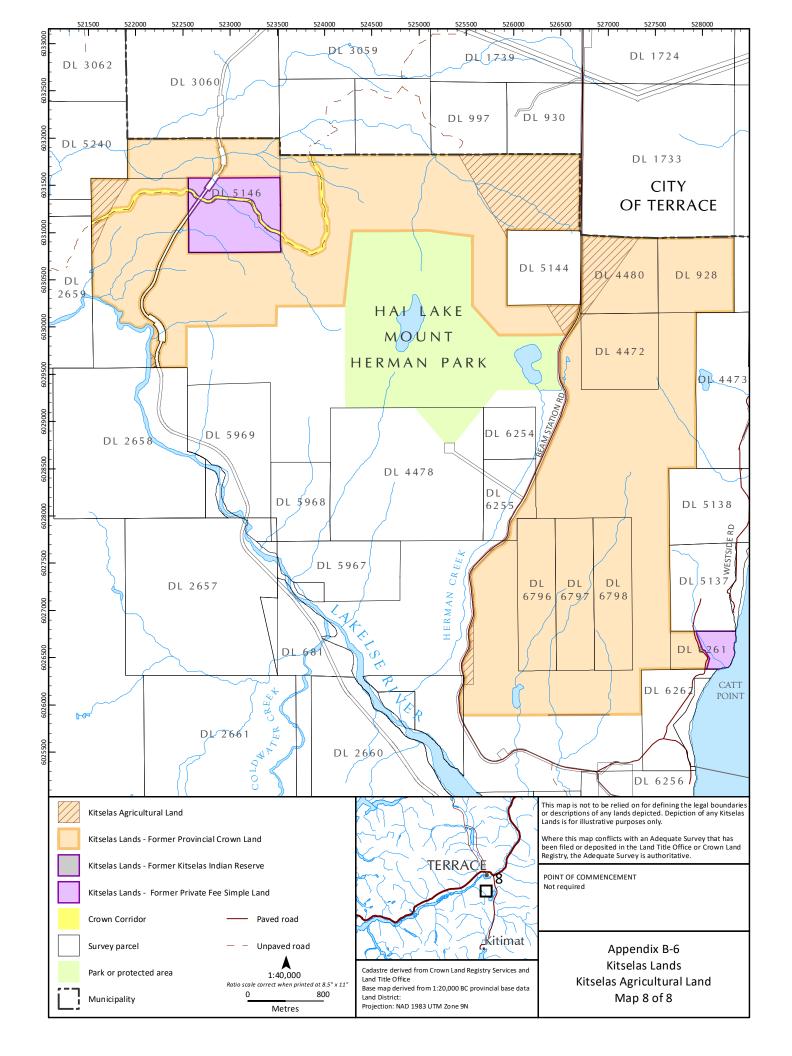












Appendix C Port Essington Lands

Part 1: Legal Description of Port Essington Lands

Part 2: Map of Port Essington Lands

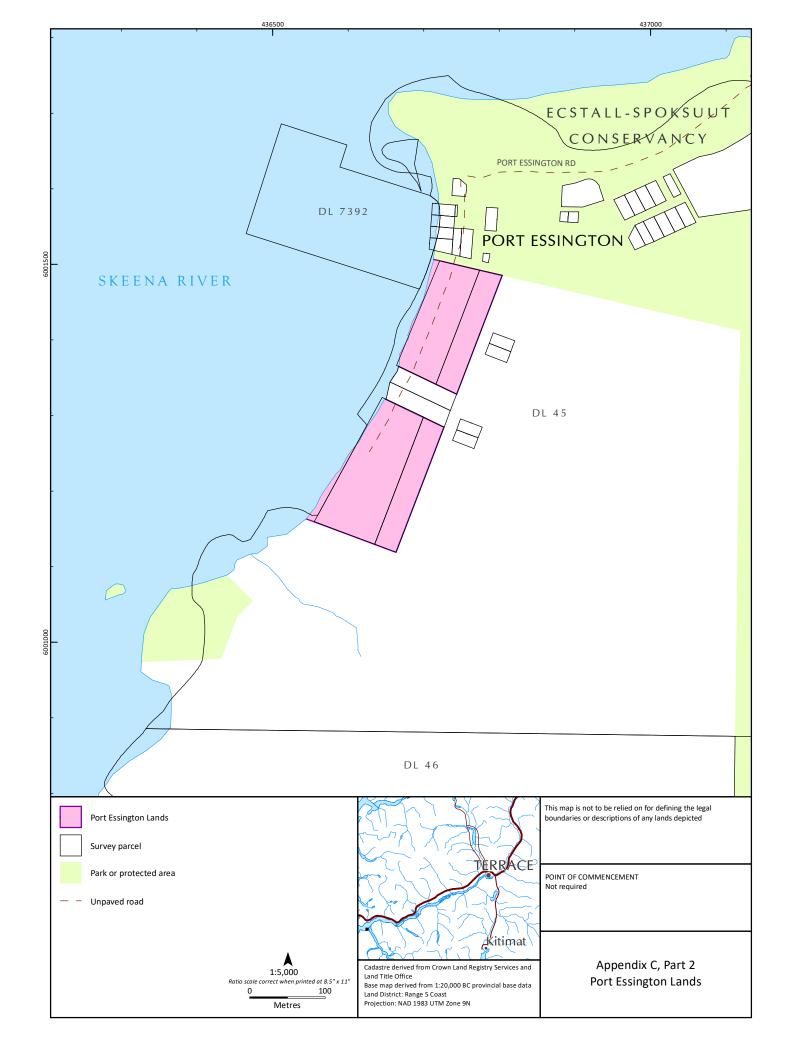
Appendix C Port Essington Lands

Part 1: Legal Descriptions of Port Essington Lands

Parcel Identifier (PID) and Parcel Identification Number (PIN)	Legal Description
PID: 028-217-039	Those parts of District Lot 45, Range 5, Coast District as described in DF 3863
PIN: 2377050	Those parts of District Lot 45, Range 5, Coast District described as exceptions in DF 3863

Appendix C Port Essington Lands

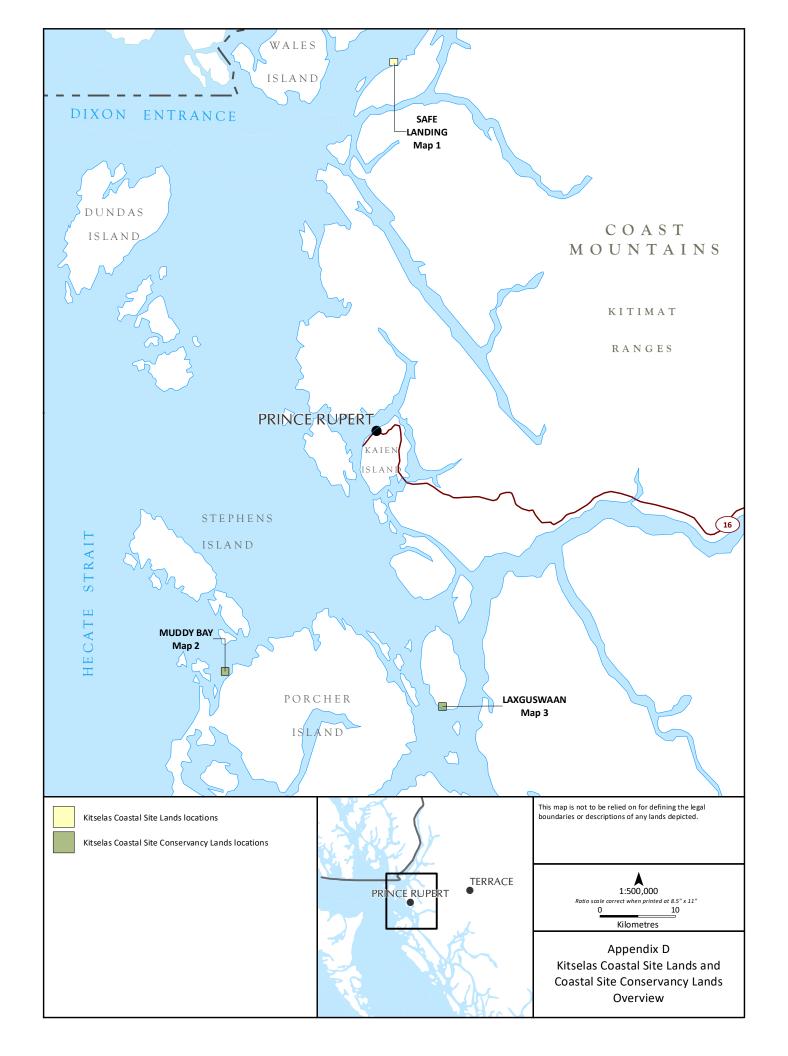
Part 2: Map of Port Essington Lands



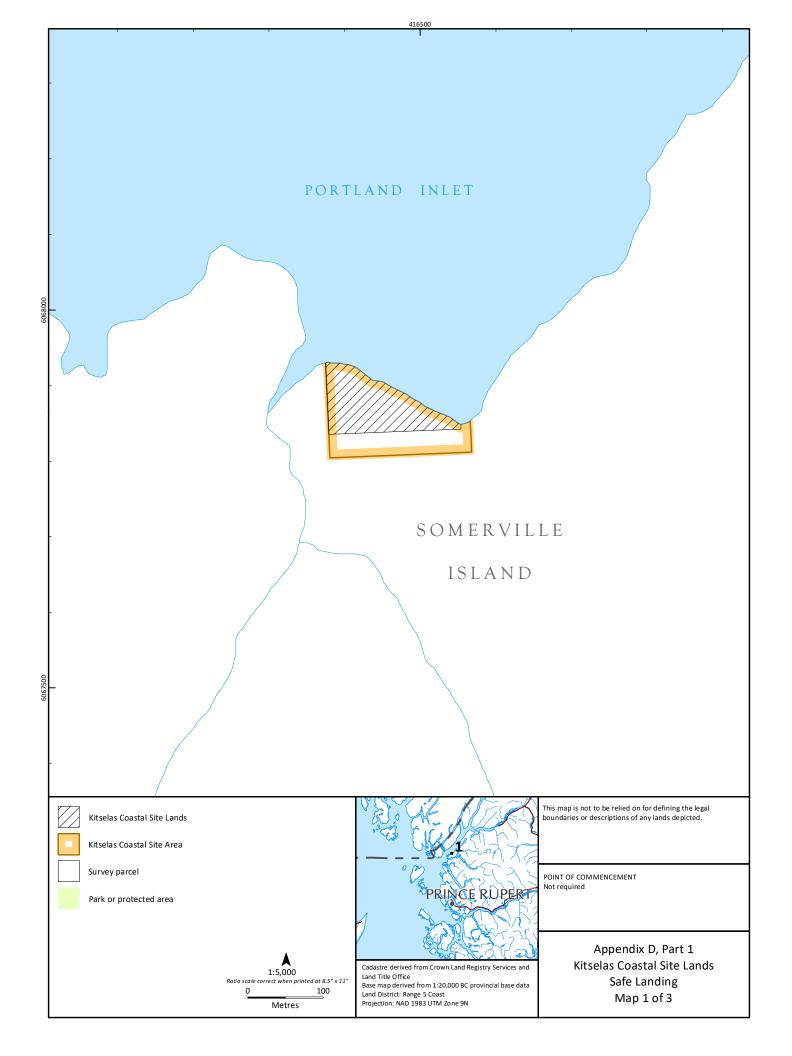
Overview Map of Kitselas Coastal Site Lands and Coastal Site Conservancy Lands

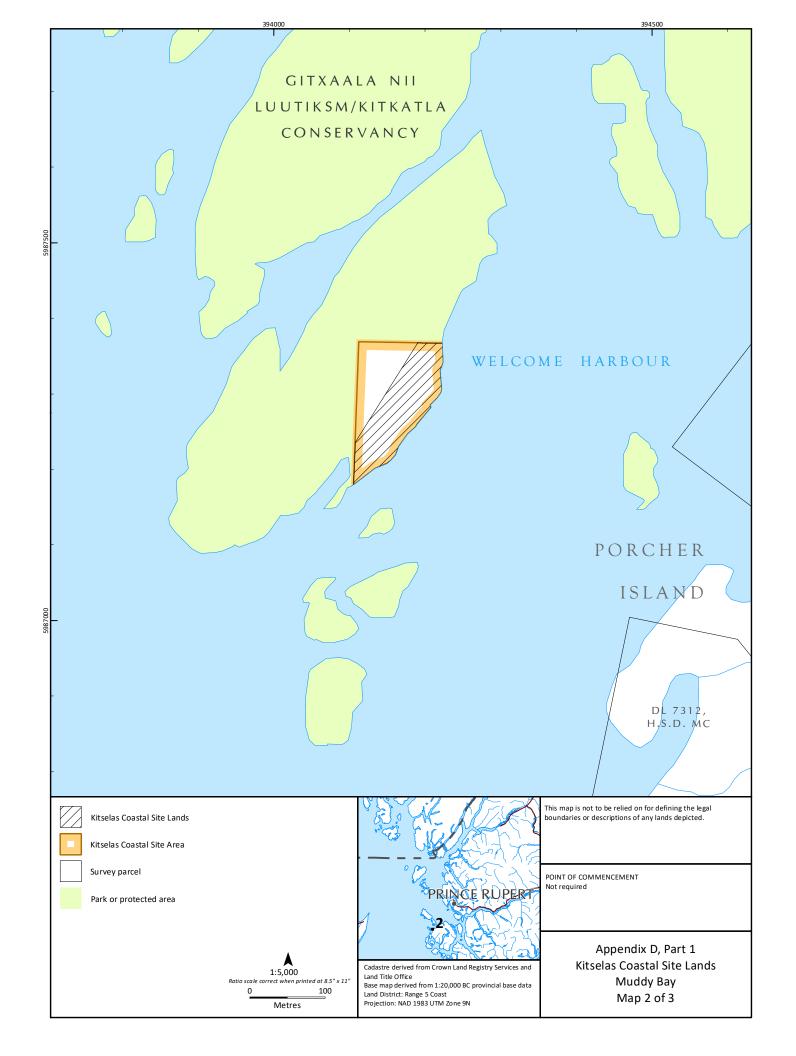
- Part 1: Maps of Kitselas Coastal Site Lands
- Part 2: Maps of Kitselas Coastal Site Conservancy Lands
- Part 3: List of Interests on Kitselas Coastal Site Lands

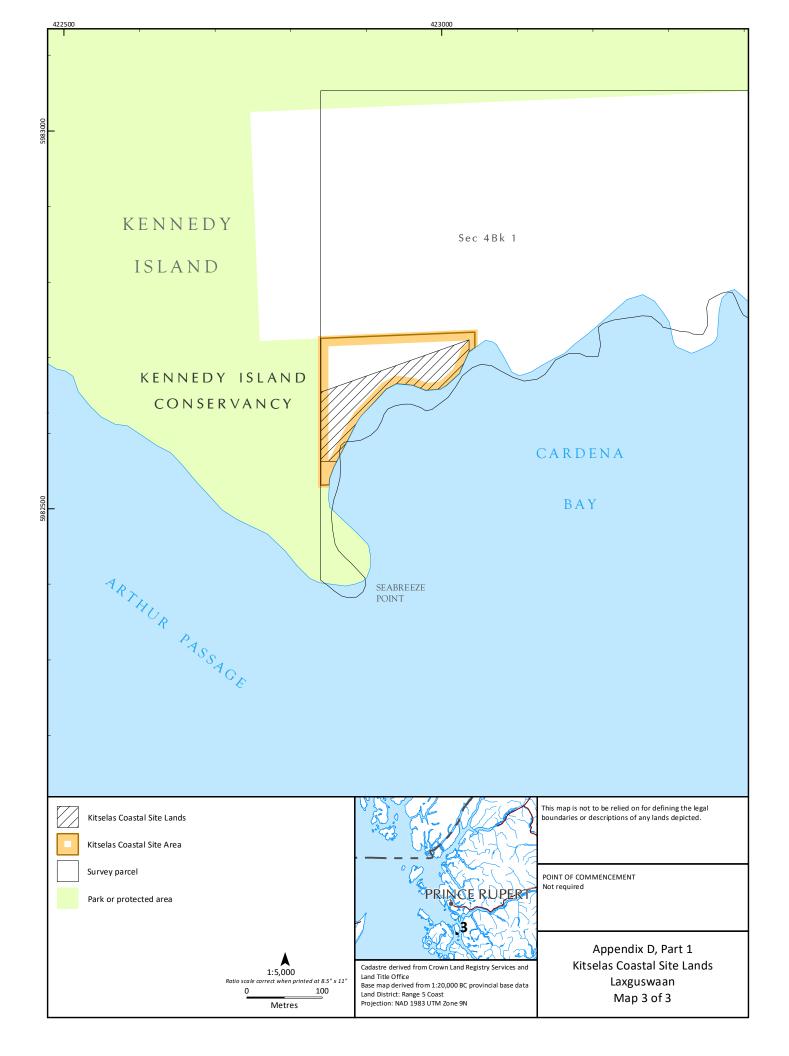
Overview Map of Coastal Site Kitselas Lands and Coastal Site Conservancy Lands



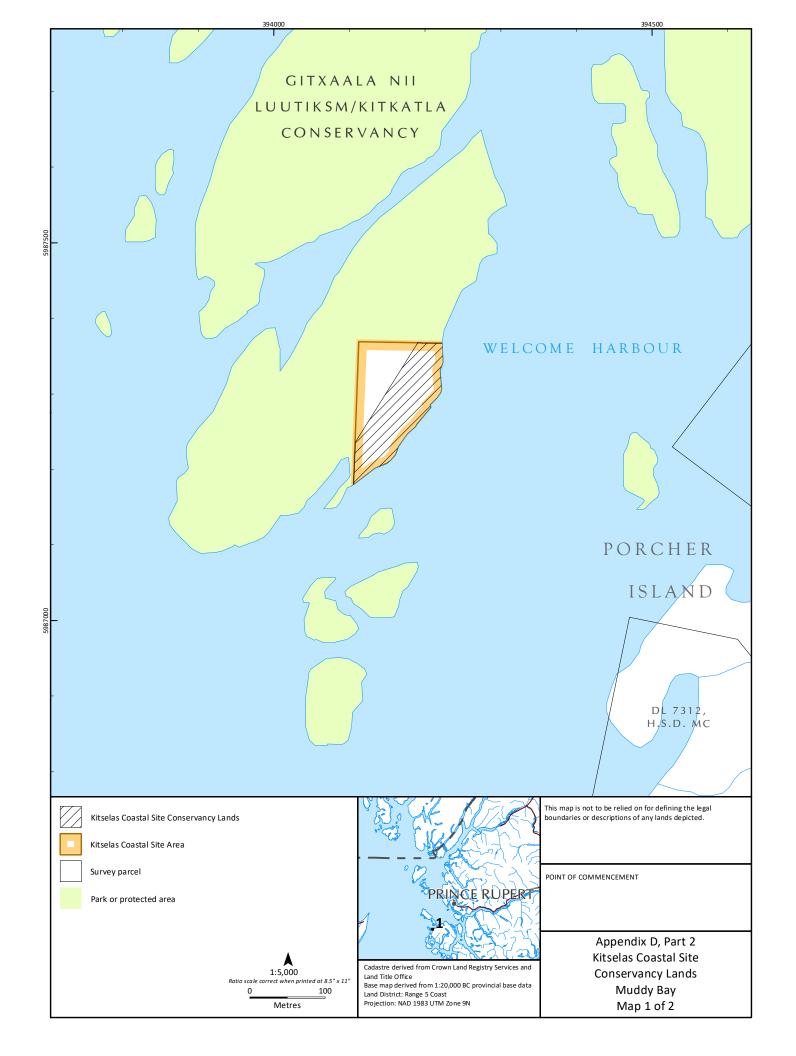
Part 1: Maps of Kitselas Coastal Site Lands

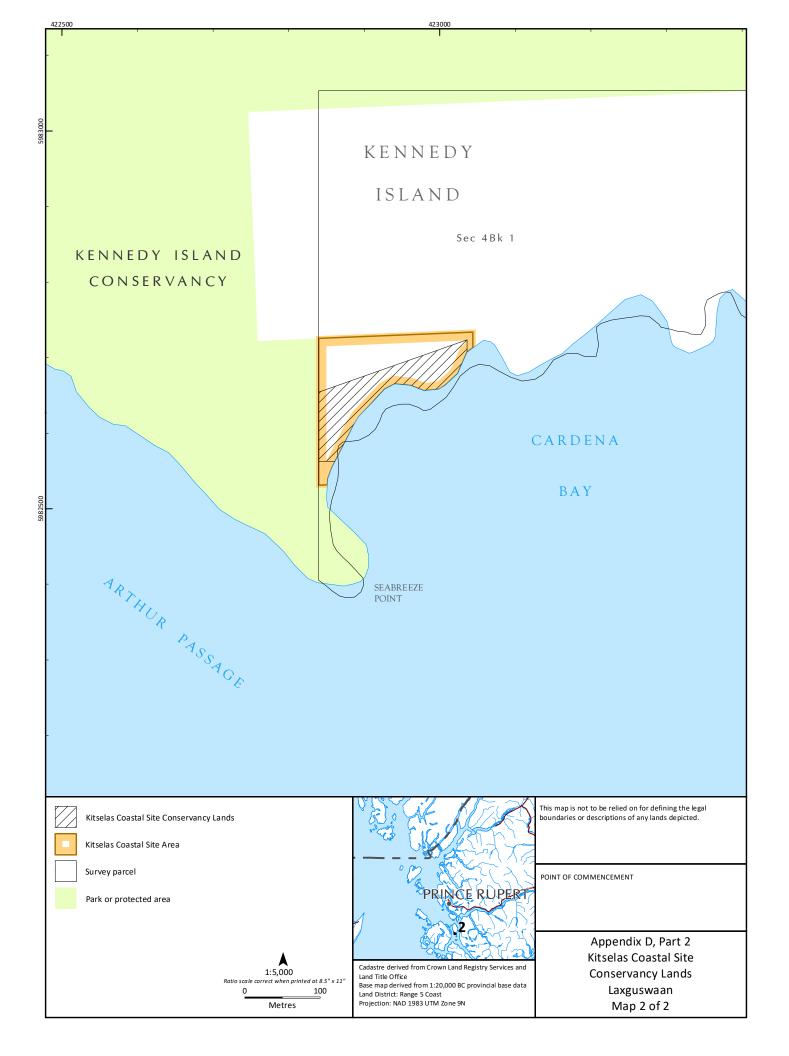






Part 2: Maps of Kitselas Coastal Site Conservancy Lands





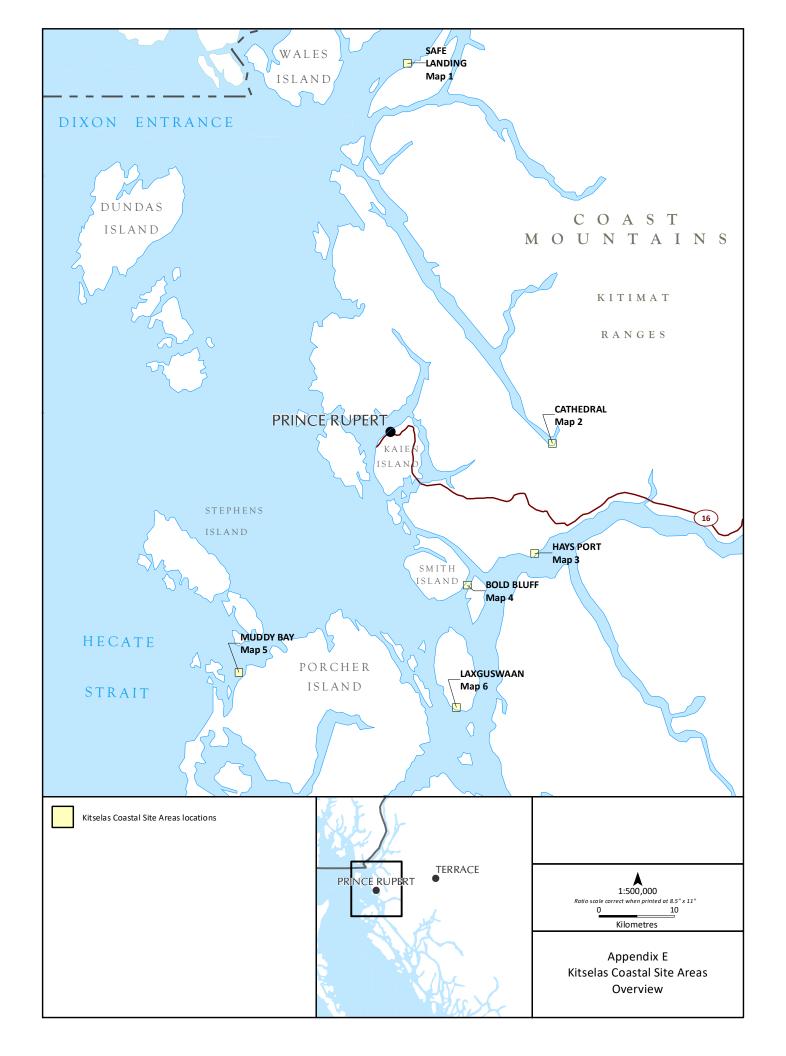
Appendix D Kitselas Coastal Site Lands

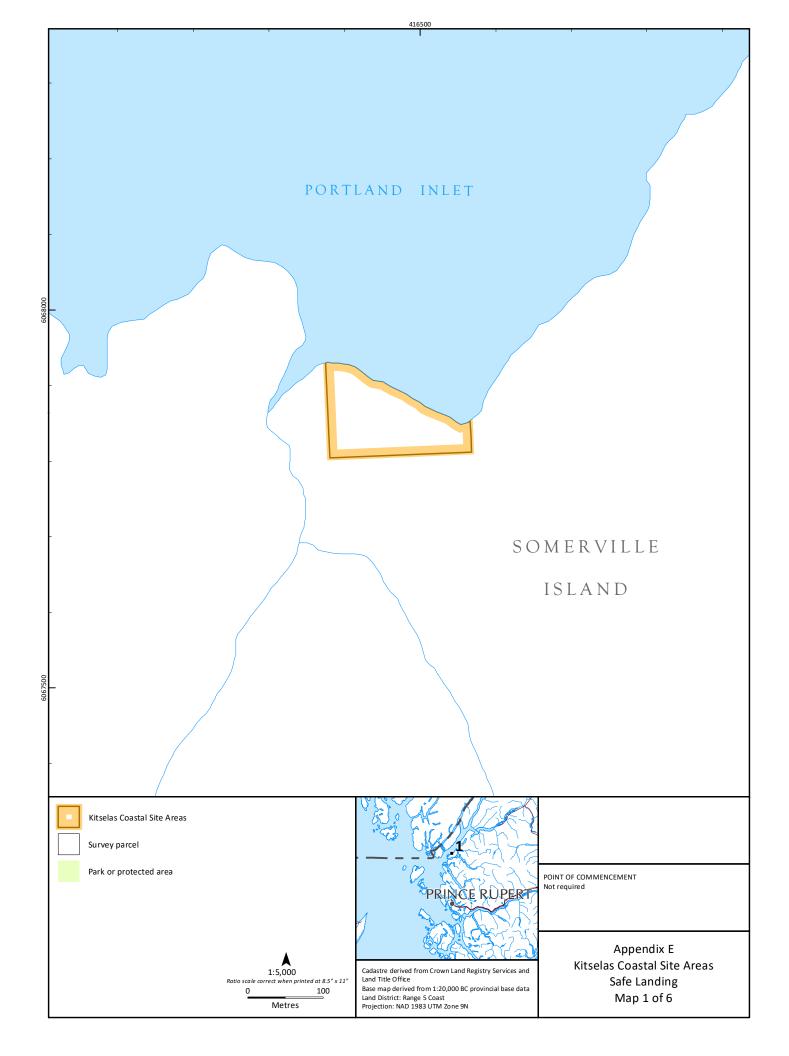
Part 3: List of Interests on Kitselas Coastal Site Lands

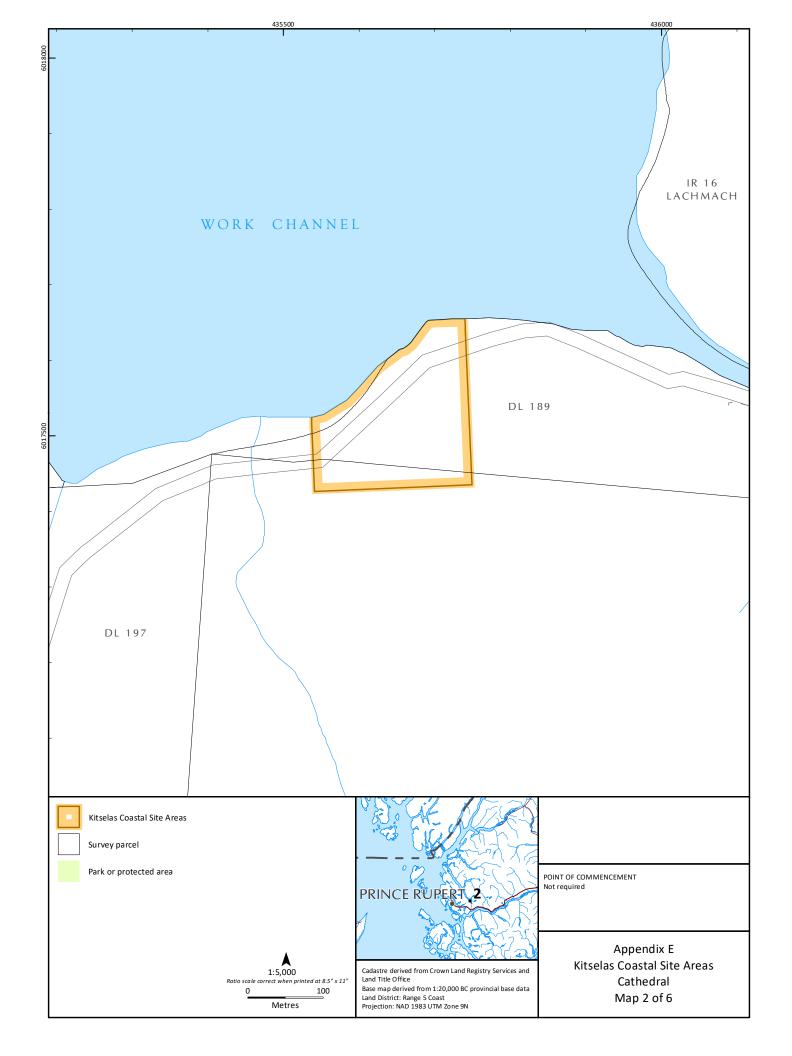
Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty.

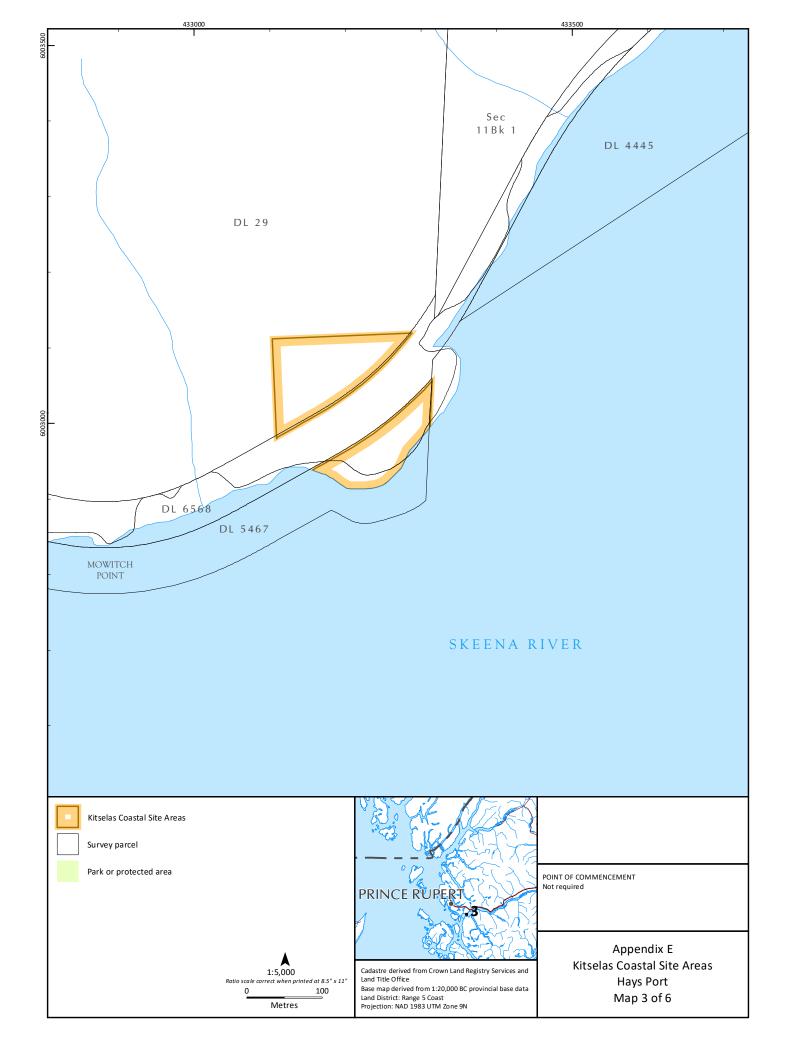
Appendix E Kitselas Coastal Site Areas

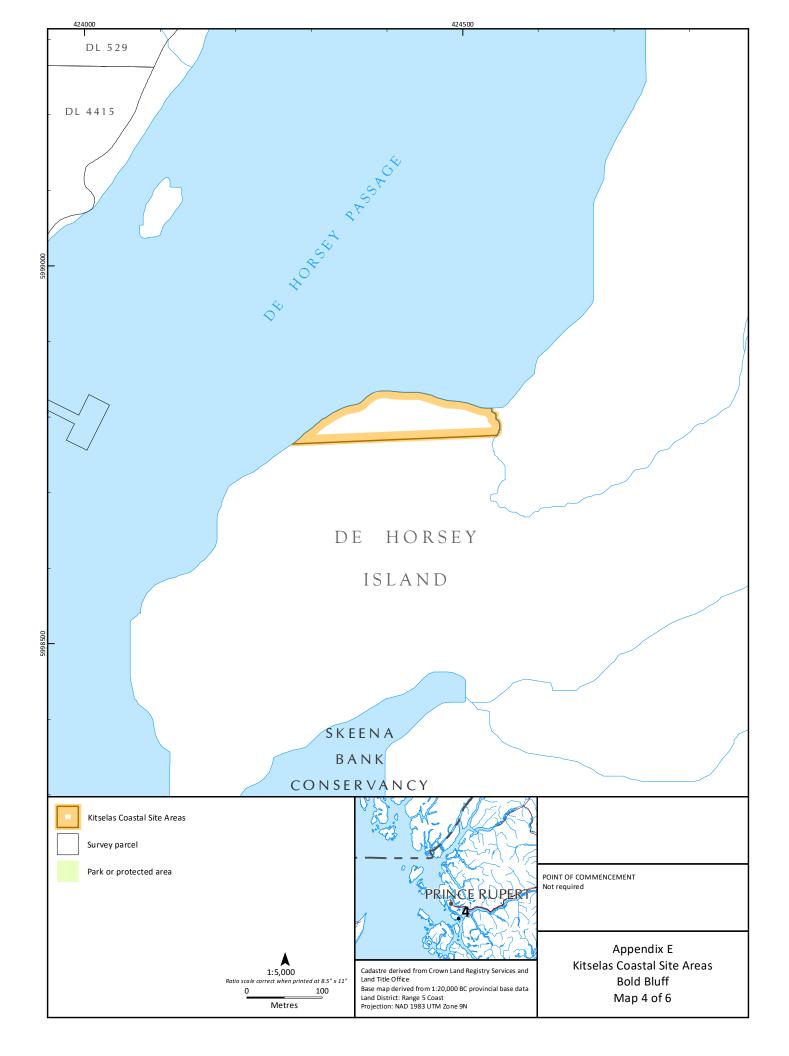
Maps of Kitselas Coastal Site Areas

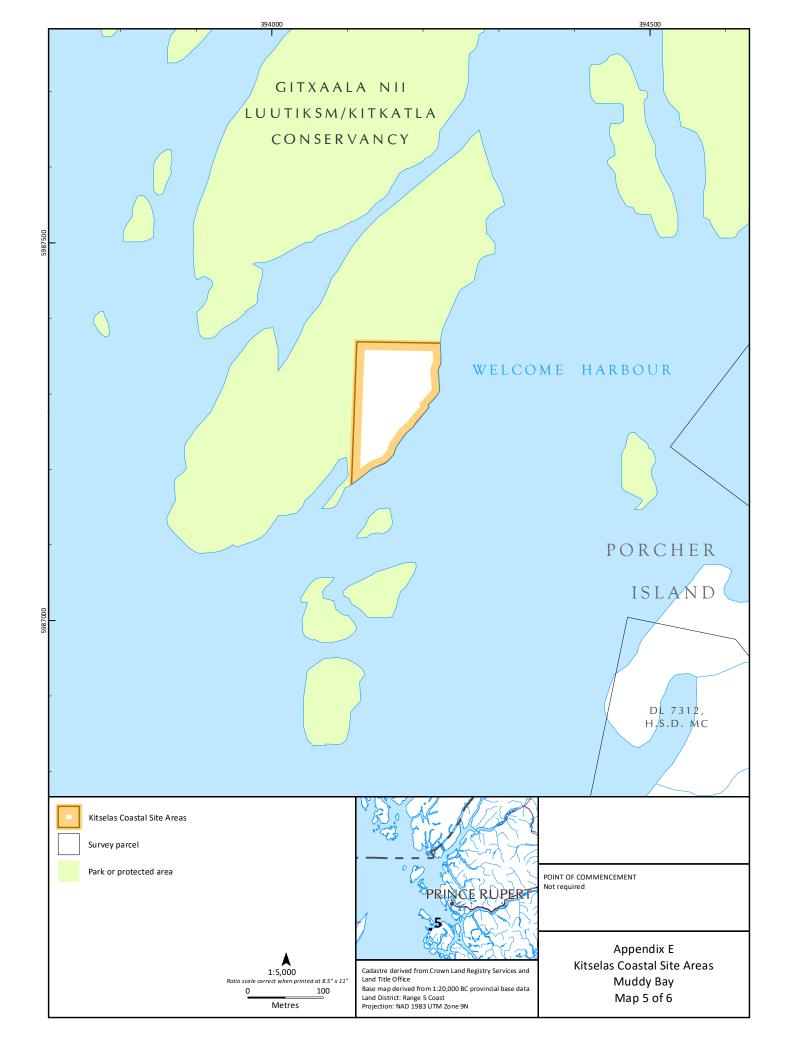


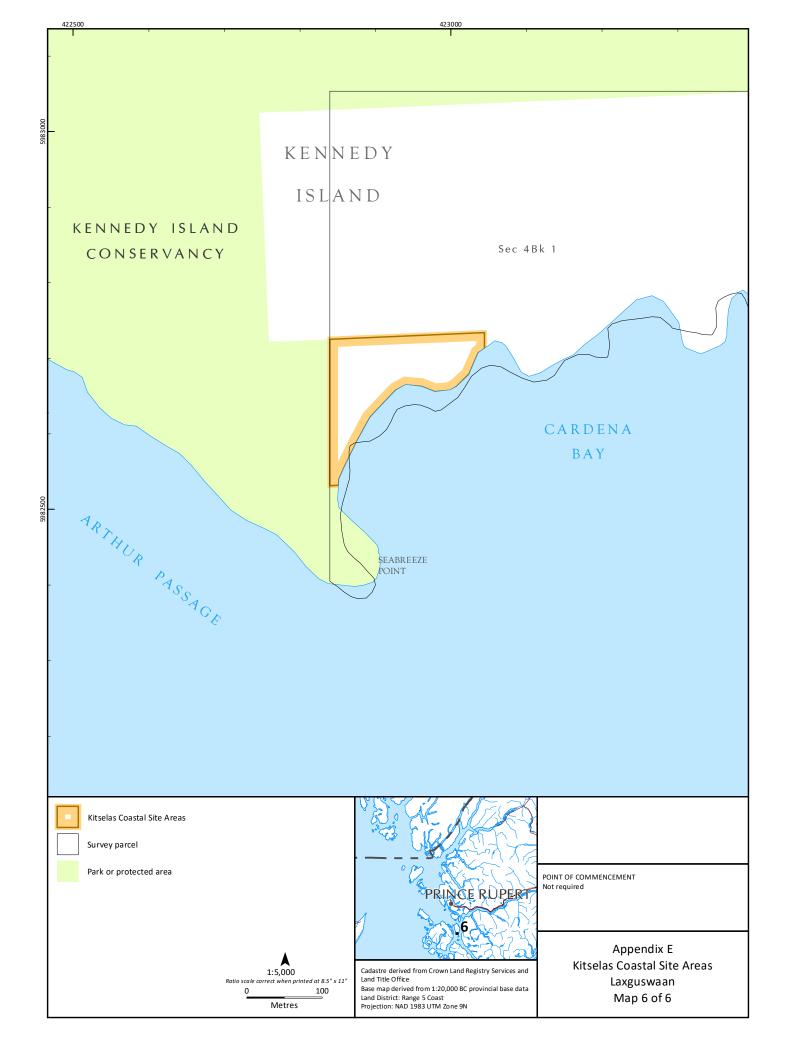






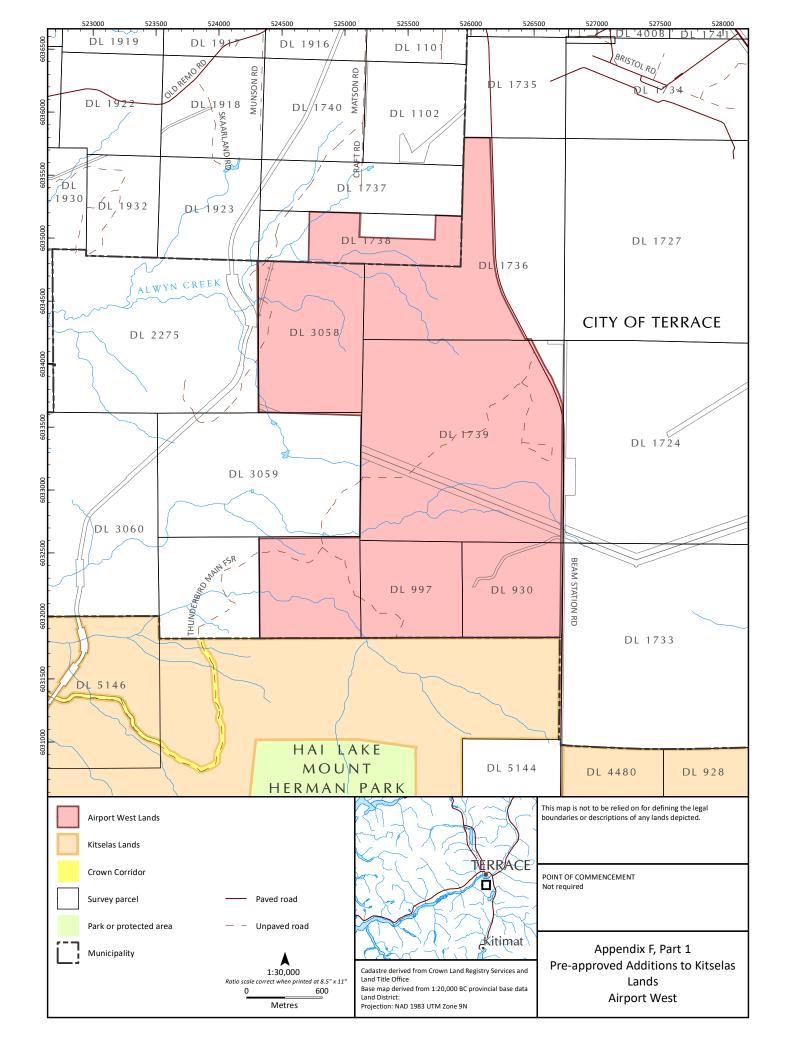




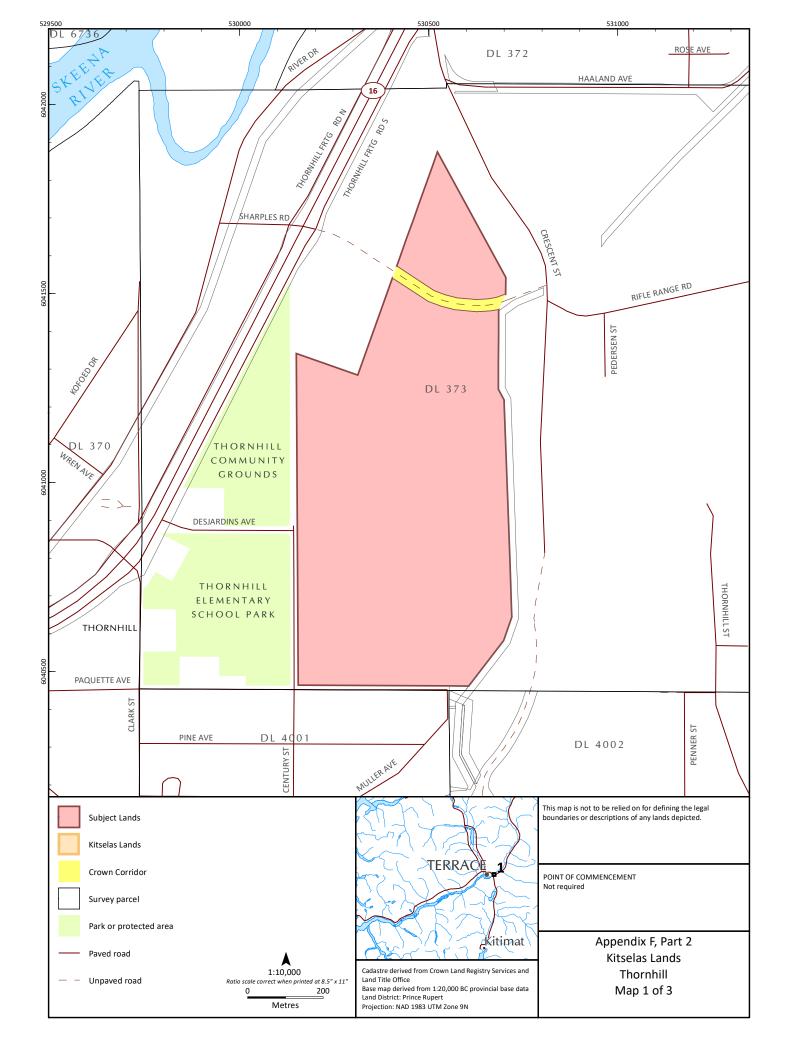


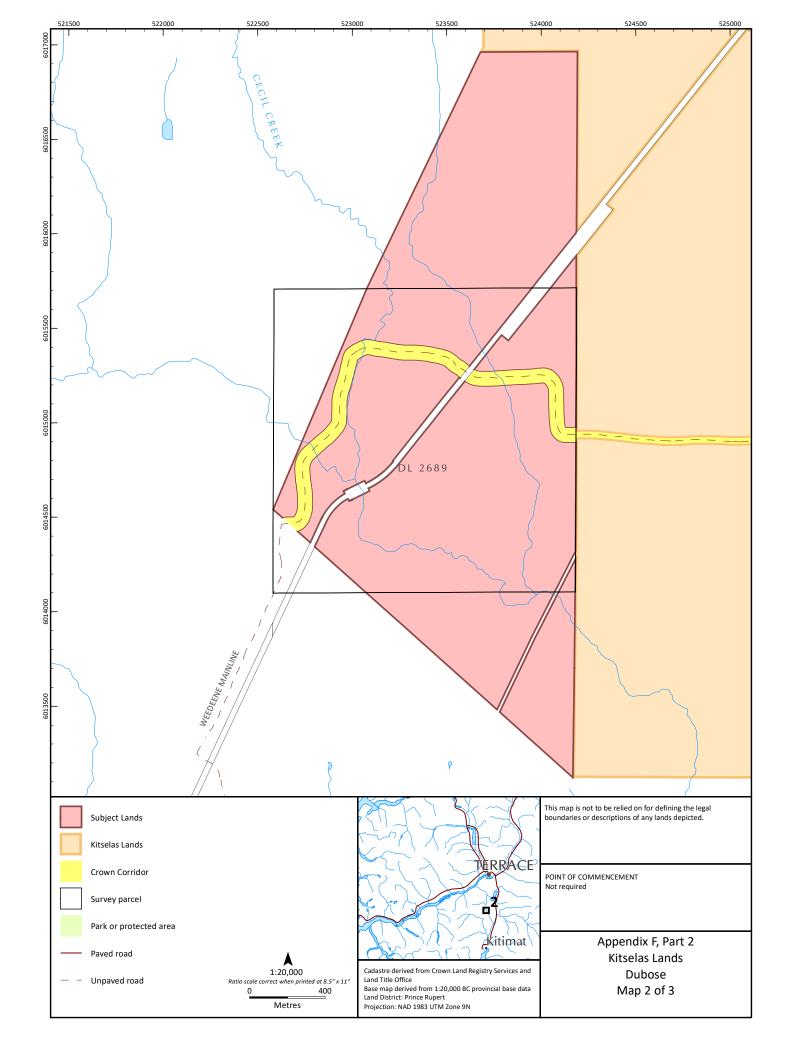
- Part 1: Map of Pre-Approved Addition to Kitselas Lands
- Part 2: Maps of Additions of Fee Simple Lands to Kitselas Lands
- Part 3: Map of Fee Simple Lands at Port Essington
- Part 4: Legal Descriptions of Pre-Approved Fee Simple Lands

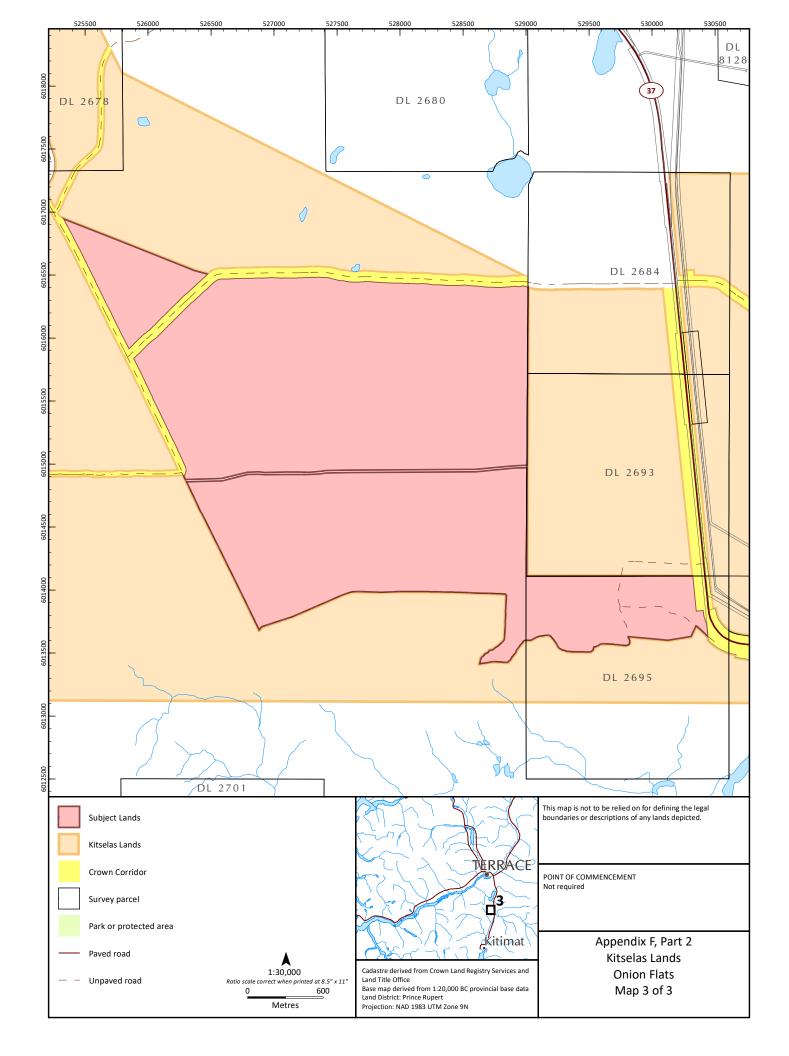
Part 1: Map of Pre-Approved Addition to Kitselas Lands



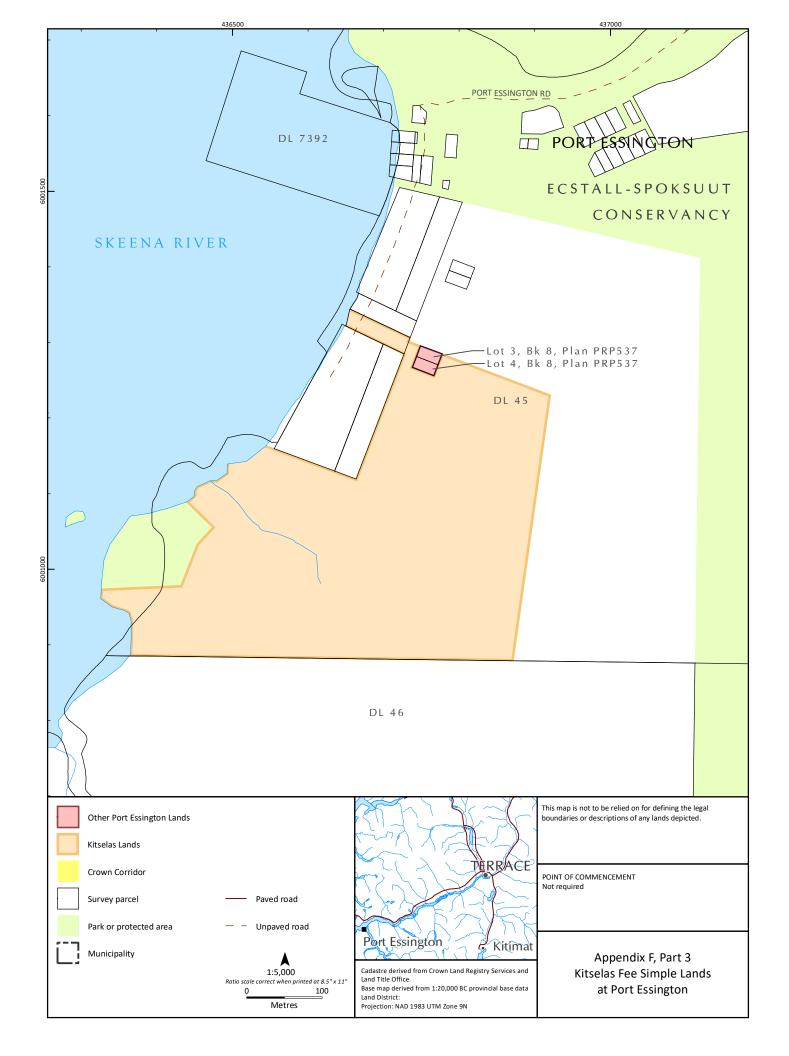
Part 2: Maps of Additions of Fee Simple Lands to Kitselas Lands







Part 3: Map of Fee Simple Lands at Port Essington



Part 4: Legal Descriptions of Pre-Approved Fee Simple Lands

Parcel Name	Legal Description	PID	General Location
Gitaus	Block A, District Lot 984, Range 5, Coast District	029-350-701	Appendix B-4 Part 2, Map 1
	Block A, District Lot 834, Range 5, Coast District	029-350-697	
		029-350-662	
	Block A, District Lot 833, Range 5, Coast District	029-350-689	
Clubhouse Property			Appendix B-4 Part 2, Map 2
	Block 2, Plan PRP1246, District Lot 840, Range 5, Coast Range 5 Land District, Except Plan 4254, 5031 & 7633	012-883-875	Appendix B-4 Part 2, Map 2
Hai Lake Block C, District Lot 5146, Range 5, Coast District		029-350-654	Appendix B-4 Part 2, Map 3
Catt Point Block A, District Lot 6261, Range 5, Coast District		029-350-671	Appendix B-4 Part 2, Map 4
United Church	Lot B, District Lot 45, Range 5, Coast District Plan EPP135951	032-233-191	Appendix B-4 Part 2, Map 5

Appendix G Interests on Kitselas Lands

Note: The Parties will update the Appendices before the Effective Date.

Appendix G-1: Interests on Former Kitselas Indian Reserves to be Replaced on the Effective Date

- Part 1: Certificates of Possession and Other Interests Under the *Indian Act* or *Kitselas Reserve Lands Management Act*
- Part 2: Public Utility Works
- Part 3: Other Interests

Appendix G-2: Interests on Former Provincial Crown Lands to be Replaced on the Effective Date

- Part 1: Public Utility Works Transmission
- Part 2: Public Utility Works Telecommunications
- Part 3: Permits to Occupy Kitselas Land Associated with Water Licenses
- Part 4: Grants of Private Road Easements
- Part 5: Resource Road Use Permits
- Part 6: Other Interests

Appendix G-3: Interests to be Created by Kitselas on the Effective Date

- Part 1: Public Utility Works Distribution and Ancillary Rights
- Part 2: Non-Commercial Recreation
- Part 3: Ministry of Forests Inventory Ground Plots
- Part 4: Ministry of Forests Forest Research Plots
- Part 5: Ministry of Transportation and Infrastructure Gravel Pits

Appendix G-4: Applicable Forms of Document for Granting Interests Listed in Appendices G-1, G-2 and G-3

Part 1: Applicable Forms of Documents for Interests on Former Kitselas Indian Reserves Listed in Appendix G-1

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendices G-2

- Document 1. Licence of Occupation for Telecommunication Sites
- Document 2. Permit to Occupy Kitselas Lands
- Document 3. Private Road Easements
- Document 4. Resource Road Use Permit
- Document 5. Airport Beacon Lease
- Document 6. Licence of Occupation for Monitoring and Testing Wells
- Document 7. Licence of Occupation for Roadway
- Document 8. Licence of Occupation for Heli Skiing
- Document 9. Licence of Occupation for Electric Distribution Power Line

Part 3: Applicable Forms of Documents for Interests to be Created Listed in Appendices G-3

- Document 1. Statutory Right of Way for Recreational Trails
- Document 2. Licence of Occupation for Non-commercial Recreation
- Document 3. Licence of Occupation for Forest Research Plots
- Document 4. Gravel Pits Statutory Right of Way

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

- Document 1. Transmission Statutory Right of Way Agreement
- Document 2. Ancillary Rights Statutory Right of Way Agreement
- Document 3. Right of Way for Electrical Distribution and Telecommunication Works
- Document 4. PNG Form of Statutory Right of Way
- Document 5. Enbridge PTP Statutory Right of Way- Pipeline

Appendix G-5: Interests on Former Provincial Crown Land to Continue in Accordance with Provincial Law

- Part 1: Subsurface Tenures Issued Under the Mineral Tenure Act
- Part 2: Water Rights Under the Water Sustainability Act
- Part 3: Guide Outfitter Certificates Issued Under the Wildlife Act
- Part 4: Traplines Issued Under the Wildlife Act

Appendix G-6: Interests on Former Private Fee Simple Lands

Appendix G-7: Privately Held Subsurface Resources

Appendix G-1 Interests on Former Kitselas Indian Reserves to be Replaced on the Effective Date

Part 1: Certificates of Possession and Other Interests Under the *Indian Act* or *Kitselas Reserve Lands Management Act*

Parcel Description and FNLRS PIN ³	Interest Holder	Interest	Location
Lot 4 RSBC 2396 PIN: 903015773	LAWSON, Victoria Leona	Certificate of Allocation	Kitselas 1
Lot 5 RSBC 2396 PIN: 902524994	WELLS, Michael David	Certificate of Allocation	Kitselas 1
Lot 7 RSBC 2396 PIN: 902530107	MOORE, Deborah Certificate of Allocation Kitse		Kitselas 1
Lot 8 RSBC 2396 PIN: 903035780	WRIGHT, Anne Margret Patricia	Certificate of Allocation	Kitselas 1
Lot 9 RSBC 2396 PIN: 902530106	SBC 2396 Susan		Kitselas 1
Lot 10 RSBC 2396 PIN: 903018575 SEYMOUR, Teressa Lea SEYMOUR, Alvin Keith as joint tenants		Certificate of Allocation	Kitselas 1
Lot 11 RSBC 2396 PIN: 903035916	MCMILLAN, Dorreen Sarah	Certificate of Allocation	Kitselas 1
Lot 13 RSBC 2396 PIN: 903034726	Estate of COSTELLO, Beatrice Elizabeth	Certificate of Allocation	Kitselas 1

³ First Nation Land Registry System Parcel Identification Number

[&]quot;Certificate of Allocation" is an interest registered under the Kitselas Reserve Lands Management Act "Allotment (Indian Act)" is an interest registered as a NETI (No Evidence of Title) Under the Indian Act

[&]quot;Certificate of Possession" is an interest registered under the Indian Act

Parcel Description and FNLRS PIN ³	Interest Holder	Interest	Location
Lot 15 RSBC 2396 PIN: 902530206			Kitselas 1
Lot18 RSBC 2396 PIN: 903023210	Estate of BOLTON, Orlando Christopher	Certificate of Allocation	Kitselas 1
Lot 36 RSBC 2396 PIN: 902530104	MOULD, Edward Arthur	Certificate of Allocation	Kitselas 1
PCL 200'X 200' Shown on Sketch Attached to BCR no plan PIN: 900032102	MCKENZIE, Wilfred Henry (undivided 1/2 interest) Estate of MCKENZIE, Frederick Charles (undivided 1/2 interest)	Allotment (Indian Act)	Kshish 4 (includes Kshish 4A)
Lot 1 CLSR 78200 PIN: 900032110	ALEXANDER, Ramona Lee (undivided 4/15 interest) STEGNER, Frances Laura (undivided 4/15 interest) STEGNER, Katherine Mae (undivided 7/15 interest)	Certificate of Possession	Kshish 4 (includes Kshish 4A)
Lot 1 CLSR 58777 PIN: 902530071	BEVAN, Zoe Amber Rachel	Certificate of Allocation	Kulspai 6
Lot 6 CLSR 58777 PIN: 902008407	Estate of MAISON, Salina	Certificate of Possession	Kulspai 6
Lot 7 CLSR 58777 PIN: 902008406	MASON, Frederick Roger	Certificate of Possession	Kulspai 6

[&]quot;Certificate of Allocation" is an interest registered under the Kitselas Reserve Lands Management Act "Allotment (Indian Act)" is an interest registered as a NETI (No Evidence of Title) Under the Indian Act "Certificate of Possession" is an interest registered under the Indian Act

Parcel Description and FNLRS PIN ³	Interest Holder	Interest	Location
Lot 17 CLSR 58777 PIN: 903013117	Estate of BEVAN, Elizabeth Amy	Certificate of Allocation	Kulspai 6
Lot 38 CLSR 58777 PIN: 903013072	Estate of SEYMOUR, Rhoda Alvina	Certificate of Allocation	Kulspai 6
Lot 43 CLSR 58777 PIN: 902530655	Estate of BOLTON, Beverly Hanna	Certificate of Allocation	Kulspai 6
Lot 45 CLSR 58777 PIN: 903014490	BENNETT, Maude Serena Rapheal	Certificate of Allocation	Kulspai 6
Lot 56 CLSR 96119 PIN: 903013060	Estate of JOHNSON, Lorna Annabelle	Certificate of Allocation	Kulspai 6
Lot 57 CLSR 96119 PIN: 902528993	BEVAN, Susan Lynn	Certificate of Allocation	Kulspai 6
Lot 61 CLSR 99960 PIN: 902528993	BEVAN, Susan Lynn	Certificate of Allocation	Kulspai 6
Lot 62 CLSR 99960 PIN: 902530204 MCDAMES, Harold Lloyd MCDAMES, Sherry Darlene as joint tenants		Certificate of Allocation	Kulspai 6
Lot 70 CLSR 99960 PIN: 903035540	MCKAY, Joanne Selina Lila	Certificate of Allocation	Kulspai 6
Lot 71 CLSR 99960 PIN: 903034390	COSTELLO, Chelsea Carmen	Certificate of Allocation	Kulspai 6
Lot 76 CLSR 99960 PIN: 903035394	MCDAMES, Kenneth Robert MCDAMES, Hedy Laura as joint tenants	Certificate of Allocation	Kulspai 6

[&]quot;Certificate of Allocation" is an interest registered under the Kitselas Reserve Lands Management Act "Allotment (Indian Act)" is an interest registered as a NETI (No Evidence of Title) Under the Indian Act "Certificate of Possession" is an interest registered under the Indian Act

Parcel Description and FNLRS PIN ³	Interest Holder	Interest	Location
Lot 77 CLSR 99960 PIN: 903034391	BEVAN, Stanley George	Certificate of Allocation	Kulspai 6

Appendix G-1 Interests on Former Kitselas Indian Reserves to be Replaced on Effective Date

Part 2: Public Utility Works

Interest	Interest Holder	Location	FNLRS ⁴ Registration Number	Replacement Interest
Right of Way (distribution)	British Columbia Hydro and Power Authority Telus Communications Inc.	Kitselas 1 Chimdimash 2 Chimdimash 2A Ikshenigwolk 3 Kshish 4 (includes Kshish 4A) Kshish 4B Zaimoetz 5 Kulspai 6 Ketoneda 7	LMA04798	British Columbia Hydro and Power Authority Statutory Right of Way Agreement - Distribution Line
Permit (transmission)	British Columbia Hydro and Power Authority	Kulspai 6	305	Transmission Statutory Right of Way Agreement
Permit (distribution)	Pacific Northern Gas Ltd.	Kulspai 6	219729	
Right of Way (transmission)	Pacific Northern Gas Ltd.	Zaimoetz 5	2235-48	PNG Form of Statutory Right of Way

⁴ First Nation Land Registry System

Appendix G-1 Interests on Former Kitselas Indian Reserves to be Replaced on Effective Date

Part 3: Other Interests

Interest	Interest Holder	Location	FNLRS ⁵ Registration Number	Replacement Interest
Lease	Kitselas Housing Society British Columbia Housing Management Commission	Kitselas 1 Lots 122, 123, 124, 125, 126, 127	4043927	
Lease	Kitselas Development Limited Partnership	Kulspai 6 Lot 53-3	4027048	
Licence of Occupation (road use and storage of materials)	Terus Construction Ltd a Division of Colas Canada Inc.	Zaimoetz 5 Lots 1, 2	4018681 4018682 4018683	
Permit (operating and maintaining a fire hall)	Regional District of Kitimat- Stikine	Kitselas 1 Lot 55	320344	

⁵ First Nation Land Registry System

Appendix G-2 Interests on Former Provincial Crown Lands to be Replaced on the Effective

Part 1: Public Utility Works - Transmission

Interest Holder	Purpose	Interest Being Replaced	General Location	Kitselas Replacement Tenure Document
British Columbia Hydro and Power Authority	Transmission	Right of Way File No. 0260382 Document No. SK941521	Appendix B-3 Maps 33-34, 41	Transmission Statutory Right of Way Agreement
British Columbia Hydro and Power Authority	Transmission	Right of Way File No. 0275862 Document No. 632258	Appendix B-3 Maps 30-31	Transmission Statutory Right of Way Agreement
British Columbia Hydro and Power Authority	Transmission	Right of Way File No. 6409198 Document No. SK940312	Appendix B-3 Map 34	Ancillary Rights Statutory Right of Way Agreement
Pacific Northern Gas Ltd.	Gas and Oil Pipeline	Right of Way File No. 0348345 Document No. 1382	Appendix B-3 Maps 30-34, 41	PNG Form of Statutory Right of Way
Pacific Northern Gas Ltd.	Natural Gas Transmission Line	Right of Way File No. 6400350 Document No. 632109	Appendix B-3 Maps 34, 41	PNG Form of Statutory Right of Way
Pacific Northern Gas Ltd.	Natural Gas Transmission Line	Right of Way File No. 6405878 Document No. 634642	Appendix B-3 Map 34	PNG Form of Statutory Right of Way
Enbridge	Future LNG Pipeline	Licence of Occupation File No. 9636609 Document No. 945575	Appendix B-3 Map 41	Enbridge PTP Statutory Right of Way - Pipeline

Appendix G-2 Interests on Former Provincial Crown Lands to be Replaced on the Effective Date

Part 2: Public Utility Works – Distribution Telecommunications

Interest Holder	Purpose	Interest Being Replaced	General Location	Kitselas Replacement
Rogers Communications Inc.	Communications	Licence of Occupation File No. 6409294 Document No. SK943983	Appendix B-3 Map 19	Tenure Document Licence of Occupation for Telecommunication Sites
Rogers Communications Inc.	Communications	Licence of Occupation File No. 6409296 Document No. SK943982	Appendix B-3 Map 19	Licence of Occupation for Telecommunication Sites

Appendix G-2 Interests on Former Provincial Crown Lands to be Replaced on the Effective Date

Part 3: Permits to Occupy Kitselas Land Associated with Water Licenses

Permit to Occupy Crown Land (PCL) Issued Under the Water	Appurtenance	Appurtenant to Water Licence No. Issued Under the Water Sustainability Act	General Location	Kitselas Replacement Tenure Document
Sustainability Act				
PCL 11284	PID 015-276-490, District Lot 5423, Range 5, Coast District lying east of Hwy No. 16 (plan 7241)	C049458	Appendix B-3 Map 4	Permit to Occupy Kitselas Lands
PCL 26680	PID 015-276-490, District Lot 5423, Range 5, Coast District, except part lying west of Plan 7241 and except Plan 2035 and 7241	C126762	Appendix B-3 Map 4	Permit to Occupy Kitselas Lands
PCL 7582	PID 012-408-034, L 4 of Lot 833, Range 5, Coast District Plan 3050	C035711	Appendix B-3 Maps 18, 19, 21	Permit to Occupy Kitselas Lands
PCL 11460	PID 007-573-332, 20 AC Of BLK A of Lot 6639, Range 5, Coast District	C050314	Appendix B-3 Map 27	Permit to Occupy Kitselas Lands
PCL 26911	PID 015-008-029, Powerhouse Site on Lot 1915, Range 5, Coast District	C127559	Appendix B-3 Map 22	Permit to Occupy Kitselas Lands
PCL 14628	PID 014-970-511, BLK A of Lot 428, Range 5, Coast District	C061588	Appendix B-3 Map 25	Permit to Occupy Kitselas Lands

Permit to Occupy Crown Land (PCL) Issued Under the Water Sustainability Act	Appurtenance	Appurtenant to Water Licence No. Issued Under the Water Sustainability Act	General Location	Kitselas Replacement Tenure Document
PCL 12403	PID 006-364-438, BLK C of Lot 5130, Range 5, Coast District Plan 9106	C054003	Appendix B-3 Map 34	Permit to Occupy Kitselas Lands

Appendix G-2 Interests on Former Provincial Crown Lands to be Replaced on the Effective Date

Part 4: Grants of Private Road Easements

Interest Holder	Legal Description	Existing Land Title Parcel Identifier (PID)	General Location	Kitselas Replacement Tenure Document
PENNER, Wilhelm Gunther/ PENNER, Randy Lynne	Part of District Lot 835, Range 5, Coast District lying east of the Grand Truck Pacific Railway Right-of-Way	015-014-444	Appendix B-3 Map 26	Private Road Easement

Appendix G-2 Interests on Former Provincial Crown Lands to be Replaced on the Effective Date

Part 5: Resource Road Use Permits

Note: The Parties will complete this sub-appendix for the Ratification version of the Treaty.

Interest Holder	File ID	Road Description	General Location	Kitselas Replacement Tenure Document
Coast Tsimshian Resources LP.	R01441 Section A		Appendix B-3 Maps 16, 19-20, 23-24	Resource Road Use Permit
Coast Tsimshian Resources LP.	R01441 Section B		Appendix B-3 Maps 16, 20, 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R01441 Section B-1		Appendix B-3 Maps 16, 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R01441 Section B-2		Appendix B-3 Maps 16, 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R01441 Section C		Appendix B-3 Map 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R01441 Section D		Appendix B-3 Map 19	Resource Road Use Permit
Coast Tsimshian Resources LP.	R03784 Section A		Appendix B-3 Maps 13-14	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04081 Section A		Appendix B-3 Maps 6, 11-13	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04081 Section B		Appendix B-3 Maps 6, 11-12	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04081 Section B-1		Map Appendix B-3 Map 6	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04089 Section A		Appendix B-3 Maps 15-16, 20	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04089 Section B		Appendix B-3 Maps 15, 20	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04089 Section B-1		Appendix B-3 Map 15	Resource Road Use Permit
Coast Tsimshian Resources LP.	R04089 Section C		Appendix B-3 Map 15	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section A		Appendix B-3 Maps 19, 21-22	Resource Road Use Permit

Interest Holder	File ID	Road Description	General Location	Kitselas Replacement Tenure Document
Coast Tsimshian Resources LP.	R06731 Section B		Appendix B-3 Map 22	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section B-1		Appendix B-3 Map 22	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section C		Appendix B-3 Map 19	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section D		Appendix B-3 Map 19	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section E		Appendix B-3 Map 19	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section F		Appendix B-3 Map 19	Resource Road Use Permit
Coast Tsimshian Resources LP.	R06731 Section G		Appendix B-3 Maps 19, 21-22	Resource Road Use Permit
Coast Tsimshian Resources LP.	R07491 Section A		Appendix B-3 Maps 10-12, 16	Resource Road Use Permit
Coast Tsimshian Resources LP.	R07491 Section B		Appendix B-3 Map 10	Resource Road Use Permit
Coast Tsimshian Resources LP.	R07491 Section C		Appendix B-3 Map 10	Resource Road Use Permit
Coast Tsimshian Resources LP.	R07491 Section D		Appendix B-3 Map 10	Resource Road Use Permit
Coast Tsimshian Resources LP.	R08641 Section A		Appendix B-3 Maps 5, 9	Resource Road Use Permit
Coast Tsimshian Resources LP.	R08641 Section F		Appendix B-3 Maps 8-10	Resource Road Use Permit
Coast Tsimshian Resources LP.	R08641 Section G		Appendix B-3 Maps 5, 9	Resource Road Use Permit
Coast Tsimshian Resources LP.	R09132 Section A		Appendix B-3 Maps 26-27	Resource Road Use Permit
Coast Tsimshian Resources LP.	R09132 Section C		Appendix B-3 Maps 26, 28	Resource Road Use Permit
Coast Tsimshian Resources LP.	R09274 Section A		Appendix B-3 Map 31	Resource Road Use Permit
Coast Tsimshian Resources LP.	R09696 Section A		Appendix B-3 Map 4	Resource Road Use Permit

Interest Holder	File ID	Road Description	General Location	Kitselas Replacement Tenure Document
Coast Tsimshian Resources LP.	R09696 Section B		Appendix B-3 Maps 4-5	Resource Road Use Permit
Coast Tsimshian Resources LP.	R10164 Section A		Appendix B-3 Maps 6, 14	Resource Road Use Permit
Coast Tsimshian Resources LP.	R11190 Section A		Appendix B-3 Map 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R15611 Section Q100		Appendix B-3 Maps 25, 30-31	Resource Road Use Permit
Coast Tsimshian Resources LP.	R18243 Section A		Appendix B-3 Map 2	Resource Road Use Permit
Coast Tsimshian Resources LP.	R18884 Section A		Appendix B-3 Map 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R18885 Section A		Appendix B-3 Map 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R18885 Section B		Appendix B-3 Map 23	Resource Road Use Permit
Coast Tsimshian Resources LP.	R18886 Section A		Appendix B-3 Map 23	Resource Road Use Permit
Terrace Community Forest Ltd.	R18059 Section B		Appendix B-3 Maps 25, 29	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section A		Appendix B-3 Maps 39-40	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section B		Appendix B-3 Maps 39-40	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section C		Appendix B-3 Map 40	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section D-1		Appendix B-3 Map 39	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section D-2		Appendix B-3 Map 39	Resource Road Use Permit
Terrace Community Forest Ltd.	R19065 Section H-1		Appendix B-3 Maps 39, 41	Resource Road Use Permit
A & A Trading Ltd.	R19997 Section RP3		Appendix B-3 Map 32	Resource Road Use Permit
A & A Trading Ltd.	R16688 Section A		Appendix B-3 Maps 3-5	Resource Road Use Permit

Interest Holder	File ID	Road Description	General Location	Kitselas Replacement Tenure Document
CHAO LIU, Gui	R16860 Section A		1 1	Resource Road Use Permit

Part 6: Other Interests

Interest Holder	Purpose	Interest Being Replaced	General Location	Kitselas Replacement Tenure Document
Terrace-Kitimat Airport Society	Airport Beacon & Electric Powerline	Lease File No. 6406785 Document No. 635297	Appendix B-3 Map 36	Airport Beacon Lease
Regional District of Kitimat-Stikine	Monitoring and Testing Wells associated with adjacent landfill	Licence of Occupation File No. 6407789 Document No. SK926067	Appendix B-3 Map 41	Licence of Occupation for Monitoring and Testing Wells
Muller Bay Residents Associations	Roadway	Licence of Occupation File No. 6408198 Document No. SK936457	Appendix B-3 Map 33	Licence of Occupation for Roadway
White Wilderness Heliskiing Inc.	Commercial Recreation Heli Skiing	Licence of Occupation File No. 6408851 Document No. SK937448	Appendix B-3 Maps 2-3, 5-17, 19-25, 27-28, 30- 31	Licence of Occupation for Heli Skiing
Snowy Owl Bay Powerline Association	Electric Power Line	Licence of Occupation File No. 6405193 Document No. SK899329	Appendix B-3 Map 38	Licence of Occupation for Electric Distribution Power Line

Interest Holder	Purpose	Interest Being Replaced	General Location	Kitselas Replacement Tenure Document
Muller Bay Residents Associations; Westside Lakelse Hydro Association	Electric Power Line	Licence of Occupation File No. 6405246 Document No. SK943432	Appendix B-3 Map 37	Licence of Occupation for Electric Distribution Power Line
Rogers Communications Inc.	Roadway	Licence of Occupation File No. 6409295 Document No. 943984	Appendix B-3 Map 19	Licence of Occupation for Roadway

Part 1: Public Utility Works – Distribution and Ancillary Rights

Interest Holder	Purpose	General Location	Kitselas Tenure Document
British Columbia Hydro and Power Authority	Electrical Distribution	Appendix B-3 All Maps	Right of Way for Electrical Distribution and Telecommunication Works
British Columbia Hydro and Power Authority	Ancillary Rights	Appendix B-2 Map 7 Appendix B-3 Maps 30-31, 33-34, 41	Ancillary Rights Statutory Right of Way Agreement

Part 2: Non-commercial Recreation

Interest Holder	Purpose	General Location	Kitselas Tenure Document
Ministry of Environment and Climate Change Strategy	Ski Trails	Appendix B-3 Map 29	Statutory Right of Way for Recreational Trails
Terrace Off Road Cycling Association	Cycling Trails	Appendix B-3 Map 29	Licence of Occupation for Non-Commercial Recreation

Part 3: Ministry of Forests Inventory Ground Plots

Research Installation File No.	General Location	Kitselas Tenure Document
Thunderbird EP0813.61.10	Appendix B-3 Map 35	Licence of Occupation for Forest Research Plots
Thunderbird EP1123.01	Appendix B-3 Map 36	Licence of Occupation for Forest Research Plots
Kitimat Valley Onion Lake Flats 1-4 EP1325	Appendix B-3 Maps 40, 41	Licence of Occupation for Forest Research Plots
West Lake EP1013.661	Appendix B-3 Map 39	Licence of Occupation for Forest Research Plots
Dog Trail EP1013.662	Appendix B-3 Map 41	Licence of Occupation for Forest Research Plots
Wedeene EP1013.663	Appendix B-3 Map 39	Licence of Occupation for Forest Research Plots

Part 4: Ministry of Forests Forest Research Plots

Forest Research Plot File No.	General Location	Kitselas Tenure Document
64-6-43G	Appendix B-3 Map 33	Licence of Occupation for Forest Research Plots
64-6-44G	Appendix B-3 Map 33	Licence of Occupation for Forest Research Plots
65-29-36G	Appendix B-3 Map 12	Licence of Occupation for Forest Research Plots
65-19-44G	Appendix B-3 Map 23	Licence of Occupation for Forest Research Plots
65-19-45G	Appendix B-3 Map 22	Licence of Occupation for Forest Research Plots
65-19-46G	Appendix B-3 Map 22	Licence of Occupation for Forest Research Plots

Part 5: Ministry of Transportation and Infrastructure Gravel Pits

Interest Holder	Purpose	General Location	Kitselas Tenure Document
Ministry of Transportation and Infrastructure	Gravel Pits	Appendix B-3 Map 2, 7, 12, 29, 44	Gravel Pits Statutory Right of Way

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G-1, G-2 and G-3

Part 1: Applicable Forms of Documents for Interests on Former Kitselas Indian Reserves Listed in Appendix G-1

Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G-1, G-2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 1. Licence of Occupation for Telecommunication Sites

THIS AGREEMENT is dated for reference «DOCUMENT_REFERENCE_DATE».

	(the "Licensor")	
AND:		
	(the "Licensee")	

BETWEEN:

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

- 1.1 In this Agreement,
 - "Agreement" means this licence of occupation;
 - "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity
 - "Commencement Date" means ;
 - "Communications Use" means a communication user category, as that term is defined or used in the current Province of British Columbia's *Land Act* related pricing policies; [and such other uses as the Parties may agree]
 - "Disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
 - "Fees" means the fees set out in Article 3;
 - "Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation

- (a) waste, as that term is defined in the *Environmental Management Act*; and
- (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;
- "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;
- "Kitselas Law" means a law made by Kitselas.
 - "Land" means that part or those parts of the land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled "Legal Description Schedule";
 - "Management Plan" means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties;
 - "Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;
- "Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;
- "Site Inventory" means, at any time during the Term, the most recent inventory of the Communications Uses and users on the Land prepared by you in a form acceptable to us and signed and dated by the parties;
- "Site Plan" means, at any time during the Term, the most recent drawing containing both plan and cross-sectional views of all the Improvements on the Land, drawn to scale and indicating their dimensions, distance from one another, and distance from the boundaries of the Land, prepared in a form acceptable to us and signed and dated by the parties;
- "Term" means the period of time set out in section 2.2;
- "Tower Profile" means, at any time during the Term, the most recent cross-sectional drawing of all towers comprising part of the Improvements and all antennas, dishes and other communications equipment on the Land, in which drawing the Communications Uses from the Site Inventory must be cross-referenced to the depiction of the towers,

antennas, dishes or other communications equipment, which drawing has been prepared by you in a form acceptable to us and signed and dated by the parties;

- "we", "us" or "our" refers to the Licensor alone and never refers to the combination of the Licensor and the Licensee: that combination is referred to as "the parties"; and
- "you" or "your" refers to the Licensee.
- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas Law or of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall

survive and not be affected by the expiration of the Term or the termination of this Agreement.

- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general application.
- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.
- 1.15 In the event of any conflict between the Management Plan and the terms and conditions of any other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for «PURPOSE_SPECIFIC» purposes, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on «COMMENCEMENT_DATE» and terminates on «TERMINATION_DATE» or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.

ARTICLE 3 - FEES

- 3.1 You will pay to us
 - (a) for the first year of the Term, Fees of \$«FEE_AMOUNT», payable in advance on the Commencement Date; and

- (b) for each year during the remainder of the Term, the Fees either determined by us under section 3.2 or established under section 3.3, payable in advance on each anniversary of the Commencement Date.
- We will, not later than 15 days before each anniversary of the Commencement Date during the Term, give written notice to you specifying in our sole discretion the Fees payable by you under section 3.1(b) for the subsequent year of the Term and we will establish such Fees in accordance with our policies applicable to your use of the Land under this Agreement.
- 3.3 If we do not give notice to you under section 3.2, the Fees payable by you under section 3.1(b) for the year for which notice was not given will be the same as the Fees payable by you for the preceding year of the Term.
- 3.4 If during the period commencing 120 days prior to the last year of the Term and ending on the last day of the Term any use of the Improvements or the antennas, dishes and other communications equipment on the Land commences or ceases in accordance with section 4.5, you will give notice to us of such change in accordance with section 4.5(e) and the parties will adjust the Fees for the last year of the Term by making, on or before the last day of the Term, the payments required between the parties as determined by us in our sole discretion. The phrase "last year of the Term" as used in this section includes, without limitation, the year prior to the date on which this Agreement terminates through any means.

ARTICLE 4 - OBLIGATIONS

4.1 You must

- (a) pay, when due,
 - (i) the Fees to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
- (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
- (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way

to Hazardous Substances, the environment and health and safety, and

- (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful, voluntary, or permissive waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with the purposes set out in section 2.1;
- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
- (i) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

- (iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or
- (iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement.

Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (j) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for money that you are required to hold back under the *Builders Lien Act* or any similar enactment of Kitselas Law;
- (k) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar enactment of Kitselas Law for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (l) not cut or remove timber on or from the Land without our prior written consent.
- (m) maintain all Improvements on the Land in an adequate state of repair, to our satisfaction;
- (n) not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (o) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
- (p) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (q) provide the following to us, within 30 days of receiving a request from us for any or all of them,
 - (i) Certificates of Affiliation for any Affiliate using the Land for a Communications Use permitted under section 4.5,
 - (ii) copies of radio licenses (including amendments to them) which relate to a Communications Use of the Land under this Agreement,

- (iii) photographs of the Land and the Improvements that you took during your most recent visit to the Land, and;
- (iv) copies of all subtenure agreements entered into by you which permit other persons, including without limitation Affiliates, to use the Land;
- (r) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;
- (s) if any soil is disturbed by you as a result of your construction, use or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (t) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey that shows the location of all roads, buildings and other structures owned, placed on, constructed or used by you on the Land within one year of the date of the request;
 - (u) take all reasonable precautions to avoid disturbing or damaging any archaeological material, features, or sites found on or under the Land and, upon discovering any archaeological material, features, or sites on or under the Land, you must stop work on or use of the Land so that no disturbance or damage occurs to the material, features, or sites, and immediately notify us;
- (v) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - i. promptly notify Kitselas;
 - ii. immediately cease any further activity that could affect the Artifact or Feature;
 - iii. take reasonable measures to protect the Artifact or Feature; and

comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;

- (w) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (x) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful

use of the Land by any other person, and

(iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (y) on, or before the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition.
 - (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
 - (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
 - (iv) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
 - (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
 - (vi) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on «RESTORE_SURFACE_DATE», but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
 - (vii) unless otherwise specified in the Management Plan, restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.2 Except as permitted under section 4.5 or 4.7, you must not, without our prior written consent
 - (a) use or occupy the Land for a purpose other than the [specifically described uses] identified in the Management Plan;
 - (b) permit others to use the Land;
 - (c) construct, place, add to, affix or make any material changes to the Improvements other than as depicted or authorized in the Management Plan;
 - (d) locate any [list specialized equipment not forming part of Improvements] on the Land other than as depicted in the Management Plan.
- 4.3 We may, in addition to imposing other reasonable requirements as conditions which must be satisfied before we grant our consent under section 4.2 or 7.1, require you to:
 - (a) submit to us for approval a proposed Site Plan to replace that which is then part of the Management Plan, which proposed Site Plan must take into account the proposed new use of the Land and the proposed change or addition to the Improvements;
 - (b) advertise, in the manner required by us, your proposed new use of the Land or proposed change or addition to the Improvements;
 - (c) refer, for comment, your proposed new use of the Land or proposed change or addition to the Improvements to those other government ministries, agencies, departments, local governments and others specified by us, and when such comments are received, provide such comments to us; and
 - (d) enter into such amendments to this Agreement, including without limitation to Article 3, as we reasonably determine are necessary.
- 4.4 We will sign the proposed Site Plan submitted under section 4.3 if and when we grant our consent under section 4.2.
- 4.5 Despite subsection 4.2, but subject always to section 4.10, you may:
 - (a) use or permit others to use the Improvements or the antennas, dishes or other communications equipment on the Land for a Communications Use identified in the Management Plan,
 - (b) install and use or permit others to install and use additional antennas, dishes or other

- communications equipment on the Land, or
- (c) cease using or permit others to cease using the Improvements or the antennas, dishes or other communications equipment on the Land for a Communications Use identified in the Management Plan,

but only if:

- (d) such use or cessation of use does not materially change the Improvements or create additional Improvements, and
- (e) not less than 120 days prior to the next anniversary of the Commencement Date after the use begins or ceases (or if there is less than 120 days between such use beginning or ceasing and the next anniversary of the Commencement Date, not less than 120 days prior to the next anniversary of the Commencement Date in respect of which 120 days notice may be provided), you deliver to us written notice of such use beginning or ceasing, which notice must include
 - (i) a proposed Site Inventory to replace the one which is then part of the Management Plan, and
 - (ii) a proposed Tower Profile to replace the one which is then part of the Management Plan, which proposed Tower Profile cross-references the Communications Uses specified in the proposed Site Inventory referred to in paragraph (i).

[these are subject to change dependent on occupier]

- 4.6 We will sign the proposed Site Inventory and Tower Profile submitted under section 4.5 if you have complied with section 4.5 and are not in default of this Agreement. These documents will not constitute the Site Inventory or Tower Profile under this Agreement unless and until the parties have signed and dated them.
- 4.7 Without affecting the requirements of sections 4.2 and 4.3, we may, at your request, prior to completing the process contemplated by section 4.3, grant our conditional consent to a proposed change to or creation of an addition to the Improvements if the proposed change or addition is, in our opinion, of a minor nature and unlikely to be opposed by the entities referred to in section 4.3(c), provided that in those circumstances, such conditional consent may be withdrawn by us, in our sole discretion, if the referrals and advertising referred to in section 4.3 result in a decision by us to take such action.
- 4.8 If a conditional consent granted by us under section 4.7 is withdrawn, you must, within 120 days of such withdrawal, remove from the Land any Improvements made or antennas, dishes or other communications equipment added under such conditional consent and restore the Land and the Improvements to the condition which existed prior to the granting of such conditional consent, provided that if such removal and restoration reasonably require more than 120 days to

- complete, you will be deemed to be in compliance with this section if you commence such removal and restoration within such 120 day period and diligently complete them within a reasonable period of time.
- 4.9 If we doubt the consistency of the Management Plan with your actual use of the Land under this Agreement, you must upon our written request made to you not more than once a year, offer to provide transportation for us to the Land, at your expense, at such times during the Term when you are travelling to the Land to maintain any part of the Improvements or antennas, dishes or other communications equipment on the Land. We understand that if such transportation involves air travel, it will be provided from the public airport that is both closest to the Land and accessible by public highway, unless the parties agree to it being provided from another location.
- 4.10 Section 4.5 does not apply to that portion of the Land identified in the attached Legal Description Schedule as the linear corridor for an electrical powerline.
- 4.11 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.
- 4.12 You must not use all or any part of the Land
 - (a) for the storage or disposal of any Hazardous Substances; or
 - (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.
- 4.13 Despite any other provision of this Agreement you must:
 - (a) on the expiry or earlier termination of this Agreement; and
 - (b) at any time, if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

- 4.14 We may from time to time
 - (a) in the event of the expiry or earlier termination of this Agreement;
 - (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
 - (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

4.15 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

(a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act and vested in*

Kitselas;

- (b) other persons may hold or acquire rights to use the Land in accordance with enactments of Kitselas; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) other persons may hold or acquire interests in or over the Land granted under Kitselas law; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain trespass proceedings in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (g) except as otherwise authorised in this Agreement, you will not interfere with lawful public access over the Land;
- (h) you will make no claim against us or any person acting under the authority of any enactment of Kitselas for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;
- (i) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on 90 days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (j) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER HAZARD NAME»;
- (k) during the term of this Agreement, no building, mobile home or unit, or modular home shall be constructed, altered, reconstructed, moved, extended or located except where

you have provided us, the building inspector for the local government in which the Land is located (the "Building Inspector"), if applicable, and the regional Water Manager of the ministry responsible for the *Water Sustainability Act* with a signed and stamped engineering report completed by a professional engineer experienced in hydrotechnical and geotechnical engineering, registered in the Province of British Columbia, certifying that the Land may be used safely in the manner and for the use intended;

- (l) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (m) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (n) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(x)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(x)(iv); and
- (o) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$\scup SECURITY_AMOUNT\text{\$\times}\$ which will
 - (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.

- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

- 6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Commercial General Liability and, if applicable Marine General Liability insurance in an amount of not less than \$«INSURANCE_AMOUNT» inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured;
 - (b) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than two million dollars «INSURANCE_AMOUNT»; or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than «INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
 - (c) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than

«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;

- (d) Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - (i) «INSURANCE_AMOUNT» for aircraft carrying pilot only (no passengers), or
 - (ii) «INSURANCE AMOUNT» for aircraft up to 5 passenger seats, or
 - (iii) «INSURANCE_AMOUNT» plus «INSURANCE_AMOUNT» for each additional passenger seat for aircraft up to 10 passenger seats, or
 - (iv) «INSURANCE AMOUNT» for aircraft over 10 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than «INSURANCE_AMOUNT» per occurrence;

- (e) Airport Premises and Operations Liability in an amount not less than «INSURANCE_AMOUNT» per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (f) Watercraft liability insurance on all watercraft operated or used in the performance of this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than \$«INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

6.7 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in a form satisfactory to Kitselas;

- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in a form satisfactory to Kitselas;
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.8 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and
 - (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us proof of all insurance then required to be maintained by you under this Agreement in a form satisfactory to Kitselas.

- 6.9 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement.
- 6.10 You waive all rights of recourse against us with regard to damage to your own property arising from any source whatsoever.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may, in our sole discretion, withhold.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.14.
- 7.3 We may, in addition to imposing other requirements as conditions which must be satisfied before we grant our consent under section 7.1, require you to:
 - (a) submit to us for approval an amended Management Plan, including without limitation a proposed Site Inventory and a proposed Tower Profile to replace those which are then part of the Management Plan;
 - (b) advertise, in the manner we require, the amendments to the Management Plan proposed under subsection (a);

- (c) refer, for comment, the amendments to the Management Plan proposed under subsection (a) to those government ministries, agencies, departments, local governments, including those of Kitselas, and others specified by us and, when such comments are received, provide such comments to us;
- (d) enter into such amendments to this Agreement, including without limitation to Article 3 and the Management Plan, as we reasonably determine are necessary; and
- (e) provide to us copies of all agreements entered into by you which permit other persons to use the Land.
- 7.4 You acknowledge that we will require a reasonable period of time to consider requests for our consent under section 7.1, and in particular, to consider comments received as a result of the referrals and advertising referred to in section 7.3.
- 7.5 We will sign the proposed Site Inventory and the proposed Tower Profile submitted under section 7.3 if and when we grant our consent under section 7.1. These documents will not constitute the Site Inventory or Tower Profile under this Agreement unless and until the parties have signed and dated them.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
 - (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with other provisions of this Agreement, or
 - (iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;
 - and you fail to rectify such default or failure within the time period specified in a written notice from Kitselas requesting you to do so,
 - (b) if you fail to maintain in good standing any Disposition or other licence, permit, or agreement in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS_CANCELLATION_DETAILS»;
 - (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors.

- (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
- (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation and,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or
- (g) if we require the Land for our own use or, in our opinion, it is in the Kitselas public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

- 8.2 You agree with us that
 - (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
 - (b) our remedies under this Article are in addition to those available to us under applicable law including Kitselas Law

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, before resorting to litigation the parties will make reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Notwithstanding section 9.1, either party may, at any time, apply to a court of competent

jurisdiction for interim or conservatory relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

«DB ADDRESS KITSELAS»;

to you

«DB ADDRESS MAILING TENANT»;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be

- observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by the time reasonably required to perform the obligation provided that:
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
 - (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
 - (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
 - (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;
 - (v) the application of any federal or provincial enactment or law to the Land; and
 - (vi) the existence, availability or quality of access or service to the Land now or in the future:

- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

The parties have executed this Agreement as of the	e date of reference of this Agreement.
SIGNED on behalf of Kitselas	
Print Name	
SIGNED BY «DB_NAME_TENANT»	

SIGNED on behalf of «DB_NAME_CORPORATION» by a duly authorized signatory	
Authorized Signatory	
SIGNED on behalf of «DB_NAME_CORPORATION» By its authorized signatories	
Authorized Signatory	
Authorized Signatory	
SIGNED on behalf of by its general partner	
BY:	
BY:	

LEGAL DESCRIPTION SCHEDULE

LEGAL DESCRIPTION: «DB_LEGAL_DESCRIPTION»

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 2. Permit to Occupy Kitselas Lands

Note: The Parties will update the Appendices before the Effective Date.

Permit to Occupy Kitselas Lands

The holder of Conditional Water Licence [#] (the "Water Licence") granted by the Province of British Columbia and dated for reference [date] whose licence authorizes the diversion of water from [name of creek or river], is hereby authorized to occupy Kitselas Lands by constructing, maintaining and operating on Kitselas Lands the works authorized under the Water Licence and any licences which may be issued in substitution thereof.

- (a) The portion of Kitselas Lands authorized to be occupied under this permit is [*description of the lands*] the location of which is shown approximately on the plan attached to the Water Licence.
- (b) The approximate dimensions of the Kitselas Lands authorized to be occupied under this permit are [x] feet in length and [x] feet in width having an area of [x] for a pipeline.
- (c) The permittee may damage, cut or cut and remove from Kitselas Lands any timber necessary to permit the construction, maintenance and operation of the works authorized under the Water Licence. Prior to damaging, cutting, or removing any timber on or from Kitselas Lands, the permittee will apply for and obtain a licence authorizing the activity from Kitselas which may include terms and conditions for the disposition of the timber. The amount of compensation payable to the Kitselas in respect of trees, including merchantable or young growth, damaged, cut or removed on or from Kitselas Lands by the permittee, will be the sum or sums fixed by Kitselas, which will not exceed fair market value.
- (d) This permit is issued and accepted on the understanding that the permittee will pay annual fees to Kitselas in the amount that would be payable under the *Water Sustainability Act and Regulations* with respect to a Permit to Occupy Crown Land located on similar Crown land. Such fees are payable in advance on the date this permit is issued and on each anniversary of the date this permit is issued.
- (e) This permit is appurtenant to the land, mine or undertaking to which the Water Licence is appurtenant.
- (f) This permit will become void if the Water Licence with respect to which this permit is issued should terminate, be abandoned or cancelled, or amended so as to render this permit unnecessary.
- (g) This permit is issued and accepted on the understanding that the permittee will indemnify and save harmless Kitselas for all loss, damage to works, cost or expense suffered by the permittee by reason of the Kitselas Lands or any portion

- thereof being submerged or damaged by erosion or otherwise affected by flooding.
- (h) The holder of this permit will not be entitled to compensation if Kitselas grants permits to other persons to occupy the Kitselas Lands affected by this permit.
- (i) In the event of a dispute at any time with respect to the area or boundaries of the Kitselas Lands affected by this permit, the holder will, at its own expense, have the land surveyed by a duly qualified surveyor.

SIGNED on behalf of Kitselas by a duly authorized representative on [insert month, day, year]

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 3. Private Road Easement

Note: The Parties will update the Appendices before the Effective Date.

THIS AGREEMENT is dated *[insert month, day, year]*. BETWEEN:

```
l (the "Owner")

AND:

l (the "Grantee")
```

WHEREAS:

- A. The Grantee wishes an easement over the Servient Lands to provide access to the Grantee's Property.
- B. The Owner is willing to grant to the Grantee an easement over the Servient Lands to provide access to the Grantee's Property.

Therefore in consideration of the payment of the fee to be paid by the Grantee, and the Grantee's covenants as set out in this Agreement, the Owner and Grantee agree as follows:

1. **Definitions**

- "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;
- "Grantee's Property" means the lands described in Schedule "A" attached to this Agreement.
- "Easement" means the easement granted by this Agreement.
- "Easement Area" means that portion of the Servient Lands as described in Schedule "B" attached to this Agreement.
- "Security" means the security for the performance of the Grantee's obligations as set out in paragraph 14 in the amount of [\$xx] and in the form specified by the Owner.
- "Servient Lands" means the lands described in Schedule "A" attached to this Agreement.

"Special Conditions" means the conditions, if any, set out in Schedule "C" attached to this Agreement.

2. Rights and Privileges on Easement Area

By this Agreement the Owner grants to the Grantee, their heirs, executors, administrators and assigns, in common with the Owner, the full, free and uninterrupted easement, right and liberty over the Easement Area to enter on and use the Easement Area for the purpose of constructing and maintaining a road and using the Easement Area as a road to give pedestrian and vehicular access to the Grantee's Property in accordance with this Agreement.

3. **Duration**

This Easement is appurtenant to the Grantee's Property and passes with a conveyance or other disposition of the estate in fee simple of the Grantee's Property, and is binding on the Servient Lands.

4. Subdivision

The Owner and the Grantee agree that if the Servient Lands are subdivided, the Easement will not run with those parcels derived from the Servient Lands which do not include any part of the Easement Area:

- a. discharged from such parts; and
- b. re-registered on the parts where the easement continues to run.

5. Modification of Easement

The parties agree that either party may register the Easement in accordance with the *Land Title Act* and upon request and preparation of a survey or plan showing the location of the Easement Area, the Owner and Grantee will enter into a modification of this Agreement or enter into a new agreement on the same terms as this Agreement so as to release the Easement from those portions of the Servient Lands that are not included within the registered plan; provided that the requesting party shall at its own cost, be responsible for the preparation of any survey or plan and registration of the applicable plan as well as discharges and agreements referred to in this Section.

5. Limitation on Rights Granted

The Grantee acknowledges and agrees that the rights set forth in paragraph 2 are to be exercised in accordance with this Agreement and only over those portions of the Servient Lands that contain the Easement Area.

6. **Annual Fee**

The Grantee will pay the Owner an annual fee in advance in the amount of *\$xx* as reasonably required to cover the Owner's costs of administering this Agreement.

7. Covenant (as applicable)

The obligations of the Grantee in this Agreement constitute both contractual obligations and covenants under Section 219 of the *Land Title Act* in respect of the Grantee's Property and run with the Grantee's Property and bind successors in title.

8. Non Exclusive Use

This Agreement will not entitle the Grantee to exclusive possession of the Easement Area and the Owner reserves the right to grant other dispositions of the Easement Area so long as the grant does not impair the Grantee's permitted use of the Easement Area. Notwithstanding the generality of the foregoing, the Grantee acknowledges and agrees that the interest in land contained in this Agreement is subject to the prior rights to use the Servient Lands granted as of the date hereof to:

- (a)
- (b)

The Owner acknowledges and agrees that if title to the Servient Lands is registered in the Land Title Office pursuant to paragraph [x] hereof, the interests in land contained in this Agreement will be registered as a charge against the Servient Lands in priority of all other charges save only for the prior rights referred to above in favour of {{a}} and {{b}}

9. Covenants of the Grantee

The Grantee covenants with the Owner:

- (a) to pay the annual fee as described in paragraph 6 at the address of the Owner set out above or at such other place as the Owner may specify under paragraph 16;
- (b) to pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged which relate to the Easement Area or any of the Grantee's improvements on the Easement Area, which the Grantee is liable to pay;
- (c) to observe, abide by and comply with all applicable laws, bylaws, orders, directions, ordinances and regulations of any competent government authority, including an Owner government, in any way affecting the Easement Area and improvements situate thereon, or their use and occupation;

- (d) not to commit or suffer any wilful waste, permissive waste or voluntary waste, spoilation or destruction on the Easement Area or do or suffer to be done thereon by its invitees, permittees, representatives, employees, or agents, or anyone for whom the Grantee is responsible at law, anything that may be or becomes a nuisance or annoyance to the Servient Lands;
- (e) not to dump or bury debris or rubbish of any kind on the Easement Area;
- (f) not to use hazardous petroleum products and other toxic substances in road maintenance activities in the Easement Area;
- (g) not to apply herbicides or pesticides on the Easement Area without the consent of the Owner;
- (h) to deliver to the Owner from time to time, upon demand, proof of insurance required under this Agreement, receipts or other evidence of payment of any taxes or charges owing, and other monetary obligations of the Grantee required to be observed by the Grantee pursuant to this Agreement;
- (i) to indemnify and save harmless the Owner and the Owner's servants, employees and agents against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of:
 - (i) any breach, violation or non-performance of any covenant, condition or obligation under this Agreement by the Grantee; and
 - (ii) any personal injury, bodily injury (including death), or property damage occurring on or off the Servient Lands and arising out of the Grantee's use or occupation of the Easement Area under this Agreement,

and the Owner may add the amount of any such losses, damages, costs and liabilities to the fees payable under paragraph 6, and the amount added will be payable to the Owner immediately upon demand;

- (j) in respect of the use of the Easement Area by the Grantee or anyone permitted by the Grantee to use the Easement area, to keep the Easement Area in a safe, clean and sanitary condition satisfactory to the Owner acting reasonably including, without limitation, maintaining and repairing any damage to the Easement Area caused by the Grantee's use under this Agreement, and to make safe, clean and sanitary any portion of the Easement Area or any improvement thereon that the Owner, acting reasonably, may direct by notice in writing to the Grantee;
- (k) to permit the Owner or its authorized representative to enter upon the Easement Area at any time to examine its condition;

- (l) to use and occupy the Easement Area in accordance with the provisions of this Agreement including the Special Conditions, if any, set out in *Schedule C*;
- (m) on the expiration or at the earlier cancellation of this Agreement:
 - (i) to quit peaceably and deliver possession of the Easement Area to the Owner;
 - (ii) if requested by the Owner to de-commission the road, including the removal of any structures or works on the Easement Area, and restore the surface of the Easement Area to the satisfaction of the Owner acting reasonably; and
 - (iii) upon the request and preparation by the Owner, execute a discharge of the Easement for the purposes of registration in accordance with the *Land Title Act*:

and all the Grantee's right, interest and estate in the Servient Lands will be absolutely forfeited to the Owner, and to the extent necessary, this covenant shall survive the expiration or cancellation of this Agreement;

- (n) to obtain and keep in force insurance covering the Owner and the Grantee (without any rights of cross-claim or subrogation against the Owner) against claims for personal injury, death, property damage or third party or public liability claims arising from any accident or occurrence on the Easement Area to an amount not less than \$.00;
- (o) notwithstanding subparagraph (l), the Owner may from time to time, acting reasonably, considering the amount of insurance a prudent owner would carry, require the Grantee to increase the amount of insurance and the Grantee will, within 60 days of receiving the request, obtain the required additional insurance and deliver to the Owner written confirmation of the change;
- (p) to provide a certificate or evidence of insurance upon request by the Owner;
- (q) not to interfere with the activities, works or other improvements of any other person who enters on or uses or occupies the Easement Area under a prior or subsequent right or interest granted by the Owner, or who is otherwise authorized by the Owner to enter on or use or occupy the Easement Area, in accordance with paragraph 8; and
- (r) to immediately notify the Owner if the Grantee discovers any human remains, burial pit, grave or Artifacts or Feature on or under the Land, to cease any further activities that could affect the site until permitted by the Owner to resume activities and take all reasonable steps and precautions to

minimize disturbance of that material, and to immediately notify the Owner.

- (s) if the Grantee unearths or discovers any Artifact or Feature on the Lands, and there is no previously agreed upon mitigation or management plan with Kitsumkalum:
 - i. promptly notify Kitsumkalum;
 - ii. immediately cease any further activity that could affect the Artifact or Feature:
 - iii. take reasonable measures to protect the Artifact or Feature; and
 - iv. comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitsumkalum' cultural heritage policy;

10. Cancellation

Despite any other provision of this Agreement, this Agreement may be cancelled if the Grantee fails or refuses to observe or perform any term in this Agreement, and the failure continues after the Owner gives written notice of the failure to the Grantee for a period of:

- (a) 30 days; or
- (b) such extended period as is required if the failure because of its nature reasonably requires more than 30 days to cure, and provided that the Grantee proceeds diligently and continuously to cure the failure,

then the Owner may by further written notice to the Grantee cancel this Agreement and despite paragraph 9(m)(ii), any improvements to the Easement Area will, at the discretion of the Owner, become the property of the Owner.

11. Relocation of Easement Area

If the Owner requires the Easement Area for another purpose, the Owner may, on 180 days written notice to the Grantee and in consultation with the Grantee:

- (a) at the Owner's cost locate and construct an alternate road providing access to the Grantee's Property to a standard at least equivalent to the original road;
- (b) grant a replacement agreement for the alternate road on the same terms as this Agreement; and
- (c) by further written notice to the Grantee cancel this Agreement;

and on cancellation the Grantee will quit peaceably and deliver possession of the Easement Area, except that the Grantee may, at its election, within 60 days of the cancellation, or such longer time as reasonably required, remove, at the request of the Owner, any improvements from the Easement Area, but the Grantee will not be required to comply with paragraph 9(m)(ii).

12. Third Party Notice

If this Easement is not registered under the *Land Title Act*, the Owner will, prior to transferring the Servient Lands, notify any intended transferee of the existence of this Agreement.

13. Ownership of Timber

Notwithstanding paragraph 2, all timber of commercial value on the Easement Area will remain the property of the Owner.

14. **Security**

The Grantee will deliver, prior to the commencement of this Agreement, the Security to the Owner, as security for the performance of the Grantee's obligations under this Agreement, and the following will apply:

- (a) the Grantee will maintain the Security in full until the later of:
 - (i) the termination of this Agreement; or
 - (ii) the complete fulfillment of all of the Grantee's obligations under this Agreement;
- (b) if the Grantee defaults in the performance of any of its obligations under this Agreement, the Owner may, in its sole election, draw on and use the Security to reimburse the Owner for all reasonable costs and expenses, including legal and other professional services costs if any, caused by or arising out of the Grantee's breach, and in the event of a call on the Security of the Grantee will, as a condition of the continuation of this Agreement, immediately pay to the Owner the amount of the draw so that the full amount of the Security is available.

The parties agree that the amount of the Security does not constitute a liquidated damages estimate of the Owner's damages if the Grantee breaches its obligations hereunder and the Owner reserves its right to claim for further damages.

15. **Disputes**

Any dispute arising out of or in connection with this Agreement will be resolved as follows:

- (a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
- (b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute;
- (c) if the dispute is not resolved by mediation within 120 days then, on the agreement of both parties, the dispute may be referred to a single arbitrator for final resolution. If the parties do not agree to arbitration then either party may refer the matter to a court of competent jurisdiction;

except that it is not incompatible with this paragraph for a party to apply to a court at any time for interim or conservatory relief, and for the court to grant that relief.

16. **Notice**

If notice is required or permitted under this Agreement, the notice:

- (a) must be in writing;
- (b) must be delivered to the address set out above, or other address as specified in writing by a party; and
- (c) may be given in one or more of the following ways:
 - (i) delivered personally or by courier, and it will be deemed received on the next business day;
 - (ii) mailed by pre-paid post in Canada, and it will be deemed received on the eighth business day following, except in the case of mail interruption in which case actual receipt is required.

17. Waiver and Consent

A breach of any term, condition, covenant or other provision of this Agreement may only be waived in writing, and any waiver will not be construed as a waiver of any subsequent breach. Consent to or approval of any act, where consent or approval is required under this Agreement, will not be construed as consent to or approval of any subsequent act.

18. **Remedies**

No remedy set out in this Agreement is exclusive of any other remedy provided by law, but will be in addition to any other remedy existing at law, in equity, or by statute.

19. Enurement

The terms and provisions of this Agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.

20. Entire Agreement

This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent written agreement.

21. Interpretation

In this Agreement:

- (a) all attached schedules form an integral part of this Agreement;
- (b) unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender, body politic and a corporation;
- (c) the headings are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of the Agreement;
- (d) a reference to an enactment of British Columbia or of Canada will be deemed to include a reference to any subsequent amendments or replacements; and
- (e) if any provision is determined by a court or arbitrator of competent jurisdiction to be illegal or unenforceable, that provision will be considered separate and severable, and the legality or enforceability of the remaining provisions will not be affected by that determination.
- 22. Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 23. Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then the Owner or the Grantee, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that the Owner or the Grantee have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 24. If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or case beyond the Grantee's reasonable control, other than normal weather conditions, the Grantee is delayed in performing any of its obligations

under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as:

- (a) the Grantee gives notice to the Owner within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of its obligation; and
- (b) the Grantee diligently attempts to remove the delay.

25. Land Registry System

If the Owner or any other entity creates and maintains a land registry in relation to the Servient Lands, or a register of interests affecting the Servient Lands, the parties agree to file this Agreement in any such registry or take steps to see that it is duly recorded in any applicable register or other system.

26. The Owner agrees to give the Grantee notice of its intention to raise title to any portion of the Servient Lands in the Provincial Land Title Office so that appropriate and timely arrangements can be made between them for the reexecution of this Agreement, with such modifications to form as may be necessary to make this Agreement registerable in the Land Title Office in the priority referred to in paragraph 8 hereof concurrently with the raising of such title.

IN WITNESS WHEREOF the parties have duly executed this Agreement, as of the date first referred to above.

OWNER
Per:
GRANTEE
I
Per:
(authorized signatory of Grantee)

OWNED

Schedule "A" [Description of Grantee's Property and Servient Lands]

Schedule "B"
[Attach Plan of Easement Area]

Schedule "C"
[Attach Special Conditions]

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 4. Resource Road Use Permit

Note: The Parties will update the Appendices before the Effective Date.

THIS PERMIT, dated for refe	erence		is issued to:
NAME			
ADDRESS			
Phone:	Fax:	Email:	
(the "Permittee")			

1.00 GRANT OF RIGHTS

- 1.01 In consideration of the Permittee's right to access Kitselas **Lands** or **Resources** under the Licence or Licences listed in Schedule "A" and to provide access to those Lands or Resources, subject to any applicable legislation, Kitselas grants to the Permittee
- OR: In consideration of the Permittee's right to access Crown lands that requires access on or through Kitselas Lands, subject to any applicable legislation, Kitselas grants to the Permittee
 - (a) a non-exclusive right to enter on the **Permit Area** described in paragraph 2.01 and construct within that Permit Area a **road**(s), including such landings, gravel/sand pits, rock quarries and waste areas as are necessary for construction of the road(s) or for access to the timber and
 - (b) the right to use and maintain that road(s), or to use and maintain a road(s), within the Permit Area described in paragraph 2.01, in accordance with the conditions/specifications described in the attached Schedule "A".
- 1.02 Where it is necessary to harvest Kitselas timber from the clearing area in order to construct or maintain the roads, including landings, gravel/sand pits and rock quarries within the permit area, Kitselas grants to the Permittee the right to harvest that Kitselas timber in the permit area. The Permittee must comply with the timber merchantability specifications described in the attached Schedule "A".
- 1.03 In accepting this Road Permit, the Permittee acknowledges that it is bound by the provisions of this Road Permit and any applicable legislation.
- 1.04 The Schedules form an integral part of this Road Permit.
- 1.05 Any amendment to this Road Permit forms an integral part of the Permit.
- 1.06 There is reserved to the Kitselas Government:
 - (a) the right to grant rights-of-way across, through or over the permit area to other parties, on such terms and conditions as Kitselas determines;

- (b) the right of employees and agents of the Kitselas Government to use and to cross the road and the permit area; and
- (c) the right to grant timber harvesting rights to others with respect to the timber located outside the clearing area, but within the permit area.

The exercise of the Kitselas Government's rights under this paragraph will not unreasonably impede or obstruct the Permittee's reasonable use of the road, other than in instances of emergency.

1.07 **Waste assessments** must be conducted in accordance with the requirements of the applicable licences or associated cutting permits.

2.00 PERMIT AREA AND TERM

- 2.01 The permit area is that area of Kitselas land described and shown on the Exhibit "A" map(s) attached to this Road Permit.
- 2.02 The term of this Road Permit begins on **DATE**, and terminates on the date when Kitselas notifies the Permittee in writing that:
 - (a) the road has been deactivated to Kitselas's satisfaction; or
 - (b) future use of the road by others will preclude the need for deactivation; or
 - (c) the Road Permit is cancelled in accordance with the *Kitselas Natural Resources Act*.
- 2.03 Upon termination or cancellation of this Road Permit, title to all improvements that are located on Kitselas land under this Road Permit, will vest in the Kitselas Government without compensation to the Permittee, unless otherwise permitted by prior written consent of Kitselas or where other arrangements are described in Schedule "A".

3.00 TIMBER MARKS AND REPORTING

3.01 For purposes of the *Kitselas Natural Resources Act* the timber mark(s) for this Road Permit is/are that mark(s) specified in the Schedule "A" and associated roads shown on the Exhibit "A" map(s).

4.00 FINANCIAL

- 4.01 In addition to other money payable by the Permittee under the *Kitselas Natural Resources Act* and in respect of this Permit, the Permittee must pay to the Kitselas Government, immediately on receipt of a notice, statement or invoice issued on behalf of the Kitselas Government:
 - (a) stumpage under the *Kitselas Natural Resources Act* in respect of timber harvested under this Permit, at rates determined, re-determined, and varied under that Act; and

(b) waste assessments for merchantable Kitselas timber not harvested and for timber wasted.

5.00 APPROVALS

- 5.01 Prior to constructing, maintaining and using the road permitted under this Road Permit, the Permittee must, unless Kitselas authorizes otherwise in writing:
 - (a) obtain all necessary permits or authorizations for crossing alienated lands including powerlines, pipelines, railroads, public roads, and agricultural land reserves; and
 - (b) obtain all necessary permits or authorizations from other resource agencies and any authorized third party occupiers or users of the clearing area.
- 5.02 Kitselas authorizes the Permittee to construct a junction, where necessary, with another road on Kitselas Land. The Permittee must ensure that any proposed junction provides for minimum sight distance, has sufficient junction angle and suitable road grade for the expected traffic. A culvert must be installed, as required, to maintain drainage patterns.

6.00 OTHER RIGHTS

- 6.01 The Permittee's rights under this Permit are subject to any other rights of use and occupation over the permit area and the clearing area which the Kitselas Government has granted to third parties and the Permittee covenants not to obstruct or impede a third party in their authorized use or occupation of these areas.
- 6.02 Except where a mineral reserve established under *Kitselas Natural Resources Act* allows otherwise, the Permittee covenants and agrees not to obstruct or impede the use of mineral tenures which have been, or which may be, issued to third parties.
- 6.03 The Permittee agrees to indemnify and save harmless the Kitselas Government from and against all claims for loss or damage, whether caused by the Permittee's acts or omissions, including losses or damages arising out of the Permittee's interference or obstruction of a third Party's authorized use, or occupation of the permit area or clearing area.

7.00 MISCELLANEOUS

7.01 Where Kitselas has approved the closing of a road or restricting its use, the Permittee must ensure that any access control structure erected to restrict motor vehicle traffic will not be, or become, a hazard to the users of the road. The structure shall be placed in a conspicuous location, with any gates adequately marked with permanent reflective material to be clearly visible to the operator of a motor vehicle from a safe stopping distance. Warning signs must be located to

- give vehicle operator's adequate warning of the obstruction.
- 7.02 This Road Permit enures to the benefit of, and is binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 7.03 Where a Permittee wishes to communicate with its company vehicles by means of radio, the Permittee must post the radio frequency at the start of the road and will ensure that all of its company vehicles and those of its subcontractors use the posted radio frequency in an appropriate manner.
- 7.04 The Permittee will ensure the road(s) under this Permit is(are) signed with kilometre markers, except where the road(s) is(are) closed or deactivated.

8.00 INTERPRETATION

- 8.01 Definitions of terms not defined in this Road Permit have the same meaning as that given in any applicable legislation. In cases of conflict, the definition in the legislation governs.
- 8.02 In this Road Permit:
 - (a) "clearing area" means that area of Kitselas land bounded by the outer limits of the clearing width as described in legislation that pertains to the permit and activities under the permit, over the length of road shown on attached Exhibit "A" Map(s);
 - (b) "landing" means an area modified by equipment that is designed for accumulating logs before they are transported;
 - (c) "Lands" means Kitselas Lands as defined in the Kitselas Treaty;
 - (d) "Resources" means minerals, water, timber, and other flora and fauna owned or managed by Kitselas on the Lands;
 - (e) "road" means a road, trail, or path, and their associated rights-of-way on or through Kitselas Lands, or providing access to Kitselas Resources;
 - (f) "Schedule" means the Schedule "A" attached to this Road Permit or amendments to this Road Permit:
 - (g) "Waste assessment" means a measurement conducted in a manner acceptable to Kitselas of material not removed from the clearing area that meets the specifications described in Schedule "A".

9.00 NOTICE

- 9.01 A notice given under this Road Permit must be in writing.
- 9.02 A notice given under this Road Permit may be:
 - (a) delivered by hand;
 - (b) sent by mail;
 - (c) subject to paragraph 9.05, sent by facsimile transmission, to the address or

- facsimile number, as applicable, specified on the first page of this Road Permit, or to such other address or facsimile number as is specified in a notice given in accordance with this part; or
- (d) sent by electronic transmission to the address specified on the first page of this Road Permit or to such other address that is specified in a notice given in accordance with this part.
- 9.03 If a notice is given under this Road Permit, it is deemed to have been given:
 - (a) if it is given in accordance with Subparagraph 9.02(a), on the date it is delivered by hand;
 - (b) if it is given in accordance with Subparagraph 9.02(b), subject to paragraph 9.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada;
 - (c) if it is given in accordance with Subparagraph 9.02(c), subject to paragraph 9.05, on the date it is sent by facsimile transmission; and
 - (d) if it is given in accordance with Subparagraph 9.02(d), is considered to have been received when the sender receives confirmation that the notice has been sent to the address specified under that subparagraph.
- 9. 04 If, between the times a notice is mailed in accordance with Subparagraph 9.02(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.
- 9.05 If a notice is sent by facsimile transmission, the Party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.

DATED:	
	Name of Authorized Signatory Kitselas Government

SCHEDULE "A"

1.00 RIGHTS OF ACCESS

- 1.01 Tenure: *PROVIDE timber, mineral, commercial recreation, etc TENURE NUMBER, e.g Forest Licence TKM001*
- 1.02 Access through Kitselas Land to Crown Land for Commercial or Industrial Purposes: *PROVIDE CROWN's TENURE NUMBER*, or Letter of Authorization from Canada or BC

(Note: there will have to be something in Kitselas Legislation that says any use of or access to roads on Kitselas Lands must be Permitted; followed by a statement that Km Citizen and general public access to and use of Kitselas Roads for non-commercial purposes is Permitted (– therefore all other uses will need to be Permitted)

2.00 SPECIAL PROVISIONS

- 2.01 Timber Merchantability Specifications:
 - (a) Timber harvested under authority of this Road Permit shall be cut to the following minimum specification:

PROVIDE TIMBER SPEC's

OR

"As per specifications associated with Forest Licence TKM001"

2.02 Timber Mark:

(a) For those roads shown on the applicable Exhibit "A" map(s) referred to in paragraph 2.01 of the Road Permit, the timber mark shall be;

ROAD PERMIT NUMBER	TIMBER MARK
R001	KKM 001

EXHIBIT A

MAP OF: R21831 (shown in bold black) FOREST REGION: RSK FOREST DISTRICT: DKM	TSA: 10 LAND DISTRICT: CASSIAR DISTRICT	PULPWOOD AGREEMENT:	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 10
ESF SUBMISSION ID : 1719726	SCALE: 1:10000 at ANSI A Size	UTM : 9	DRAWN BY:FTA
BCGS MAPSHEET NO : 103P.007	Length (Km): 0.283	NAD : NAD 83	DATE:Nov 22, 2017

Legend Tenure Application Tenure Road Application Tenure Road Application Port Port Port Provincial Forest Range Highway Municipal Road Non Status Road Road Permit Sup Road Right of Way Schedule B CP Road Mineral Tenure Points Cities Materbodies Right of Way Schedule B CP Road Mineral Tenure Points Cities Mineral Tenure Points Cities Materbodies Range Mineral Tenure Points Cities Length: 0.137 Km, RW: 75 m) PofC UTM9 518659, 6097539 PofT UTM9 518082, 6098267 PofT UTM9 516982, 6098267 PofT UTM9 5117119, 6098315

SAMPLE

Location map to be inserted here

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 5. Airport Beacon Lease

Note: The Parties will update the Appendices before the Effective Date.

TERMS OF INSTRUMENT - Part 2

For valuable consideration, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

- 1.1 In this Agreement
 - "Agreement" means this General Instrument;
 - "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;
 - "Commencement Date" means «COMMENCEMENT DATE»;
 - "disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
 - "Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation:
 - (a) waste, as that term is defined in the *Environmental Management Act*; and
 - (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;
 - "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;
 - "Land" means the land described in item 2 of Part 1 of this General Instrument [consider if not registered: that part or those parts of the following described land shown outlined by bold line on the schedule attached to this Agreement entitled "Legal Description Schedule":]

"Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them; and which you are liable to pay under applicable laws

"Rent" means the rent set out in Article 3;

"Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;

"Term" means the period of time set out in section 2.2;

"we", "us" or "our" refers to the Transferor alone and never refers to the combination of the Transferor and the Transferee: that combination is referred to as "the parties"; and

"you" or "your" refers to the Transferee.

- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia and applicable Kitselas Laws.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.

- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general application.
- 1.14 Where this Agreement contains the forms of words contained in Column I of Schedule 4 of the Land Transfer Form Act, those words will have the same effect and be construed as if the appropriate forms of words contained in Column II of that Schedule were contained in this Agreement, unless the context requires another construction of those words.

ARTICLE 2 - GRANT AND TERM

2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the Land for operating and maintaining the airport hazard beacon.

2.2 The term of this Agreement commences on the Commencement Date and terminates on the _____ anniversary of that date, or such earlier date provided for in this Agreement.

ARTICLE 3 - RENT

3.1 The Rent for the Term is \$1.00, the receipt of which we acknowledge.

ARTICLE 4 - COVENANTS

- 4.1 You must
 - (a) pay, when due,
 - (i) the Rent to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land;
 - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
 - (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and human health and safety, and
 - (ii) the provisions of this Agreement;
 - (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, rectify any failure to comply with such a covenant by making the Land and the Improvements safe, clean and sanitary;
 - (e) not commit any wilful, permissive or voluntary waste, spoliation or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;

- (f) use and occupy the Land only in accordance with and for the purposes set out in section 2.1;
- (g) not construct, place or affix any Improvement on or to the Land except as necessary for the purposes set out in section 2.1 without the prior consent of Kitselas, such consent not to be unreasonably withheld;
- (h) not construct, place, anchor, secure or affix any Improvement in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan (where applicable) or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access;

- (i) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Land except for money that you are required to hold back under the *Builders Lien Act* or any similar Kitselas Law;
- (j) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar Kitselas Law, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (k) not cut or remove timber on or from the Land without our prior written consent.
- (l) if you hold a subsurface tenure issued by the Ministry of Energy, Mines and Low Carbon Innovation, maintain it in good standing;
- (m) not deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (n) permit the free and unrestricted use by the general public of the banks of «PUBLIC_ACCESS_WATERBODY_NAME» for recreational and fishing purposes;

- (o) not interrupt passage by the public on foot, over the intertidal portion of the Land;
- (p) not place on or make to the Land any Improvement that may interfere with the ascent, descent or flight of any aircraft over the Land;
- (q) not construct, place or affix any Improvement on or to the Land within «SETBACK_DEVELOPMENT_DISTANCE» metres of the natural boundary (as that term is defined in the *Land Act*) of «SETBACK_DEVELOPMENT_WATERBODY_NAME»;
- (r) use the Land as Common Property of Strata Plan «STRATA TITLE NAME»;
- (s) not locate any salting area on the Land within «SETBACK_SALTING_DISTANCE_WATER» metres of a stream (as defined in the Water Sustainability Act) or any other water supply area on the Land;
- (t) not locate any salting area on the Land within «SETBACK_SALTING_DISTANCE_ROADS_FENCES» metres of a road, trail or fence on the Land;
- (u) not locate any salting area on a range area on the Land that naturally receives heavier grazing;
- (v) not fence the perimeter of the Land nor erect fencing on the Land unless you obtain our prior written approval;
- (w) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (x) not construct, erect or [maintain] any Improvement on the Land within
 «SETBACK_FLOODING_DISTANCE» metres of the natural boundary of
 «SETBACK_FLOODING_WATERBODY_NAME» or at an elevation at which the
 underside of the wooden floor system or top of pad of any such Improvement is less
 than «ELEVATION_FLOODING_DISTANCE_METRIC» above the natural boundary
 of «SETBACK_FLOODING_WATERBODY_NAME»; and

in addition to the provisions of this Agreement, you

- (i) acknowledge that we do not represent to you that any Improvement constructed, erected or maintained in accordance with the previous subsection will not be damaged by flooding or erosion; and
- (ii) agree to indemnify and save us harmless against all loss, damage, costs and

liabilities including fees of solicitors and other professional advisors arising out of any breach or violation of the previous subsection, or out of any personal injury, death or property damage occurring on the Land or happening by virtue of any flood or erosion whether or not any Improvement on the Land was constructed, erected or maintained in accordance with the previous subsection;

(y) hereafter not construct or erect any Improvement on the Land within «SETBACK_FLOODING_DISTANCE» metres of the natural boundary of «SETBACK_FLOODING_WATERBODY_NAME» or at an elevation at which the underside of the wooden floor system or top of pad of any such Improvement is less than «ELEVATION_FLOODING_DISTANCE_METRIC» above the natural boundary of «SETBACK_FLOODING_WATERBODY_NAME»; and

in addition to the provisions of this Agreement, you

- (i) acknowledge that we do not represent to you that any Improvement constructed or erected in accordance with the previous subsection will not be damaged by flooding or erosion; and
- (ii) agree to indemnify and save us harmless against all loss, damage, costs and liabilities including fees of solicitors and other professional advisors arising out of any breach or violation of the previous subsection, or out of any personal injury, death or property damage occurring on the Land or happening by virtue of any flood or erosion whether or not any Improvement on the Land was constructed or erected in accordance with the previous subsection;
- (z) not construct, erect or maintain any Improvement on the Land within
 «SETBACK_FLOODING_DISTANCE_2» metres of the natural boundary of
 «SETBACK_FLOODING_WATERBODY_NAME_2» or at an elevation at which the
 underside of the wooden floor system or top of pad of any such Improvement is less
 than «ELEVATION_FLOODING_DISTANCE_GEODETIC» metres Geodetic Survey
 Canada datum; and

in addition to the provisions of this Agreement, you

- (i) acknowledge that we do not represent to you that any Improvement constructed, erected or maintained in accordance with the previous subsection will not be damaged by flooding or erosion; and
- (ii) agree to indemnify and save us harmless against all loss, damage, costs and liabilities including fees of solicitors and other professional advisors arising out of any breach or violation of the previous subsection, or out of any personal injury, death or property damage occurring on the Land or happening by virtue of any flood or erosion whether or not any Improvement on the Land was constructed, erected or maintained in accordance with the previous subsection;

(aa) hereafter not construct or erect any Improvement on the Land within
«SETBACK_FLOODING_DISTANCE» metres of the natural boundary of
«SETBACK_FLOODING_WATERBODY_NAME» or at an elevation at which the
underside of the wooden floor system or top of pad of any such Improvement is less
than «ELEVATION_FLOODING_DISTANCE_GEODETIC» metres Geodetic Survey
Canada datum; and

in addition to the provisions of this Agreement, you

- (i) acknowledge that we do not represent to you that any Improvement constructed or erected in accordance with the previous subsection will not be damaged by flooding or erosion; and
- (ii) agree to indemnify and save us harmless against all loss, damage, costs and liabilities including fees of solicitors and other professional advisors arising out of any breach or violation of the previous subsection, or out of any personal injury, death or property damage occurring on the Land or happening by virtue of any flood or erosion whether or not any Improvement on the Land was constructed or erected in accordance with the previous subsection;
- (bb) provide without compensation temporary accommodation to any vessel that is disabled or that seeks shelter in weather conditions that would render it unseaworthy;
- (cc) contact us «NOTICE_FORESHORE_ACCESS» prior to the date access to the beach is required to undertake repairs and maintenance;
- (dd) not store logs on the Land;
- (ee) obtain and maintain in good standing during the Term of this Agreement, a "NAME_OF_PERMIT_2" and within "DEADLINE_OBTAIN_PERMIT_2" of the Commencement Date of this Agreement, deliver a copy of it to us; if any soil is disturbed by you as a result of your construction, use or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (ff) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey of the Land within «SURVEY_COMPLETION_DEADLINE»;
- (gg) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey that shows the location of all roads, buildings and other structures owned, placed on, constructed or used by you on the Land within one year of the date of the request;
- (hh) acknowledge that the Land does not comply with current health standards for, inter alia, the conventional on-site disposal of sewage due to an insufficient area of suitable soil or insufficient depth of porous soil above bedrock, hardpan, or water table, or the slope of the Land being too steep;

- (ii) covenant and agree with us that you will not, without our prior written consent, construct, place or modify any structure, building or mobile home on the Land;
- (jj) covenant and agree with us that you will not install, alter or repair an on-site sewage disposal system, unless the written approval of the Authorized Person to any installation, alteration or repair is first obtained.
- (mm) take all reasonable precautions to avoid disturbing or damaging any Artifact or Feature found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - i. promptly notify Kitselas;
 - ii. immediately cease any further activity that could affect the Artifact or Feature;
 - iii. take reasonable measures to protect the Artifact or Feature; and
 - iv. comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas cultural heritage policy.
 - (nn) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements;
 - (oo) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (pp) on the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii) and (iii), the Improvements in a safe, clean and sanitary condition,

- (ii) within «DEADLINE_REMOVE_IMPROVEMENTS» days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
- (iii) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under another disposition, and
- (iv) restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will cease and vest in us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Article.
- 4.3 You must not use all or any part of the Land
 - (nn) for the storage or disposal of any Hazardous Substances; or
 - (oo) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (pp) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (qq) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.
- 4.4 Despite any other provision of this Agreement you must:
 - (nn) on the expiry or earlier termination of this Agreement; and

(oo) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (pp) by you; or
- (qq) as a result of the use of the Land under this Agreement; or
- (rr) as a result of the use of the Land under the following prior agreements: «PRIOR AGREEMENT»

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

- 4.5 We may from time to time
 - (nn) in the event of the expiry or earlier termination of this Agreement;
 - (oo) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
 - (pp) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

- 4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.
- 4.7 We will provide you with quiet enjoyment of the Land.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) in addition to the other reservations and exceptions expressly provided in this Agreement, this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act* and vested in Kitselas;
- (b) other persons may hold or acquire rights to use the Land in accordance with Kitselas Law; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) with your prior consent, which consent you will not unreasonably withhold, we may make other dispositions of or over the Land, or any part of it, by way of easement, right of way or statutory right of way, to any person and, upon such consent being given you will, if required by us, immediately execute and deliver to us such instrument as may be necessary to subordinate your rights under this Agreement to such easement, right of way or statutory right of way;
- (d) for the purpose of subsection (c), you will be deemed to have reasonably withheld your consent if a disposition made under that subsection would have a material adverse impact on your use of the Land under this Agreement;
- (e) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (f) if a proposed disposition under subsection (c) will not have a material adverse impact on your use of the Land under this Agreement you must not require any payment, whether as compensation or any other charge, as a condition of your consent to that disposition;
- (g) you will make no claim for compensation, in damages or otherwise, in respect of a disposition made under subsection (c), where such disposition does not materially affect the exercise of your rights under this Agreement;
- (h) subject to subsection (g), all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, and privileges and titles reserved to us in subsections (b) and (e) will be borne solely by you;

- (i) you will not commence or maintain any action or proceedings in respect of any interference with your use of the Land under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (j) any interference with your use of the Land under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles described in subsection (a), (b) and (c) will not constitute a breach of our covenant of quiet enjoyment and you release and discharge us from all claims for loss or damage arising directly or indirectly out of any such interference;

(k)	this Agreement is subject to the prior rights of the holder of the
	•
	•

- (l) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (m) you will not dredge or displace beach materials on the Land unless you have obtained our prior written approval;
- (n) you will not moor or secure any boat or structure to the Improvements or on any part of the Land for use as a live-aboard facility, whether permanent or temporary;
- (o) you will not interrupt or divert the movement of water or of beach materials by water along the shoreline unless you have obtained our prior written approval;
- (p) you will make no claim against us or any person acting under the authority of Kitselas Law for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement because of erosion, flooding or debris flow affecting the Land;
- (q) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on «NOTICE_FLOODING_CANCELLATION» days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (r) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER_HAZARD_NAME»;

- (s) on behalf of yourself and your successors and assigns, you acknowledge that we do not represent to you, or to any other person that any Improvement or chattel, including the contents of any Improvement, on the Land will not be damaged by flooding or erosion and, on behalf of yourself and your successors and assigns, with full knowledge of the potential flood, erosion or debris flow danger,
 - (i) you agree to indemnify and to save us and our employees, servants or agents harmless from all loss, damage, costs, actions, suits, debts, accounts, claims and demands which we or any of our employees, servants or agents, may suffer or incur or be put to arising out of or in connection with any breach of any proviso on your part or your heirs, executors, administrators, successors and assigns contained in this Agreement or arising out of or in connection with any personal injury, death or loss or damage to the Land, or to any building, modular home, mobile home or unit, improvement, chattel or other structure, including the contents of them, built, constructed or placed on the Land, caused by flooding, erosion or some such similar cause; and
 - (ii) you remise, release and forever discharge us and our employees, servants or agents from all manner of actions, causes of action, suits, debts, accounts, covenants, contracts, claims and demands which you or any of your heirs, executors, administrators, successors and assigns may have against us and our employees, servants or agents for and by reason of any personal injury, death or loss or damage to the Land, or to any building, modular home, mobile home or unit, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed on the Land, caused by flooding, erosion or some such similar cause;
- (t) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (u) this Agreement is subject to the right of «NAME_DYKE_OPERATOR» to enter into, upon and use the Land for the purpose of constructing, operating and maintaining a dyke along the bank(s) of the «WATERBODY NAME»;
- (v) this Agreement is subject to the «NAME_PRIOR_CHARGE» for the purpose of constructing, operating and maintaining «PRIOR_WORKS»;
- (w) this Agreement is subject to the prior rights of the holder of the «NAME PRIOR CHARGE GENERIC»;
- (x) this Agreement is subject to the prior rights of the registered trapline licence held by

- «NAME_TRAPLINE_HOLDER» to all trapping privileges over Kitselas lands under the provisions of the *Wildlife Act* for a period of «PERIOD_TRAPPING_LICENCE» from the date of this Agreement;
- (y) this Agreement is subject to the statutory right of way to be issued to
 «NAME_SRW_HOLDER» over that area of the Land more particularly shown shaded in brown on the Legal Description Schedule attached to this Agreement (called the
 "Area" in this Agreement) for the purpose of constructing, operating and maintaining
 «SRW_WORKS». You acknowledge that the survey of the Area is not complete and that the surveyed boundaries of the Area may include more or less land than is shown shaded in brown on the Legal Description Schedule;

(z)

- (aa) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (bb) any interest you may have in the Improvements ceases to exist and becomes our property upon termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(q)(ii) or (iii) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land within the time period set out in paragraph 4.1(q)(ii) or the time period provided for in the direction or permission given under paragraph 4.1(q)(iii); and
- if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$\scup SECURITY_AMOUNT\text{>} which will
 - (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other dispositions held by you.

- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Rent and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

6.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term, a Homeowner's Package Insurance Policy or other personal lines residential insurance policy, including Comprehensive Personal Liability in an amount of not less than \$«INSURANCE_AMOUNT» per occurrence, with an extension insuring against liability for personal injury, bodily injury, and property damage arising from accidents or occurrences on the Land or the Improvements, including «PERSONAL_LIABILITY_USE»;
- (b) make your insurer aware of this Agreement within 30 days of signing this Agreement.
- (c) without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (i) Commercial General Liability insurance in an amount of not less than \$\(\text{NSURANCE_AMOUNT}\)\) inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
 - (ii) Sudden and accidental pollution endorsement on the Commercial General

Liability insurance policy with a limit of liability not less than \$\times \text{INSURANCE_AMOUNT}\text{"and if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than \$\times \text{INSURANCE_AMOUNT}\text{"apper occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;

- (iii) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than \$«INSURANCE_AMOUNT»per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;
- (iv) Aircraft Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - A \$\(\text{sINSURANCE_AMOUNT}\) for aircraft up to 5 passenger seats, or
 - B \$\(\sqrt{INSURANCE_AMOUNT}\) plus \$\(\sqrt{INSURANCE_AMOUNT}\) for each additional passenger seat for aircraft up to 10 passenger seats, or
 - C \$\(\sqrt{INSURANCE_AMOUNT}\) for aircraft over 20 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than \$«INSURANCE_AMOUNT»per occurrence;

- (v) Airport Premises and Operations Liability in an amount not less than \$«INSURANCE_AMOUNT» per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (vi) Watercraft liability insurance on all watercraft operated or used in the

performance of this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than \$«INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

- (d) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (e) On or before the Commencement Date of this Agreement, provide to us evidence of all required insurance in a form satisfactory to us;
- (f) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance;
- (g) notwithstanding subsection (c) or (d) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.7 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and
 - (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;
 - and you will, within 30 days of receiving such notice, cause the amounts and types to be changed and deliver to us confirmation for all insurance then required to be maintained by you under this Agreement.
- 6.8 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement in your sole discretion.
- 6.9 You waive all rights of recourse against us with regard to damage to your own property.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublease, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet

certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.6.

ARTICLE 8 - TERMINATION

8.1 You agree with us that

- (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),

and your default or failure continues for 30 days after we give written notice of the default or failure to you,

- (b) if, in our opinion, you fail to make diligent use of the Land for the purposes set out in this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;
- (c) if you fail to maintain in good standing any disposition or other licence or permit issued by us in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS CANCELLATION DETAILS»;
- (d) if you fail to maintain in good standing any disposition issued by us to you for the use and occupation of Crown land;
- (e) if you transfer or assign your interest in fee simple in all that parcel or tract of land more particularly described as «CLIENT FEE SIMPLE LEGAL»;
- (f) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors.
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;

- (g) if you are a corporation,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (h) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent; or
- (i) if this Agreement is taken in execution or attachment by any person;

this Agreement will, at our option and with or without entry, terminate, and all of your right, interest and estate in the Land will be absolutely forfeited to us.

- 8.2 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 30 days, you will be deemed to have complied with the remedying of it if you:
 - (a) notify us as to the additional time required; and
 - (b) commence remedying or curing the condition within as soon as possible and diligently complete the same.
- 8.3 You agree with us that
 - (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
 - (b) our remedies under this Article are in addition to those available to us under Kitselas Law.

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Subject to section 9.5, if a dispute under this Agreement cannot be resolved under section 9.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.

- 9.3 The cost of the arbitration referred to in section 9.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 9.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in «ARBITRATION_CITY», British Columbia, and if we or our authorized representative have no office in «ARBITRATION_CITY», British Columbia, then our offices (or the offices of our authorized representative) that are closest to «ARBITRATION_CITY», British Columbia.
- 9.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 9.2.
- 9.6 It is not incompatible with this Article for a party to apply to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

«DB ADDRESS KITSELAS»;

to you

«DB ADDRESS MAILING TENANT»;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent copy of any notice will, where possible, be provided to the other party by email or other electronic means but nothing in this section, and specifically the lack of delivery of a copy of any notice by email or other electronic means, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublease, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublease, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by

this Agreement;

- (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
- (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
- (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land; and
- (v) the application of any federal or provincial enactment or law to the Land;
- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site disclosure statement" under the *Environmental Management Act* or any regulations made under that act;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

END OF DOCUMENT

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 6. Licence of Occupation for Monitoring and Testing Wells

Note: The Parties will update the Appendices before the Effective Date.

THIS AGREEMENT is dated for reference «DOCUMENT_REFERENCE_DATE» and is made under the *Land Act*.

BETWEEN:

(the "Licensor")

AND:

(the "Licensee")

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

- 1.1 In this Agreement,
 - "Agreement" means this licence of occupation;
 - "Commencement Date" means «COMMENCEMENT DATE»;
 - "Disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
 - "Fees" means the fees set out in Article 3;
 - "Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation
 - (a) waste, as that term is defined in the *Environmental Management Act*; and
 - (b) any other hazardous, toxic or other dangerous substance, the use, transportation

- or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;
- "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;
- "Kitselas Law" means a law made by Kitselas.
- "Land" means that part or those parts of the land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled "Legal Description Schedule";
- "Management Plan" means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties;
- "Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;
- "Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;
- "Term" means the period of time set out in section 2.2;
- "we", "us" or "our" refers to the Province alone and never refers to the combination of the Province and the Licensee: that combination is referred to as "the parties"; and
- "you" or "your" refers to the Licensee.
- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas or the Province of British Columbia.

- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general application.
- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is

- specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.
- 1.15 In the event of any conflict between the Management Plan and the terms and conditions of any other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for monitoring groundwater wells, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on «COMMENCEMENT_DATE» and terminates on «TERMINATION_DATE» or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.

ARTICLE 3 - FEES

3.1 The Fee for the Term is \$\(\text{FLAT_FEE}\)\), the receipt of which we acknowledge.

ARTICLE 4 - OBLIGATIONS

- 4.1 You must
 - (a) pay, when due,
 - (i) the Fees to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
 - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
 - (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or

occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and health and safety, and

- (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful, voluntary or permissive waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with the purposes set out in section 2.1;
- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
- (i) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

(iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or

(iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement. Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (j) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for money that you are required to hold back under the *Builders Lien Act* or any similar enactment of Kitselas Law;
- (k) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar enactment of Kitselas Law for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (l) not cut or remove timber on or from the Land without our prior written consent:
- (m) maintain all Improvements on the Land in an adequate state of repair, to our satisfaction;
- (n) not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (o) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
- (p) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (q) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;
- (r) if any soil is disturbed by you as a result of your construction or maintenance of the

Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;

- (s) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;
 - (iii) take reasonable measures to protect the Artifact or Feature; and
 - (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;
- (t) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (u) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (v) on, or before the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,
 - (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a

tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,

- (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
- (iv) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
- (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vi) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on «RESTORE_SURFACE_DATE», but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vii) unless otherwise specified in the Management Plan, restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.
- 4.3 You must not use all or any part of the Land
 - (a) for the storage or disposal of any Hazardous Substances; or
 - (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.
- 4.4 Despite any other provision of this Agreement you must:
 - (a) on the expiry or earlier termination of this Agreement; and
 - (b) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

- 4.5 We may from time to time
 - (a) in the event of the expiry or earlier termination of this Agreement;
 - (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
 - (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which

- may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.
- 4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act* and vested in Kitselas;
- (b) other persons may hold or acquire rights to use the Land in accordance with enactments of Kitselas; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) other persons may hold or acquire interests in or over the Land granted under Kitselas Law; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain trespass proceedings in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);

- (g) except as otherwise authorised in this Agreement, you will not interfere with lawful public access over the Land;
- (h) you will make no claim against us or any person acting under the authority of any enactment of Kitselas for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;
- (i) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on 90 days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (j) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER HAZARD NAME»;
- (k) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (l) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (m) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(v)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(v)(iv); and
- (n) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

6.1 On the Commencement Date, you will deliver to us Security in the amount of \$\scup SECURITY_AMOUNT\text{\$\times}\$ which will

- (a) guarantee the performance of your obligations under this Agreement;
- (b) be in the form required by us; and
- (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

- 6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Comprehensive Personal Liability and/or other insurance as required in an amount of not less than \$«INSURANCE_AMOUNT» per occurrence, with an extension insuring against liability for bodily injury, and property damage arising from accidents or occurrences on the Land or the Improvements, including «PERSONAL LIABILITY USE»;
 - (b) make your insurer aware of this Agreement within 30 days of signing this Agreement.
- 6.7 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:

- (a) Commercial General Liability and, if applicable Marine General Liability insurance in an amount of not less than \$«INSURANCE_AMOUNT» inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured;
- (b) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than \$«INSURANCE_AMOUNT»; or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
- (c) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;
- (d) Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - (i) \$\infty\text{INSURANCE_AMOUNT}\times\text{ for aircraft carrying pilot only (no passengers), or
 - (ii) \$\(\sigma\) INSURANCE_AMOUNT\(\sigma\) for aircraft up to 5 passenger seats, or
 - (iii) \$\(\sint\text{INSURANCE_AMOUNT}\) plus \$\(\sint\text{INSURANCE_AMOUNT}\) for each additional passenger seat for aircraft up to 10 passenger seats, or
 - (iv) \$\(\text{INSURANCE_AMOUNT}\)\) for aircraft over 10 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than

\$«INSURANCE AMOUNT» per occurrence;

- (e) Airport Premises and Operations Liability in an amount not less than \$\(\sim\text{INSURANCE_AMOUNT}\)\) per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (f) Watercraft liability insurance on all watercraft operated or used in the performance of this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than \$«INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

6.8 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in a form satisfactory to Kitselas;
- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in a form satisfactory to Kitselas;
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.9 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and
 - (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;
 - and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver proof of all insurance then required to be maintained by you under this Agreement in a form satisfactory to Kitselas.
- 6.10 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement.
- 6.11 You waive all rights of recourse against us with regard to damage to your own property arising

from any source whatsoever.

6.12 Despite sections 6.6 and 6.7, your obligations under those sections are suspended for so long as we in our sole discretion acknowledge our acceptance to you in writing your alternative risk financing program in respect of the matters covered by those sections.

If, in our sole discretion, your alternative risk financing program in respect of the matters covered by sections 6.6 and 6.7 is no longer acceptable to us, we will provide written notice to you and you must, within 60 days of such notice, obtain and provide to us evidence of compliance with section 6.6 of this Agreement.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold, in our sole discretion.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.5.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
 - (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with other provisions of this Agreement, or
 - (iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;

and you fail to rectify such default or failure within the time period specified in a written notice from us requesting you to do so,

(b) if you fail to maintain in good standing any Disposition or other licence, permit, or agreement in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS_CANCELLATION_DETAILS»;

- (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation and,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or
- (g) if we require the Land for our own use or, in our opinion, it is in the Kitselas public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

- 8.2 You agree with us that
 - (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
 - (b) our remedies under this Article are in addition to those available to us under applicable law, including Kitselas Law

ARTICLE 9 - DISPUTE RESOLUTION

9.1 If any dispute arises under this Agreement, before resorting to litigation the parties will make reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such

other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.

9.2 Notwithstanding section 9.1, either party may, at any time, apply to a court of competent jurisdiction for interim or conservatory relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

to you

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other

- remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by as the time reasonably required to perform the obligation, provided that:
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
 - (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
 - (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
 - (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;

- (v) the application of any federal or provincial enactment or law to the Land; and
- (vi) the existence, availability or quality of access or service to the Land now or in the future;
- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

The parties have executed this Agreement as of the date of reference of this Agreement.

LEGAL DESCRIPTION SCHEDULE

LEGAL DESCRIPTION: «DB LEGAL DESCRIPTION»

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 7. Licence of Occupation for Roadway

Note: The Parties will update the Appendices before the Effective Date.

THIS AGREEMENT is dated for reference «DOCUMENT_REFERENCE_DATE» and is made under the *Land Act*.

BETWEEN:

(the "Licensor")

AND:

(the "Licensee")

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

- 1.1 In this Agreement,
 - "Agreement" means this licence of occupation;
 - "Commencement Date" means «COMMENCEMENT DATE»;
 - "Disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
 - "Fees" means the fees set out in Article 3;
 - "Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation
 - (a) waste, as that term is defined in the *Environmental Management Act*; and
 - (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;

- "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;
- "Kitselas Law" means a law made by Kitselas.
- "Land" means that part or those parts of the land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled "Legal Description Schedule";
- "Management Plan" means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties;
 - "Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;
 - "Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;
 - "Term" means the period of time set out in section 2.2;
 - "we", "us" or "our" refers to Kitselas alone and never refers to the combination of the Kitselas and the Licensee: that combination is referred to as "the parties"; and
 - "you" or "your" refers to the Licensee.
- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas or the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every

- regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general application.
- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.

1.15 In the event of any conflict between the Management Plan and the terms and conditions of any other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for the purpose of use and maintenance of a public road, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on «COMMENCEMENT_DATE» and terminates on «TERMINATION_DATE» or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.

ARTICLE 3 - FEES

3.1 The Fee for the Term is \$\(\text{FLAT}_FEE\)\), the receipt of which we acknowledge.

ARTICLE 4 - OBLIGATIONS

- 4.1 You must
 - (a) pay, when due,
 - (i) the Fees to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
 - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
 - (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way

to Hazardous Substances, the environment and health and safety, and

- (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful, voluntary or permissive waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with the purposes set out in section 2.1;
- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
- (i) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

- (iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or
- (iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement.

Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (j) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for money that you are required to hold back under the *Builders Lien Act* or any similar enactment of Kitselas Law;
- (k) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar enactment of Kitselas Law for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (l) not cut or remove timber on or from the Land without our prior written consent: not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (m) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
- (n) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (o) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;
- (p) if any soil is disturbed by you as a result of your construction or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (q) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - (i) promptly notify Kitselas;

- (ii) immediately cease any further activity that could affect the Artifact or Feature;
- (iii) take reasonable measures to protect the Artifact or Feature; and
- (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;
- (r) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (s) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (t) on, or before the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,
 - (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
 - (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
 - (iv) remove from the Land any Improvement that we, in writing, direct or permit you

- to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
- (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vi) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on «RESTORE_SURFACE_DATE», but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vii) unless otherwise specified in the Management Plan, restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.1 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.
- 4.2 You must not use all or any part of the Land
 - (a) for the storage or disposal of any Hazardous Substances; or
 - (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land:

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this

section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.

- 4.3 Despite any other provision of this Agreement you must:
 - (a) on the expiry or earlier termination of this Agreement; and
 - (b) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

- 4.4 We may from time to time
 - (a) in the event of the expiry or earlier termination of this Agreement;
 - (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
 - (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

4.5 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken

place on the Land, other than as disclosed in writing to us.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act* and vested in Kitselas:
- (b) other persons may hold or acquire rights to use the Land in accordance with enactments of Kitselas; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) other persons may hold or acquire interests in or over the Land granted under Kitselas Law; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain trespass proceedings in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (g) except as otherwise authorised in this Agreement, you will not interfere with lawful public access over the Land;
- (h) you will make no claim against us or any person acting under the authority of any enactment of Kitselas for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;

- (i) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on 90 days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (j) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER HAZARD NAME»;
- (k) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (l) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (m) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(u)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(u)(iv); and
- (n) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$\scup SECURITY AMOUNT\text{>} which will
 - (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you

- maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

- 6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Comprehensive Personal Liability and/or other insurance as required in an amount of not less than \$«INSURANCE_AMOUNT» per occurrence, with an extension insuring against liability for bodily injury, and property damage arising from accidents or occurrences on the Land or the Improvements, including «PERSONAL_LIABILITY_USE»;
 - (b) make your insurer aware of this Agreement within 30 days of signing this Agreement.
- 6.7 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Commercial General Liability and, if applicable Marine General Liability insurance in an amount of not less than \$«INSURANCE_AMOUNT» inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured;

- (b) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than \$«INSURANCE_AMOUNT»; or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
- (c) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;
- (d) Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - (i) \$\(\sigma\) INSURANCE AMOUNT» for aircraft carrying pilot only (no passengers), or
 - (ii) \$\(\sigma\)INSURANCE AMOUNT\(\sigma\) for aircraft up to 5 passenger seats, or
 - (iii) \$\(\sint\text{INSURANCE_AMOUNT}\) plus \$\(\sint\text{INSURANCE_AMOUNT}\) for each additional passenger seat for aircraft up to 10 passenger seats, or
 - (iv) \$\(\text{INSURANCE AMOUNT}\) for aircraft over 10 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than \$«INSURANCE AMOUNT» per occurrence;

- (e) Airport Premises and Operations Liability in an amount not less than \$\(\sigma\)(INSURANCE_AMOUNT) per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (f) Watercraft liability insurance on all watercraft operated or used in the performance of

this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than \$«INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

6.8 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in a form satisfactory to Kitselas;
- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in a form satisfactory to Kitselas;
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.9 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and
 - (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver proof of all insurance then required to be maintained by you under this Agreement in a form satisfactory to Kitselas.

- 6.10 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement.
- 6.11 You waive all rights of recourse against us with regard to damage to your own property arising from any source whatsoever.
- 6.12 Despite sections 6.6 and 6.7, your obligations under those sections are suspended for so long as we in our sole discretion acknowledge our acceptance to you in writing your alternative risk financing program in respect of the matters covered by those sections.

If, in our sole discretion, your alternative risk financing program in respect of the matters covered by sections 6.6 and 6.7 is no longer acceptable to us, we will provide written notice to

you and you must, within 60 days of such notice, obtain and provide to us evidence of compliance with section 6.6 of this Agreement.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold, in our sole discretion.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.5.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
 - (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with other provisions of this Agreement, or
 - (iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;

and you fail to rectify such default or failure within the time period specified in a written notice from us requesting you to do so,

- (b) if you fail to maintain in good standing any Disposition or other licence, permit, or agreement in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS CANCELLATION DETAILS»;
- (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to

bankruptcy or insolvency, or

- (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation and,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or
- (g) if we require the Land for our own use or, in our opinion, it is in the Kitselas public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

- 8.2 You agree with us that
 - (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
 - (b) our remedies under this Article are in addition to those available to us under applicable law, including Kitselas Law

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, before resorting to litigation the parties will make reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Notwithstanding section 9.1, either party may, at any time, apply to a court of competent jurisdiction for interim or conservatory relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

«ADDRESS KITSELAS»

to you

«DB ADDRESS MAILING TENANT»;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be

- observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by as the time reasonably required to perform the obligation, provided that:
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
 - (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
 - (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
 - (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;
 - (v) the application of any federal or provincial enactment or law to the Land; and
 - (vi) the existence, availability or quality of access or service to the Land now or in the future:

- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

The parties have executed this Agreement as of the	e date of reference of this Agreement.
SIGNED on behalf of	
authorized representative	
Print Name	

(Please see attached map, page X of X)

SIGNED on behalf of by a duly authorized signatory	7
Authorized Signatory	
	LEGAL DESCRIPTION SCHEDULE
LEGAL DESCRIPTION:	

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 8. Licence of Occupation for Heli Skiing

Note: The Parties will update the Appendices before the Effective Date.

THIS AGREEMENT is dated for reference «DOCUMENT REFERENCE DATE». **BETWEEN:** (the "Licensor") AND: (the "Licensee") The parties agree as follows: **ARTICLE 1 - INTERPRETATION** 1.1 In this Agreement, "Agreement" means this licence of occupation; "Client" means a person from whom you accept a fee to undertake a recreational activity. "Client Day" means each calendar day, or portion of a calendar day, that a Client is on the Land: "Client Rate" means \$_____ for each Client Day in each year of the Term; "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity "Commencement Date" means _____;

- "Disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
- "Fees" means the fees set out in Article 3;
- "Hazardous Substances" means any substance which is hazardous to persons, property or the

environment, including without limitation

- (a) waste, as that term is defined in the Environmental Management Act; and
- (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;
- "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;
- "Kitselas Law" means a law made by Kitselas.
 - "Land" means that part or those parts of the land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled "Legal Description Schedule";
 - "Management Plan" means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties;
 - "Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;
 - "Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;
 - "Term" means the period of time set out in section 2.2;
- "we", "us" or "our" refers to the Licensor alone and never refers to the combination of the Licensor and the Licensee: that combination is referred to as "the parties"; and
- "you" or "your" refers to the Licensee.
- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not

- define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas or of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general

application.

- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.
- 1.15 In the event of any conflict between the Management Plan and the terms and conditions of any other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for «PURPOSE_SPECIFIC» purposes, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on «COMMENCEMENT_DATE» and terminates on «TERMINATION_DATE» or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.
- 2.3 For greater clarity, "Land" does not include land which is within a:
 - (a) protected area, including ecological reserves, parks and conservancies;
 - (b) lease, unless the lease agreement allows for public access;
 - (c) authorized tenure where your activity would interfere with the rights of that tenure-holder, unless you have that tenure-holder's express consent;
 - (d) areas restricted, reserved or regulated by statute, unless public access is permitted; or
 - (e) posted or signed areas, including private roads, which prohibit some or all activities; all of which is your sole responsibility to determine.

ARTICLE 3 - FEES

3.1			

ARTICLE 4 - OBLIGATIONS

4.1 You must

- (a) pay, when due,
 - (i) the Fees to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
- (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
- (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and health and safety, and
 - (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful, voluntary, or permissive waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with the purposes set out in section 2.1;
- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
 - (i) provide to us, within 30 days of receiving a request from us, all reports and records we

- may request from you concerning your activities under this Agreement and all other matters related to this Agreement;
- (j) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

- (iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or
- (iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement. Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (k) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for money that you are required to hold back under the *Builders Lien Act* or any similar enactment of Kitselas Law;
- (l) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar enactment of Kitselas Law for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;

- (m) not, in connection with your entry upon, use or occupation of the Land, fly within 2,000 metres horizontal or 500 metres vertical of caribou unless required to protect human health and safety;
- (n) not cut or remove timber on or from the Land without our prior written consent;
- (o) maintain all Improvements on the Land in an adequate state of repair, to our satisfaction;
- (p) not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (q) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
- (r) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (s) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;
- (t) if any soil is disturbed by you as a result of your construction, use or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (u) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey that shows the location of all roads, buildings and other structures owned, placed on, constructed or used by you on the Land within one year of the date of the request;
- (v) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - i. promptly notify Kitselas;
 - ii. immediately cease any further activity that could affect the Artifact or Feature;
 - iii. take reasonable measures to protect the Artifact or Feature; and
 - iv. comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;

- (w) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (x) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (y) on, or before the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,
 - (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
 - (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
 - (iv) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
 - (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

- (vi) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on «RESTORE_SURFACE_DATE», but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vii) unless otherwise specified in the Management Plan, restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.
- 4.3 You must not use all or any part of the Land
 - (a) for the storage or disposal of any Hazardous Substances; or
 - (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.
- 4.4 Despite any other provision of this Agreement you must:
 - (a) on the expiry or earlier termination of this Agreement; and
 - (b) at any time, if we request and if you are in breach of your obligations under this

Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

- 4.5 We may from time to time
 - (a) in the event of the expiry or earlier termination of this Agreement;
 - (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
 - (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.

ARTICLE 5 - LIMITATIONS

- 5.1 You agree with us that
 - (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests,

- rights, privileges and titles referred to in section 50 of the *Land* Act and vested in Kitselas;
- (b) other persons may hold or acquire rights to use the Land in accordance with enactments of Kitselas; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) other persons may hold or acquire interests in or over the Land granted under Kitselas Law; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain trespass proceedings in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (g) except as otherwise authorised in this Agreement, you will not interfere with lawful public access over the Land;
- (h) you will make no claim against us or any person acting under the authority of any enactment of Kitselas for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;
- (i) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on 90 days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (j) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER_HAZARD_NAME»;

- (k) during the term of this Agreement, no building, mobile home or unit, or modular home shall be constructed, altered, reconstructed, moved, extended or located except where you have provided us, the building inspector for the local government in which the Land is located (the "Building Inspector"), if applicable, and the regional Water Manager of the ministry responsible for the *Water Sustainability Act* with a signed and stamped engineering report completed by a professional engineer experienced in hydrotechnical and geotechnical engineering, registered in the Province of British Columbia, certifying that the Land may be used safely in the manner and for the use intended;
- (l) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (m) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (n) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(v)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(v)(iv); and
- (o) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$_____ which will:
 - (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you

- maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

- 6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Commercial General Liability and, if applicable Marine General Liability insurance in an amount of not less than \$«INSURANCE_AMOUNT» inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured:
 - (b) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than \$«INSURANCE_AMOUNT»; or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than «INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
 - (c) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or

transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than «INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;

- (d) Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - (i) «INSURANCE_AMOUNT» for aircraft carrying pilot only (no passengers), or
 - (ii) «INSURANCE AMOUNT» for aircraft up to 5 passenger seats, or
 - (iii) «INSURANCE_AMOUNT» plus «INSURANCE_AMOUNT» for each additional passenger seat for aircraft up to 10 passenger seats, or
 - (iv) «INSURANCE_AMOUNT» for aircraft over 10 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than «INSURANCE_AMOUNT» per occurrence;

- (e) Airport Premises and Operations Liability in an amount not less than «INSURANCE_AMOUNT» per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (f) Watercraft liability insurance on all watercraft operated or used in the performance of this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than «INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

6.7 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us

evidence of all required insurance in a form satisfactory to Kitselas;

- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in a form satisfactory to Kitselas;
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.8 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and
 - (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us proof of all insurance then required to be maintained by you under this Agreement in a form satisfactory to Kitselas.

- 6.9 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement.
- 6.10 You waive all rights of recourse against us with regard to damage to your own property arising from any source whatsoever.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may, in our sole discretion, withhold.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.14.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
 - (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or

- (ii) fail to observe, abide by and comply with other provisions of this Agreement, or
- (iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;

and you fail to rectify such default or failure within the time period specified in a written notice from Kitselas requesting you to do so,

- (b) if you fail to maintain in good standing any Disposition or other licence, permit, or agreement in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS CANCELLATION DETAILS»;
- (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation and,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or
- (g) if we require the Land for our own use or, in our opinion, it is in the Kitselas public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

8.2 You agree with us that

- (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
- (b) our remedies under this Article are in addition to those available to us under applicable law including Kitselas Law

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, before resorting to litigation the parties will make reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Notwithstanding section 9.1, either party may, at any time, apply to a court of competent jurisdiction for interim or conservatory relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

«DB ADDRESS KITSELAS»;

to you

«DB ADDRESS MAILING TENANT»;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by the time reasonably required to perform the obligation provided that:
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;

- (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
- (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
- (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;
- (v) the application of any federal or provincial enactment or law to the Land; and
- (vi) the existence, availability or quality of access or service to the Land now or in the future;
- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

ARTICLE 12 – MANAGEMENT PLAN

12.1 Despite any other provision of this Agreement, we may revise the Management Plan at any time, and from time to time, during the Term for any reason whatsoever provided we comply with the requirements of this Article 12. We may determine, in our sole discretion, whether there is reason to revise the Management Plan and the type and scope of the required revision. For the purpose of this Article 12 a revision to a Management Plan may include any amendment, deletion, substitution or any other change whatsoever to the whole or any part of the Management Plan and may include the specifications of any area that will no longer

constitute a part of the Land.

- 12.2 Subject to sections 12.3 and 12.4, the revision of a Management Plan must be made in accordance with the following procedure:
 - (a) we must give you written notice (an "Initial Notice") of the proposed revision which notice must set out in reasonable detail:
 - (i) the reason for the revision;
 - (ii) the particulars of the revision;
 - (iii) the effective date of the revision; and

we must also specify in the Initial Notice a reasonable time period during which you may inform us of any comments or concerns that you have regarding the proposed revision;

- (b) following the time period specified in the Initial Notice we must deliver to you a written notice (a "Final Notice") advising whether we intend to proceed with the proposed revision as set out in the Initial Notice, and providing you with particulars of any changes to those matters dealt with in the Initial Notice; we must also specify in the Final Notice a reasonable time by which you may deliver to us a written notice (an Objection) setting out in reasonable detail any objections that you have in regard to the proposed revision;
- (c) if you do not deliver an Objection within the time required the Management Plan will be deemed to be amended as set out in the Final Notice;
- (d) if you deliver an Objection to us within the time required the Objection will be reviewed by a Kitselas. Kitselas may decide in its sole discretion whether the Final Notice should be varied in any respect and will inform you of this decision in writing. Upon the delivery of the decision to you the Management Plan will be deemed to be revised as set out in the decision;
- (e) unless you consent in writing or unless section 12.3 applies the effective date of a revision to a Management Plan must not be sooner than one year after the date that the Final Notice is delivered to you or, if a decision has been made under section 12.2(d) then one year after the delivery to you of that decision.
- 12.3 If we determine that there are urgent circumstances that require a Management Plan to be revised more quickly than the time allowed by section 12.2(e), which determination must, for greater certainty, be made by us acting reasonably, we must include with the Initial Notice reasonable particulars of such urgent circumstances and we may specify in the Initial Notice such shortened time period for revising the Management Plan. For the purpose of this section 12.3 urgent circumstances include, without limitation, the need to respond to public safety

- concerns, significant environmental concerns, or any other decision by us under which it is determined to be necessary in the public interest to restrict access to an area.
- 12.4 This Article 12 does not preclude the parties from entering into any written agreement to vary the Management Plan from time to time, but any such agreement will not limit the application of this Article to the Management Plan as so amended, unless the other agreement expressly so provides.
- 12.5 You will not have any claim against us as a result of a revision of the Management Plan including, without limitation, any claim for damages or any other claim for compensation for losses, costs or expenses, of any kind that you may suffer or incur as a result of a revision of the Management Plan.
- 12.6 You will prepare updated or consolidated documents setting out the Management Plan for our approval if and when we so request.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of Licensor

Print Name

SIGNED BY

«DB_NAME_TENANT»

SIGNED on behalf of «DB_NAME_CORPORATION»
by a duly authorized signatory

Authorized Signatory

SIGNED on behalf of «DB	NAME_	_CORPORATION»
By its authorized signatorie	S	

Authorized Signatory	•
Authorized Signatory	
SIGNED on behalf of by its general	
partner	
BY:	
BY:	

LEGAL DESCRIPTION SCHEDULE

LEGAL DESCRIPTION: «DB_LEGAL_DESCRIPTION»

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 2: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-2

Document 9. Licence of Occupation for Electric Distribution Power Line

Note: The Parties will update the Appendices before the Effective Date.

THIS AGREEMENT is dated for reference «DOCUMENT_REFERENCE_DATE» and is made under the *Land Act*.

BETWEEN:

(the "Licensor")

AND:

(the "Licensee")

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

- 1.1 In this Agreement,
 - "Agreement" means this licence of occupation;
 - "Commencement Date" means «COMMENCEMENT DATE»;
 - "Disposition" means an act of disposal or an instrument by which the act of disposal is effected or evidenced, or by which an interest in land is disposed of or effected, or by which Kitselas divests itself of or creates an interest in land and includes a licence of occupation;
 - "Fees" means the fees set out in Article 3;
 - "Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation
 - (a) waste, as that term is defined in the *Environmental Management Act*; and
 - (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;
 - "Improvements" includes anything made, constructed, erected, built, altered, repaired or

added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

- "Kitselas Law" means a law made by Kitselas.
- "Land" means that part or those parts of the land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled "Legal Description Schedule";
- "Management Plan" means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties;
- "Realty Taxes" means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;
- "Security" means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;
- "Term" means the period of time set out in section 2.2;
- "we", "us" or "our" refers to Kitselas alone and never refers to the combination of the Kitselas and the Licensee: that combination is referred to as "the parties"; and
- "you" or "your" refers to the Licensee.
- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas or the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of

British Columbia.

- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any Kitselas legislation, regulations, or other enactments or any policy, directive, executive direction or other such guideline of general application.
- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.
- 1.15 In the event of any conflict between the Management Plan and the terms and conditions of any

other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you, your employees, agents, and contractors a licence of occupation of the Land for the purposes of constructing, erecting, stringing or otherwise installing, operating, maintaining, removing and replacing the Improvements necessary for the distribution of electric energy and for telecommunications equipment necessary for your distribution of electric energy, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on «COMMENCEMENT_DATE» and terminates on «TERMINATION_DATE» or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.

ARTICLE 3 - FEES

3.1 The Fee for the Term is \$\alpha FLAT_FEE\alpha, the receipt of which we acknowledge.

ARTICLE 4 - OBLIGATIONS

- 4.1 You must
 - (a) pay, when due,
 - (i) the Fees to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
 - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
 - (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all

laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and health and safety, and

- (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful, voluntary or permissive waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with the purposes set out in section 2.1;
- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
- (i) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
 - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land:

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

- (iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or
- (iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains

bound by an agreement in which that owner consents to any such infringement. Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (j) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for money that you are required to hold back under the *Builders Lien Act* or any similar enactment of Kitselas Law;
- (k) if any claim of lien over the Land is made under the *Builders Lien Act* or any similar enactment of Kitselas Law for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (l) not cut or remove timber on or from the Land without our prior written consent:
- (m) obtain our prior written consent, which consent may be unreasonably withheld, before permitting any other person to use the Land or Improvements (including without limitation, any copper, coaxial, fibre optic or similar material or device) for any telecommunications purpose;
- (n) maintain all Improvements on the Land in an adequate state of repair, to our satisfaction;
- (o) not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
- (p) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
- (q) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us;
- (r) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;

- (s) if any soil is disturbed by you as a result of your construction or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (t) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any Artifact or Feature on or under the Land, you must:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;
 - (iii) take reasonable measures to protect the Artifact or Feature; and
 - (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;
- (u) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (v) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (w) on, or before the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,

- (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
- (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
- (iv) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
- (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vi) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on «RESTORE_SURFACE_DATE», but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,
- (vii) unless otherwise specified in the Management Plan, restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.
- 4.3 You must not use all or any part of the Land
 - (a) for the storage or disposal of any Hazardous Substances; or
 - (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.
- 4.4 Despite any other provision of this Agreement you must:
 - (a) on the expiry or earlier termination of this Agreement; and
 - (b) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

4.5 We may from time to time

- (a) in the event of the expiry or earlier termination of this Agreement;
- (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
- (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report

from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act* and vested in Kitselas;
- (b) other persons may hold or acquire rights to use the Land in accordance with enactments of Kitselas; such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
- (c) other persons may hold or acquire interests in or over the Land granted under Kitselas Law; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain trespass proceedings in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of

- the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (g) you will not without our prior written consent, which consent may be unreasonably withheld, permit any other person to use the Land or the Improvements (including, without limitation, any copper, coaxial, fibre optic or similar material or device) for any telecommunications purpose;
- (h) you will not without our prior written consent, which consent may be unreasonably withheld, use the Land or the Improvements for any telecommunications purpose other than a telecommunications purpose which is necessary for your operation of the Improvements;
- (i) except as otherwise authorised in this Agreement, you will not interfere with lawful public access over the Land;
- (j) you will make no claim against us or any person acting under the authority of any enactment of Kitselas for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;
- (k) notwithstanding anything to the contrary in this Agreement, if we, in our sole discretion, determine that the Land is required for flooding purposes in connection with a hydro electric power project, we may cancel this Agreement on 90 days written notice to you, and where we cancel this Agreement under this provision, neither you nor any person claiming under you shall be entitled to any form of compensation;
- (l) you are aware of and, on behalf of yourself and your heirs, executors, administrators, successors and assigns, hereby acknowledge that there is a potential flood, erosion and debris flow danger to the Land from «WATER HAZARD NAME»;
- (m) nothing in this Agreement shall prejudice or affect our rights, powers and remedies in relation to you, including your heirs, executors, administrators, successors and assigns, or the Land, under any law, bylaw, order or regulation or in equity, all of which rights, powers and remedies may be fully and effectively exercised by us as if this Agreement had not been made by the parties;
- (n) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (o) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(w)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(w)(iv); and

(p) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$\scup\$CURITY AMOUNT» which will
 - (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
 - (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:

- (a) Comprehensive Personal Liability and/or other insurance as required in an amount of not less than \$«INSURANCE_AMOUNT» per occurrence, with an extension insuring against liability for bodily injury, and property damage arising from accidents or occurrences on the Land or the Improvements, including «PERSONAL LIABILITY USE»;
- (b) make your insurer aware of this Agreement within 30 days of signing this Agreement.
- 6.7 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
 - (a) Commercial General Liability and, if applicable Marine General Liability insurance in an amount of not less than \$«INSURANCE_AMOUNT» inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured;
 - (b) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than \$«INSURANCE_AMOUNT»; or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
 - (c) Environmental Impairment Liability (Pollution Legal Liability) insurance insuring against bodily injury, property damage, and cleanup expenses (including removal and/or transit and disposal of contaminants) arising from gradual or sudden pollution events arising from the performance of this Agreement by you in an amount not less than \$«INSURANCE_AMOUNT» per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured. If this insurance is written on a claims-made basis it must include the option to purchase an extended reporting period of 24 months beyond the date of cancellation or expiry of this Agreement;
 - (d) Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any Canadian Aviation Regulation and in any event not less than a per occurrence combined single limit of:
 - (i) \$\(\sigma\) INSURANCE AMOUNT» for aircraft carrying pilot only (no passengers), or

- (ii) \$\(\sigma\)INSURANCE AMOUNT\(\sigma\) for aircraft up to 5 passenger seats, or
- (iii) \$\(\sint\text{SURANCE_AMOUNT}\) plus \$\(\sint\text{INSURANCE_AMOUNT}\) for each additional passenger seat for aircraft up to 10 passenger seats, or
- (iv) \$\(\text{INSURANCE AMOUNT}\) for aircraft over 10 passenger seats;

and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation and include us as additional insured. Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than \$«INSURANCE AMOUNT» per occurrence;

- (e) Airport Premises and Operations Liability in an amount not less than \$\(\sigma\)(INSURANCE_AMOUNT) per accident or occurrence, and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (f) Watercraft liability insurance on all watercraft operated or used in the performance of this Agreement by you (including rented watercraft), in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than \$«INSURANCE_AMOUNT» and such policy will include cross liability, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured and if applicable, include coverage for marine towing operations;

6.8 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in a form satisfactory to Kitselas;
- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in a form satisfactory to Kitselas;
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.
- 6.9 We may, acting reasonably, from time to time, require you to
 - (a) change the amount of insurance set out in subsection 6.6(a); and

- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;
- and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver proof of all insurance then required to be maintained by you under this Agreement in a form satisfactory to Kitselas.
- 6.10 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement.
- 6.11 You waive all rights of recourse against us with regard to damage to your own property arising from any source whatsoever.
- 6.12 Despite sections 6.6 and 6.7, your obligations under those sections are suspended for so long as we in our sole discretion acknowledge our acceptance to you in writing your alternative risk financing program in respect of the matters covered by those sections.
 - If, in our sole discretion, your alternative risk financing program in respect of the matters covered by sections 6.6 and 6.7 is no longer acceptable to us, we will provide written notice to you and you must, within 60 days of such notice, obtain and provide to us evidence of compliance with section 6.6 of this Agreement.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold, in our sole discretion.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.5.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
 - (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with other provisions of this Agreement, or

(iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;

and you fail to rectify such default or failure within the time period specified in a written notice from us requesting you to do so,

- (b) if you fail to maintain in good standing any Disposition or other licence, permit, or agreement in any way related to your use and occupation of the Land under this Agreement, including without limitation the «CROSS CANCELLATION DETAILS»;
- (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation and,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or
- (g) if we require the Land for our own use or, in our opinion, it is in the Kitselas public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

- 8.2 You agree with us that
 - (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
 - (b) our remedies under this Article are in addition to those available to us under applicable law, including Kitselas Law

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, before resorting to litigation the parties will make reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Notwithstanding section 9.1, either party may, at any time, apply to a court of competent jurisdiction for interim or conservatory relief.

ARTICLE 10 - NOTICE

10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

«ADDRESS KITSELAS»

to you

«DB ADDRESS MAILING TENANT»;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.

10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by as the time reasonably required to perform the obligation, provided that:
 - (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
 - (a) this Agreement has been granted to you on the basis that you accept the Land on an "as is" basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to

- (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
- (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
- (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
- (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;
- (v) the application of any federal or provincial enactment or law to the Land; and
- (vi) the existence, availability or quality of access or service to the Land now or in the future;
- (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;
- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

The parties have executed this Agreement as of the date of reference of this Agreement.

LEGAL DESCRIPTION SCHEDULE

LEGAL DESCRIPTION:

(See attached Map – Page X of X)

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 3: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-3

Note: The Parties will update the Appendices before the Effective Date.

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 3: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-3

Document 1. Statutory Right of Way for Recreational Trails

Note: The Parties will update the Appendices before the Effective Date.

TERMS OF INSTRUMENT - Part 2

WHEREAS:

A.	The Grantor, Canada and the Province have entered into the Final Agreement dated (the "Final Agreement").
В.	In accordance with the Final Agreement, the Grantor wishes to provide the Province with a statutory right of way over the Land in order that the Province can maintain and ensure continuing public access to and use of the existing and planned Cross Country Skiing Trails (as defined below) in partnership with
C.	The grant of the statutory right of way under this Agreement is made pursuant section 218 of the <i>Land Title Act</i> and is necessary for the operation and maintenance of the Province's

NOW THEREFORE in consideration of the payment of the amount of \$10.00 Canadian dollars by the Province to the Grantor, the receipt and sufficiency of which is hereby acknowledged, and other good and valuable consideration as described herein, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 In this Agreement,

undertaking.

- "Agreement" means this Part 2 Terms of Instrument for a statutory right of way along with the Form C, Part 1 of this Instrument;
- "Commencement Date" means date of registration of this Agreement in the Land Title Office;
- "Cross Country Skiing Trails" means the existing and planned cross country ski trails as set out and shown in the diagram attached as Schedule "A" to this agreement.
- "Improvements" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under land;
- "Land" means the land described in Item 2 of Part 1 of this General Instrument:

- 1.2 In this Agreement, "person" includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the applicable laws of Kitselas/Kitsumkalum or of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.8 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.9 Time is of the essence of this Agreement.
- 1.10 No ambiguity in any of the terms of this Agreement will be interpreted in favour of any party.

ARTICLE 2 - GRANT

- 2.1 On the terms and conditions set out in this Agreement, the Grantor grants to the Province, its employees, servants, licensees, invitees, contractors and agents, and for the purposes of subsection 2.1 (b), members of the public, a statutory right of way over the Land to
 - (a) enter, go, return, pass and repass over the Land for the purpose of constructing, using, developing, repairing, maintaining and managing the Cross Country Skiing Trails, including access to the Land by machinery, equipment and motorized vehicles and to do

- all acts which in the opinion of the Province are necessary or incidental to the to the use of the Lands for that purpose; and
- (b) enter, go, return, pass and repass over the Land for the purpose of using the Cross Country Skiing Trails for recreational purposes.
- 2.2 Nothing in this Agreement will be interpreted or construed to create or impose on the Province an obligation to construct cross country ski trails.
- 2.3 The Grantor covenants that the Province will and may peaceably enjoy and hold its rights under this Agreement without interruption, disturbance, molestation or hindrance whatsoever from the Grantor or any person lawfully claiming from or under the Grantor.
- 2.4 This Agreement runs with and binds the Land to the extent necessary to give full force and effect to this Agreement.
- 2.5 The Grantor acknowledges and agrees that the Cross Country Ski Trails have been established and will be managed as recreational trails under Division 3 of the *Forest and Range Practices Act* and will be considered to be Crown lands for that purpose.

ARTICLE 3 - COVENANTS

- 3.1 The Province covenants and agree to:
 - (a) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting the Province's use or occupation of the Land, and
 - (ii) the provisions of this Agreement;
 - (b) take reasonable care to avoid causing damage to the Land, and will promptly repair any such damage and restore the Land to the condition existing immediately prior to the damage occurring, but will not be responsible for repairing damage caused by anyone except those listed in section 2.1 or damage from reasonable wear and tear;
 - (c) not commit any willful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
 - (d) use and occupy the Land only in accordance with and for the purposes set out in this Agreement;
 - (e) indemnify and save the Grantor and the Grantor's servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and

liabilities, including fees of solicitors and other professional advisors, arising out of

- (i) the Province's breach, violation or non-performance of a provision of this Agreement, and
- (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on the Land by virtue of the entry upon, use or occupation of the Land by the Province its employees, servants, licensees, invitees, contractors, agents, assigns, and anyone for whom the Province is responsible,

unless caused by the Grantor's negligence or willful misconduct; and

(f) on the termination of this Agreement, peaceably quit and deliver to the Grantor possession of the Land in the condition as is reasonably required by the Grantor but any trails constructed, maintained and used in accordance with this Agreement will not be required to be removed.

ARTICLE 4 – DEFAULT

- 4.1 If the Grantor gives the Province notice that the Province has defaulted on any of the Province's obligations owed to the Grantor under this Agreement, then the Province will rectify the breach within 90 days of the notice or, if the breach cannot reasonably be rectified within 90 days, such further period as the Province may request and the Grantor may approve, such approval not to be unreasonably withheld.
- 4.2 If the Province fails to rectify the breach in such time, then the Grantor may authorize the rectification of the breach in any manner the Grantor considers appropriate, the costs of which are immediately due upon the Province receiving written notice (along with relevant invoices) of the costs. If not paid within 30 days of notice, then interest will accrue and be payable in accordance with the *Financial Administration Act* RSBC 1996 c. 138, if it applies, calculated quarterly and compounded semi-annually, from the date of notice until the date of payment of the costs plus interest.
- 4.3 All remedies of a party under this Agreement or at law may be exercised at the same time. Any action taken for one default does not prevent any action being taken for any other default.
- 4.4 This article will survive the ending of this Agreement.

ARTICLE 5 - NOTICE

5.1 Any notice required to be given by either party to the other will be deemed to begiven if mailed by prepaid registered mail in Canada, sent electronically, or delivered to the address of the other as follows:

to the Province:

to Grantor:

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required, if sent electronically, upon acknowledgment of receipt by the recipient, and if delivered, on the day of delivery.

ARTICLE 6 - MISCELLANEOUS

- 6.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 6.2 This Agreement extends to, is binding upon and enures to the benefit of the Grantor, its heirs, executors, administrators, successors and assigns for so long as it holds title to the Land, and extends to, is binding upon and enures to the benefit of the Province, its administrators, successors and assigns.
- 6.3 The parties agree that nothing in this Agreement constitutes one party as the other's agent, joint venturer or partner or gives one party any authority or power to bind the other party in any way.
- 6.4 No modifications of this Agreement are effective unless in writing and signed in the same manner as this Agreement.
- 6.5 The parties agree that this Agreement may be executed in any number of counterparts, each of which is deemed an original, and all of which together constitute one and the same document.

The parties have executed this Agreement by way of execution of the Form C Part 1 of this Instrument which forms part of this Agreement.

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 3: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-3

Document 2. Licence of Occupation for Non-commercial Recreation

Note: The Parties will update the Appendices before the Effective Date.

THIS	AGREEMENT MADE THIS day of, 20XX
BETV	VEEN:
	(the "Licensor")
AND:	
	(the "Licensee")
WHE	REAS:
A.	The Licensor is the owner in fee simple of all and singular in that certain parcel or tract of land and premises in the, in the Province of British Columbia, more particularly known and described as:
	(the "Lands");
В.	The Licensor has agreed to grant to the Licensee a licence of occupation along, over, upon

C. The Licensee requires and the Licensor wishes to grant to the Licensee a licence of occupation to ensure continuing public access to the existing and planned off road cycling trail network as set out in the Management Plan attached as Schedule "A" to this agreement (the "Trails").

and under the Lands for the purposes hereinafter set forth; and

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the sum of Ten Dollars (\$10.00) of lawful money of Canada and other good and valuable consideration now paid by the Licensee to the Licensor (the receipt and adequacy of which hereby acknowledged by the Licensor) the parties agree as follows:

- 1. The Licensor grants to the Licensee and its servants, employees, invitees, agents and contractors a licence of occupation of the Land for the following purposes:
 - (a) for the Licensee, its servants, employees, invitees, agents and contractors together with machinery, vehicles and equipment and materials from time to time and at all times to enter, go, return, pass and repass along over and upon the Lands for the purpose of managing, developing, repairing and maintaining the Trails and related improvements and infrastructure as set out in the Management Plan;
 - (b) for members of the public specifically authorized by the Licensee to pass and repass, without motor vehicles, over the Trails for recreational purposes including cycling; and

- (c) to do all acts which in the opinion of the Licensee are necessary and incidental to the use of the Lands, and Trails for the purposes for which this licence of occupation is hereby granted.
- 2. The term of this agreement commences on the date set out above and will run for years.
- 3. The Licensor hereby covenants and agrees with the Licensee that:
 - (a) it will not make, place, erect or maintain on the Lands any building, structure, foundation or obstruction which will interfere with or injure the Trails and the use Lands in the manner set out herein; and
 - (b) it will not do, or permit to be done, any act or thing which in the reasonable opinion of the Licensee might interfere with or injure the Trails and the use of the Lands in the manner set out herein.
- 4. The Licensee hereby covenants and agrees with the Licensor:
 - (a) that the Licensee will use and occupy the Lands only in accordance with and for the purposes set out herein and in the Management Plan;
 - (b) that the Licensee will do all works and things hereby authorized to be done by the Licensee over, through, under, and upon the Lands in a good and workmanlike manner, and so as to cause no unnecessary damage or disturbance to the Lands or to any improvements thereon;
 - (c) that the Licensee will, at all times, keep and maintain the Trails and improvements in a proper state of repair in accordance with the Management Plan;
 - (d) that the Licensee will repair all damage to the Lands caused by any work done by it, its servants, agents or contractors on the Lands at the conclusion of any such work;
 - (e) that the Licensee will install visible signage at all trail heads to recognize that the Trails are within Kitselas Lands; to identify the risks related to the usage of the Trails; and to make users aware that they are assuming all risks associated with using the Trails;
 - (f) to obtain and keep in force insurance covering the Licensor and the Licensee (without any rights of cross-claim or subrogation against the Licensor) against claims for personal injury, death, property damage or third party or public liability claims arising from any accident or occurrence on the Lands to an amount not less than \$_____.00;
 - (g) notwithstanding subparagraph (f), the Licensor may from time to time, acting reasonably, considering the amount of insurance and type a prudent owner would

carry, require the Licensee to obtain additional insurance or increase the amount of insurance and the Licensee will, within 30 days of receiving the request, obtain the required additional insurance and deliver to the Licensor written confirmation of the change;

- (h) to provide a certificate or evidence of insurance satisfactory to Licensor upon request by the Licensor; and
- (i) on the expiration or at the earlier cancellation of this Agreement, if requested by the Licensor, to remove the improvements from the Lands and restore the surface of the Lands where the improvements were located to the satisfaction of the Licensor acting reasonably.
- 5. It is mutually understood, agreed, and declared by and between the parties hereto that:
 - (a) wherever the singular or masculine is used in this agreement, it shall be construed as meaning the plural or feminine or body corporate or politic where the context or the parties hereto so require;
 - (b) should any provision or provisions of this Agreement be illegal or not enforceable, it or they shall be considered separate and severable from this Agreement and its remaining provisions shall remain in force and be binding on the parties; and
 - (c) any annual and day-use fees charged by the Licensee for the use of the Trails shall be applied to the maintenance of the Lands.
- 6. No provision of this agreement shall be deemed to have been waived by either party unless written waiver signed by the party waiving a provision has first been obtained by the party asserting a waiver and, without limiting the generality of the foregoing, no condoning, excusing or overlooking by a party of a breach of the provisions hereof nor any earlier written waiver shall be taken to operate as a waiver or constitute acquiescence to subsequent default or breach of this Agreement by either party.
- 8. 7 This agreement shall ensure to the benefit of, and be binding upon, the parties hereto and their respective heirs, executors, administrators, successors, and assigns.
- 9. This Agreement shall be governed and construed in accordance with Kitselas Laws and the applicable laws of the Province of British Columbia.
- 10. The Licensee covenants to and does hereby indemnify and save harmless the Licensor at all times from all losses, damages, actions, suits, claims, demands, costs, expenses, fees and liabilities of any nature whatsoever by whomsoever brought, made or suffered for which the Licensor is or may become liable, incur or suffer by reason of any injury to person (including death) or loss or damage to property or economic loss arising directly or

indirectly from a breach or non-performance by the Licensee of its covenants or obligations in this Agreement or by the use of the Trails by members of the public for their intended recreational use, arising directly or indirectly from any wrongful act, omission or negligence of the Licensee in, on, around and about the Lands and the Trails.

List of Schedules to be drafted and attached:

- 1. Management Plan
- 2. Map of tenure area

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 3: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-3

Document 3. Licence of Occupation for Forest Research Plots

Note: The Parties will update the Appendices before the Effective Date.

THIS	AGRE	EEMENT made this day of, 20
BET	WEEN:	
	(the '	'Owner")
AND	:	
		MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH LUMBIA, as represented by the Minister of Forests
	(the '	'Licensee")
of lar	d (the '	Owner has agreed to grant to the Licensee a licence to enter on and use that parcel "Land") located generally in the vicinity of and described in the ached, and entitled "Legal Description";
		re in consideration of the fee to be paid by, and the covenants of, the Licensee, the as follows:
		ARTICLE 1 - GRANT OF LICENCE
1.1	on an	Owner, on the terms set forth herein, hereby grants to the Licensee a licence to enter ad use the Land for the purpose of conducting forestry related studies, monitoring, and experiments.
		ARTICLE 2 - DURATION
2.1	The duration of the licence and the rights herein granted shall be for a term of years commencing on, 20_ (the "Commencement Date") unless cancelled in accordance with Article 6.	
2.2	Notw	vithstanding anything to the contrary in this licence, so long as:
	(a)	the Licensee is not in default of any of the material terms or conditions of this licence; and
	(b)	the Licensee has given the Owner, not more than days prior to the expiration of the term herein granted, notice in writing of the Licensee's wish to re-apply fo a new licence to enter on and use the Land
		hay agree to offer a new licence to the Licensee by notice to the Licensee, in writing and conditions determined by the Owner and contained in the notice. The Licensee

Without limiting the generality of any other understandings between the Parties with respect to the initialed version of this Agreement, this document will be subject to continuing legal and technical review that may result in substantive changes. This document will be replaced by a version incorporating any such changes in the Ratification Version of the Treaty.

shall have a period of 60 days from the date of receipt of the notice from the Owner to accept a

new licence to enter on and use the Land by executing the new licence contained in the notice and delivering it to the Owner.

ARTICLE 3 - LICENCE FEE

3.1 The Licensee shall pay to the Owner a licence fee of \$1.00 for the entire term.

ARTICLE 4 - COVENANTS OF THE LICENSEE

- 4.1 The Licensee covenants with the Owner:
 - (a) to pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged that relate to the Land or any of the Licensee's improvements thereon (the "Realty Taxes") that the Licensee is liable to pay;
 - (b) to observe, abide by and comply with all applicable laws, bylaws, orders, directions, ordinances and regulations of Kitselas and any other competent government authority in any way affecting the Land and improvements situate thereon, or their use and occupation;
 - (c) not to commit or suffer any willful, permissive or voluntary waste, spoliation or destruction on the Land or do or suffer to be done thereon by its employees, contractors, agents, invitees or anyone for whom the Licensee is responsible at law anything that may be or become a nuisance to the Owner or to the occupiers of adjoining land;
 - (d) to deliver to the Owner from time to time, upon demand, proof of insurance provided for in subsection (j), receipts or other evidence of payment of Realty Taxes, insurance premiums and other monetary obligations of the Licensee required to be observed by the Licensee pursuant to this licence;
 - (e) to indemnify and save harmless the Owner against all losses, damages, costs and liabilities, including fees of solicitors and other professional advisors arising out of:
 - (i) any breach, violation or non-performance of any covenant, condition or agreement in this licence by the Licensee, or
 - (ii) any personal injury, death or property damage arising out of the Licensee's use and occupation of the Land
 - and the amount of such losses, damages, costs and liabilities shall be payable to the Owner immediately;
 - (f) to keep the Land in a safe, clean and sanitary condition satisfactory to the Owner acting reasonably, and to make safe, clean and sanitary any portion of the Land or

- any improvement thereon that the Owner, acting reasonably, may direct by notice in writing to the Licensee;
- (g) to permit the Owner or its authorized representative to enter upon the Land at any time to examine its condition;
- (h) to use and occupy the Land in accordance with the provisions of this licence including those set forth in the schedule attached and entitled "Special Provisos";
- (i) on the expiration or at the earlier cancellation of this licence:
 - (i) to quit peaceably and deliver possession of the Land to the Owner,
 - (ii) to remove from the Land all above-ground buildings, machinery, plant, equipment and apparatus and all other improvements to or things on the Land erected or placed on the Land by the Licensee, and
 - (iii) to restore the surface of the Land to the satisfaction of the Owner acting reasonably
 - and to the extent necessary, this covenant shall survive the expiration or cancellation of this licence;
- (j) to effect, and keep in force during the term, insurance protecting the Owner and the Licensee (without any rights of cross-claim or subrogation against the Owner) against claims for personal injury, death, property damage or third party or public liability claims arising from any accident or occurrence on the Land to an amount not less than \$XX; except that so long as the Licensee is His Majesty the King in right of the Province of British Columbia or a British Columbia crown corporation, the Owner will waive the requirements of this subsection on the delivery to the Owner of confirmation that the Licensee is self insured;
- (k) notwithstanding subsection (j), the Owner may from time to time notify the Licensee that the amount of insurance posted by the Licensee pursuant to that subsection be changed and the Licensee shall, within 30 days of receiving such notice, cause the amount of insurance posted, pursuant to subsection (j), to be changed to the amount specified by the Owner, acting reasonably, in the notice and deliver to the Owner written confirmation of the change, except that when the Licensee is self-insuring this section shall not apply; and
- (l) not to interfere with the activities, works or other improvements of any other person who enters on or uses or occupies the Land under a subsequent right or interest granted by the Owner, or who is otherwise authorized by the Owner to enter on or use or occupy the Land, in accordance with Section 9.3.

ARTICLE 5 - ASSIGNMENT

- 5.1 The Licensee shall not assign this licence or grant a sublicence of any part of the Land without the prior written consent of the Owner, which consent shall not be unreasonably withheld.
- 5.2 Notwithstanding section 5.1, the Licensee may, without the prior written consent of the Owner, assign its interest in all or a part of the Land to a British Columbia crown corporation provided that the Licensee gives written notice of any such change at least 120 days prior to the next anniversary date of the term of this licence.
- 5.3 No assignment or sublicensing pursuant to sections 5.1 or 5.2, nor the Owner's consent thereto, will relieve the Licensee from the observance and performance of the Licensee's obligations contained in this licence.

ARTICLE 6 - CANCELLATION

- 6.1 If the Licensee fails to observe or perform any term contained herein, and such failure continues after the giving of the written notice by the Owner to the Licensee of the nature of the failure for a period of:
 - (a) 30 days; or
 - (b) 150 days, if the failure because of its nature would reasonably require more than 30 days to cure, and provided that the Licensee is proceeding diligently and continuously to cure the failure throughout;

then the Owner may cancel this licence and, notwithstanding subsection (i) of section 4.1, any fixtures to the Land shall become, at the discretion of the Owner, the property of the Owner.

- 6.2 If this licence is taken in execution or attachment by any person, or the Licensee commits an act of bankruptcy, becomes insolvent, is petitioned into bankruptcy or voluntarily enters into an arrangement with his creditors, the Owner may, on 90 days written notice to the Licensee, cancel this licence and the rights herein granted.
- 6.3 If the Licensee ceases to use the Land for the purposes permitted herein and the Licensee does not recommence its use of the Land within 180 days of receipt of written notice from the Owner, the Owner may immediately cancel this licence and the rights herein granted.
- 6.4 The Licensee may deliver a written notice to the Owner cancelling this licence and thereafter the licence and the rights herein granted will terminate 180 days after the date of receipt by the Owner of such written notice.
- 6.5 Notwithstanding subsection 4.1(i), any building, machinery, plant, equipment and apparatus, or other improvements to the Land (collectively, the "Improvements") that remain unremoved from the Land:

- (a) upon the cancellation of this licence pursuant to section 6.1, or section 6.4; or
- (b) thirty days after the expiration or cancellation of this licence pursuant to section 6.2 or section 6.3 (provided that if further time is reasonably required because of the nature of the Improvements or because of other constraints beyond the control of the Licensee, including weather, and provided that the Licensee is proceeding diligently and continuously to remove such Improvements, the 30 day time for removal will be extended to 150 days after the expiration or cancellation of this licence)

shall, at the discretion of the Owner, be forfeited to and become the property of the Owner.

- 6.6 If the Owner elects to assume ownership of any above-ground Improvements pursuant to section 6.5, the Owner may remove them from the Land and the Licensee shall, on demand, compensate the Owner for all costs incurred by the Owner respecting their removal.
- 6.7 The rights of the Owner under section 6.5 and section 6.6 shall be deemed to survive the expiration or earlier cancellation of this licence.

ARTICLE 7 - SECURITY

- 7.1 The security in the sum of \$1.00 and all rights, privileges, benefits and interests accruing thereto delivered by the Licensee to the Owner (herein called the "Security") to guarantee the performance of the Licensee's obligations under this licence shall be maintained in effect until such time as the Owner certifies in writing that such obligations have been fully performed. So long as the Licensee is His Majesty the King in right of the Province of British Columbia or a British Columbia crown corporation, the Owner will waive the requirements of this section.
- 7.2 If the Licensee defaults in the performance of any of its obligations hereunder, the Owner may, in its sole discretion, sell, call in and convert the Security, or any part of it, and such Security shall be deemed to have been absolutely forfeited to the Owner.
- 7.3 The rights of the Owner under this Article shall be deemed to continue in full force and effect notwithstanding the expiration or earlier cancellation of this licence.
- 7.4 Notwithstanding any amount of Security stated to be required under section 7.1 the Owner may, acting reasonably, from time to time by notice to the Licensee, demand the amount to be changed to that specified in a notice and the Licensee shall, within 60 days of such notice, change the Security to that specified and provide the Owner with evidence of the change, except that while Security is waived under section 7.1, this section shall not apply.

ARTICLE 8 - NOTICE

- 8.1 Whenever service of a notice or a document is required under this licence, the notice or documents shall be in writing and shall be deemed to have been served if delivered to, or if sent by prepaid registered mail addressed to, the Owner or the Licensee, as the case may be, at the addresses specified for each on the first page of this licence, and where service is by registered mail the notice or document shall be conclusively deemed to have been served on the eighth day after its deposit in a Canada Post office at any place in Canada. If there is a disruption in mail service caused by labour dispute, civil unrest or other events beyond the control of the parties, between mailing and actual receipt of such notice, the party sending such notice will re-send by courier, fax or other electronic means and such notice will only be effective if actually received.
- 8.2 Either party may, by notice in writing to the other, specify another address for service of notices under this licence and after another address has been specified under this section, notices shall be mailed to that address in accordance with this Article.

ARTICLE 9 - MISCELLANEOUS

- 9.1 No term, condition, covenant or other provision herein shall be considered to have been waived by the Owner unless such waiver is expressed in writing by the Owner. Any such waiver of any term, condition, covenant or other provision herein shall not be construed as or constitute a waiver of any further or other breach of the same or any other term, condition, covenant, or other provision and the consent or approval of the Owner to any act by the Licensee requiring the consent or approval of the Owner shall not be considered to waive or render unnecessary such consents or approvals to any subsequent similar act by the Licensee.
- 9.2 No remedy conferred upon or reserved to the Owner is exclusive of any other remedy herein or provided by law, but such remedy shall be cumulative and shall be in addition to any other remedy herein or hereafter existing at law, in equity, or by statute.
- 9.3 This licence shall not entitle the Licensee to exclusive possession of the Land and the Owner may, for any purpose, grant to others interests in the Land or rights to enter on or use or occupy the Land, or may otherwise authorize other persons to enter on or use or occupy the Land, so long as the grant or authorization does not materially affect the exercise of the Licensee's rights hereunder. The question of whether a grant materially affects the exercise of the Licensee's rights hereunder shall be determined by the Owner acting reasonably. If the Owner, by written instrument, grants a licence, right or interest to others to use or occupy the Land, such grant will contain a provision identical to subsection 4.1(f) of this licence obligating the new grantee to keep the Land in a safe, clean and sanitary condition satisfactory to the Owner.
- 9.4 The terms and provisions of this licence shall extend to, be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.
- 9.5 Time is of the essence in this agreement.

ARTICLE 10 - DISPUTE RESOLUTION

- 10.1 In this Article, "dispute" means any dispute arising out of or in connection with this licence or in respect of any defined legal relationship associated with it or derived from it.
- 10.2 The parties agree to attempt to resolve all disputes by negotiations conducted in good faith and to provide timely disclosure of all relevant facts, information and documents to further those negotiations.
- 10.3 If a dispute is not settled through direct negotiations either party may request the British Columbia International Commercial Arbitration Centre (BCICAC) to appoint a mediator to conduct a mediation under its mediation rules of procedure.
- 10.4 If a dispute is not settled within 15 days of the appointment of the mediator or any further period of time agreed to by the parties, the dispute shall be referred to and finally resolved by arbitration before a single arbitrator under the arbitration rules of procedure of the BCICAC.
- 10.5 If the BCICAC is unavailable or unable to administer the mediation or arbitration of a dispute under its rules of procedure, the parties will select the rules of another institution.

ARTICLE 11 - INTERPRETATION

- In this licence, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender and a corporation.
- 11.2 The captions and headings contained in this licence are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of the provisions herein.
- 11.3 If any section of this licence or any part of a section is found to be illegal or unenforceable, that part or section, as the case may be, shall be considered separate and severable and the remaining parts and sections of this licence shall not be affected thereby and shall be enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this licence as of the day and year first above written.

SIGNED by a duly authorized signatory of n the presence of:		
Name		
Address		

)) Authorized Signatory
)
SIGNED by a duly authorized signatory of in the presence of:)
Name)
Address	
)) Authorized Signatory)

LEGAL DESCRIPTION SCHEDULE

- 1. Legal Description
- 2. Sketch Plan

SPECIAL PROVISOS SCHEDULE

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 3: Applicable Forms of Documents for Interests on Former Provincial Crown Land Listed in Appendix G-3

Document 4. Gravel Pits Statutory Right of Way

Note: The Parties will update the Appendices before the Effective Date.

Part 1 Maps of existing MOTI *Land Act* gravel reservation areas

Part 2 Terms of Instrument

STATUTORY RIGHT OF WAY

This agreement is dated for reference this	day of	, 20
BETWEEN:		
KITSELAS FIRST NATION		("Kitselas")
AND:		(Kitscias)
HIS MAJESTY THE KING IN RICOLUMBIA as represented by TI		
		(the "Province")

WHEREAS:

- **A.** Kitselas is the registered owner of the Lands;
- **B.** There exists on the Lands deposits of gravel, rock, random borrow materials and sand of value to the Province for road construction and maintenance purposes; and
- C. Kitselas has agreed to provide to the Province, on the terms and conditions set out in this agreement, the right to access the Right of Way Area and to produce and extract Gravel;

KITSELAS AND THE PROVINCE AGREE AS FOLLOWS:

Definitions

In this agreement, including the recitals:

- "Access Roads" means those roads providing access to the Gravel Pits and Gravel Reserves as shown on Appendix A;
- "Applicable Law" means either Provincial law or Kitselas law, as applicable;

"Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;

"Closed Gravel Removal Area" is a portion of the Gravel Removal Area, a Gravel Pit or a Gravel Reserve that is no longer required by the Province for Gravel Removal Activity;

"Environment" means the components of air and earth and includes, without limitation:

- (i) air, lands and water;
- (ii) all layers of the atmosphere;
- (iii) all organic and inorganic matter and living organisms; and
- (iv) the interacting natural systems that include the components listed in paragraphs (i), (ii) and (iii) above;

"Gravel" means deposits of gravel, rock, random borrow materials and sand located in the Gravel Pits and Gravel Reserves;

"Gravel Pits" means those operational gravel pits, stockpile sites, staging/aggregate processing areas and quarries described in Appendix "A" and "Gravel Pit" means any one of them;

"Gravel Removal Activity" means the activities set out in section 1.02;

"Gravel Removal Area" means the portion of the Right of Way Area identified as the "Gravel Removal Area" as described in Appendix "A";

"Gravel Reserves" means non-operational deposits of gravel described in Appendix "A" and "Gravel Reserve" means any one of them;

"Kitselas Treaty" means the treaty among Kitselas, Canada, and British Columbia;

"Land means [means the land described in Item 2 of the General Instrument – Part 1]

"Management Plan" means a written description, as amended from time to time, with respect to Gravel Removal Activity, including the development, use and closure of a Gravel Pit or Gravel Reserve, prepared by the Province in accordance with Applicable Law and that contains information related to the location, size and extent, access roads, soil and Gravel descriptions, topographical and geotechnical mapping, developmental plans, anticipated volumes of Gravel extracted per time period, and reporting and reclamation, approved by Kitselas, signed and dated by the parties;

"Right of Way" means the rights granted to the Province in this Agreement;

"Right of Way Area" means the area shown in bold on the Plan prepared by	
B.C.L.S. and deposited in the Land Title Office under number	, a reduced copy
of which is attached hereto; and	

"Risk or Hazard" means something existing or threatened, including an emergency, that the Province, acting reasonably, determines could be or could cause an interference or threat or a hazard to persons or property in relation to the Right of Way Area;

"Realty Taxes" means means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to land, including improvements thereon;

"Term" means the period of time set out in section 1.06;

"Works" means anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Access Area, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Access Area for the purpose of carrying out Gravel Removal Activity;

Part 1 Grant of Rights

- **1.01 Access**: Kitselas hereby grants to the Province for the Term hereof, the right over the Right of Way Area:
 - a) to pass and repass along and over the Access Roads for the purpose of accessing the Gravel Pits and the Gravel Reserves;
 - b) maintain, repair, rebuild, and replace any Access Roads, to such extent as may reasonably be required by the Province for the purposes of this Agreement, provided the Province gives Kitselas written notice before effecting any material change to an Access Road under this paragraph, except in the event of an imminent Risk or Hazard, in which case the Province will give notice as soon as possible; and
 - c) to carry out all such other acts or things as may be reasonably necessary or incidental to the development, operation, maintenance, security and remediation of the Access Roads.
- 1.02 **Gravel Removal Activity**: Kitselas hereby grants to the Province for the Term hereof, the right over the Gravel Removal Area to develop, maintain, operate and remediate the Gravel Pits and the Gravel Reserves in accordance with this Agreement and the Management Plan, including the right to:
 - a) remove Gravel from the Gravel Pits and the Gravel Reserves, without further payment to Kitselas;
 - b) excavate for, construct, install, erect, replace, extend, upgrade, operate, inspect, alter,

maintain, remove and repair Works on, over, under, or in the Gravel Removal Area to such extent as may reasonably be required for the purposes of this Agreement, provided the Province gives Kitselas written notice before effecting any material change to the Gravel Removal Area under this paragraph, except in the event of an imminent Risk or Hazard, in which case the Province will give notice as soon as possible;

- c) clear and keep it cleared (including removal or pruning) of any vegetation, including trees, provided that the application of herbicides be undertaken only with the prior written consent of Kitselas:
- d) install, maintain and use gates in any fences that are necessary for access, provided that both the Province and Kitselas have keys for any lock, or locks are installed in a series to allow for access by both the Province and Kitselas;
- e) mine and process Gravel;
- f) use and store machinery necessary to mine and process Gravel;
- g) set up and operate asphalt plants for production of asphalt mix aggregates;
- h) stockpile and store Gravel products;
- i) temporarily store related road construction and maintenance materials, including temporary bridges, culverts and highway dividers;
- j) generally, do all such other acts or things as may reasonably be necessary or incidental to the development, operation, maintenance, security and remediation of a Gravel Pit or Gravel Reserve in relation to the rights in this Agreement.
- 1.03 Non-Exclusive Use: This Agreement will not entitle the Province to exclusive possession of the Right of Way Area, and Kitselas reserves the right to grant other dispositions of any part of the Right of Way Area affected by this Agreement, so long as the grant does not affect or interfere with the exercise of the Province's rights under this Agreement.
- 1.04 **Restriction of Access:** Notwithstanding section 1.03, the Province may refuse access to specific areas of the Gravel Removal Area to any person if, in the reasonable opinion of the Province, such access would not be safe and, as part of controlling access to the Gravel Removal Area, the Province may post notices and erect such fencing, gates, and barriers as it considers appropriate to ensure reasonable safety and security of the site, provided that both the Province and Kitselas have keys for any lock in relation thereto.
- **Restriction of Gravel Removal Activities:** For greater certainty, the Province agrees that it will undertake Gravel Removal Activities only within the Gravel Removal Area.
- 1.06 Access Permitted by Province: The Province may authorize its employees, contractors, agents, licensees and invitees to carry out the Gravel Removal Activity on its behalf,

provided that, if and when the Province does so, the Province will not permit any person who enters upon or uses the Land on its behalf to do anything the Province is restricted from doing under this Agreement and the Province will be responsible to Kitselas for any breaches by such authorized persons of covenants made by or conditions imposed on the Province in this Agreement.

- 1.07 **Term:** The term of this Agreement commences on the effective date of Kitselas Treaty and terminates on the date agreed to by the parties under section 1.07 or such earlier date as the parties agree.
- 1.08 **Termination:** At the request of either party the parties shall consult with each other and consider whether the Right of Way is still required by the Province. If, at any time, it is determined that the Right of Way or a portion thereof is no longer required, the Province will discharge the Right of Way or portion thereof. Notwithstanding that no request for review has been made by a party, the Province shall advise Kitselas not less than every 10 years during the Term as to whether the Right of Way is still required by the Province.
- 1.09 **Registration:** The parties intend that this agreement will constitute a charge running with the Lands and will be registered in the Land Title Office pursuant to Sections 218 and 219 of the *Land Title Act*, or in Kitselas Land Title Office as applicable.

Part 2 Covenants

1 2

- 2.01 **Covenants of Kitselas**: Kitselas will not, without the prior written consent of the Province, which will not be unreasonably withheld:
 - a) construct, erect or permit the building, construction, erection or placing of any permanent fixture, building, structure or improvement within the Right of Way Area;
 - b) use or remove Gravel, or permit the use or removal of Gravel from within the Gravel Removal Area;
 - c) subdivide, sell, lease or transfer, grant an easement, right of way or other charge the Gravel Removal Area;
 - d) authorize the use of the Right of Way Area for any other purpose by any other person in a manner that materially affects or interferes in the exercise of the Province's rights under this agreement; or
 - e) do or knowingly permit to be done any act or thing which will interfere with any Gravel Removal Activity being carried out by the Province.

2.01 Covenants of the Province: Province will:

- a) use, and permit the use of Gravel only for the purposes of public infrastructure, and for no other purpose, without the express written consent of Kitselas, which consent shall not be unreasonably withheld;
- b) undertake activities permitted under this Agreement having regard to the impact on the Environment, and will take prudent measures to minimize any danger or disruption to the Environment;
- c) make commercially reasonable efforts to limit interference with any road being used by Kitselas in Right of Way Area;
- d) use its best efforts to prevent, control and extinguish any fire on the Lands, or any fires on any lands adjacent to the Gravel Removal Area which are caused by the Gravel Removal Activities or access road maintenance, and will conform to and observe the provisions of the *Wildfire Act* (as amended or replaced from time to time) and any other statutes and regulations that are in force or may in the future be enacted or made regarding the prevention of fires;
- e) reimburse Kitselas for any costs or expenses Kitselas incurs to fight fires caused by the activities of the Province permitted under this Agreement;
- f) carry out Gravel Removal Activities in a safe manner having regard to all the circumstances and, in particular, having regard to others who may be using, or otherwise occupying the Right of Way;
- g) comply with any laws, regulations, bylaws, standards, policies, directions, permits or orders of any duly constituted authority governing, affecting, or in any way related to the use of the Right of Way;
- h) ensure that the Right of Way Area, including the Gravel Removal Area, the Gravel Pits, the Gravel Reserves and the Access Roads, are maintained in an environmentally sound, clean, safe and orderly condition, and free from all waste, including, without limitation, wood waste relating to the use of the Right of Way Area by the Province;
- i) provide drainage control measures at the Gravel Pits as required by the Management Plan and Applicable Law;
- j) carry out the Gravel Removal Activities only in accordance with the provisions of the Management Plan and Applicable Law;
- k) pay and discharge when due all taxes, levies, charges and assessments now or hereafter assessed, levied or charged which relate to the Gravel Pits or any Works on

the Gravel Pits;

- l) pay and discharge when due all Realty Taxes now or hereafter assessed, levied or charged which relate to the Gravel Removal Area;
- m) permit the authorized representatives of Kitselas to enter any of the Gravel Pits at any time for any purpose;
- n) provide notice to Kitselas of any Risk or Hazard;
- o) not commit or suffer any willful or voluntary waste, spoliation or destruction of the Gravel Pits or do or cause or permit to be done on the Right of Way Area anything that may be or become a nuisance;
- p) subject to the provisions of the Management Plan, when the Province discontinues operations in any Gravel Pit or depletes the Gravel Pit or sections thereof, trim the sides of any excavations, waste piles and stockpiles in the Gravel Pit to a 1.5 to 1 slope, open up such drains or ditches as may be required to prevent water standing therein and drain such water, place topsoil on slopes of depleted sections of the Gravel Pit, and leave the Gravel Pit in a neat condition, all to the satisfaction of Kitselas and to the conditions shown on the Pit Reclamation Plan, the Pit Development Plan and the Ministry of Transportation Reclamation and Environmental Project Handbook for Sand, Gravel and Quarry Operations in British Columbia;
- q) on the expiration or termination of this Agreement:
 - (i) promptly cease occupation of the Gravel Pits; and
 - (ii) at the request of Kitselas, remove all Works, buildings, machinery, plant equipment and apparatus owned or leased by the Province located at the Gravel Pits; and
- r) if the Province unearths or discovers any Artifact or Feature on the Lands or the Right of Way Area, and there is no previously agreed upon mitigation or management plan with Kitselas:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;
 - (iii) take reasonable measures to protect the Artifact or Feature; and
 - (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas'

cultural heritage policy.

- 2.02 **Removal of Timber**: The Province may cut or remove merchantable timber in accordance with the Management Plan, provided:
 - a) Kitselas has been notified not less than 30 days in advance of such cutting or removal; and
 - b) if requested by Kitselas, consulted regarding Kitselas' interest in harvesting and removing the timber.

Prior to removal of timber from the Right of Way, the Province will ensure that all appropriate permissions and log transportation requirements are in place.

- 2.03 Compensation for Damage: If, in exercising its rights under the Right of Way, the Province, its employees, contractors, agents, licensees or invitees damage any structures, buildings, fixtures, improvements, chattels, crops, merchantable timber, livestock, drains, ditches, culverts, or fences, and such damage or contamination is not caused as a result of Kitselas's breach of the terms of this Agreement or the negligence of Kitselas or those for whom it is responsible in law, then the Province will compensate Kitselas, or if appropriate, a person who suffers any loss as a result of the damage, to the extent that such damage was caused by the Province.
- 2.04 **Indemnity:** The Province will indemnify and save harmless Kitselas from and against all claims, demands, actions, suits or other legal proceedings brought against Kitselas by any third party by reason of or arising out of:
 - a) any breach, violation or non-performance by the Province of its covenants, conditions or obligations under this Agreement; or
 - b) any negligent act or omission on the part of the Province in relation to the Right of Way or the Lands, but only to the extent such matter is found to be the responsibility of the Province or those for whom the Province is responsible in law and not the negligence of Kitselas.
- 2.05 Closed Gravel Removal Areas: When a Gravel Removal Area, Gravel Pit or Gravel Reserve is no longer required by the Province, the Province will give notice to Kitselas that is a Closed Gravel Removal Area, and unless otherwise directed by Kitselas, promptly:
 - a) remove any Works and improvements it has installed on or within the Closed Gravel Removal Area; and
 - b) remediate and reclaim the Closed Gravel Removal Area to a condition that meets the standard required under the Applicable Law related to the remediation and reclamation of comparable land located on provincial Crown lands and the

Management Plan.

- 2.06 **Completion of Remediation:** Upon completion of the requirements set out in section 2.05, the Province will give written notice to Kitselas confirming that the requirements set out in section 2.05 a) and b) have been satisfied and the parties shall consult with each other and determine whether the requirements have been satisfied. If the parties are unable to agree, a determination will be made under the dispute resolutions provisions of Part 5.
- 2.07 **Remediated Gravel Removal Area:** Upon reaching a determination that the requirements set out in section 2.05 a) and b) have been completed satisfactorily, the Closed Gravel Removal Area will be designated as a Remediated Gravel Removal Area and the Province:
 - a) will have no further obligation to maintain the Remediated Gravel Removal Site;
 - b) will have no liability for breach of any of the Province's covenants in relation to the Remediated Gravel Removal Site; and
 - c) the rights granted to the Province and the and restrictions imposed on Kitselas in this Agreement shall no longer apply to the Remediated Gravel Removal Area.

Part 3 Management Plan

- 3.01 **Initial Management Plan**. Prior to the effective date of the Kitselas Treaty, the Province, in consultation with Kitselas, will prepare and deliver to Kitselas a Management Plan for consideration and approval. If the parties are unable to agree on the terms of the Management Plan, a determination with respect to the matters of disagreement will be made under the dispute resolutions provisions of Part 5.
- 3.02 **Revisions to Management Plan**. Either party may request a revision to the Management Plan in accordance with the following procedure:
 - a) giving written notice ("Notice") of the proposed revision which sets out in reasonable detail;
 - (i) the reason for the revision;
 - (ii) the particulars of the revision;
 - (iii) the effective date of the revision; and
 - (iv) specifying a reasonable time period for consultation, during which the recipient may inform the requestor of any comments or concerns regarding the proposed revision; and
 - b) if, following the time period specified in the Notice, the parties are unable to agree

on the revisions to the Management Plan, a determination with respect to the matters of disagreement will be made under the dispute resolutions provisions of Part 5.

- 3.03 **Revisions by Agreement**. The procedure set out in section 3.07 does not preclude the parties from entering into any written agreement to vary the Management Plan from time to time, but any such agreement will not limit the application of section 3.07 to the Management Plan as so amended, unless the other agreement expressly so provides.
- 3.04 **Management Plan Forms Part of Agreement**. The provisions of the Management Plan, as amended from time to time, form part of this Agreement and represent further particulars of the covenants of both parties.

Part 4 Default

- 4.01 **Opportunity to Cure:** If the Province fails to perform any of its obligations under this Agreement, Kitselas may deliver a default notice to the Province. If the default is capable of being cured within 90 days of delivery of the default notice, the Province will promptly commence to cure the default with all due diligence to completion.
- 4.02 **Additional Time:** If the default is not reasonably capable of being cured within 90 days of delivery of the default notice, then the Province will still promptly commence to cure the default with all due diligence to completion, but will be entitled a further period reasonable period beyond the 90 days to cure the default.
- 4.03 **Failure to Cure:** If the Province fails to commence and continue with all due diligence to cure the default, then without relieving the Province of its obligations under this Agreement and without limiting any other right of Kitselas hereunder, Kitselas, after notice to the Province, may undertake the performance of any necessary work in order to cure the default of the Province, and the cost of any such work undertaken by Kitselas shall be borne by the Province. Having commenced such work, Kitselas has no obligation to complete such work.
- 4.04 **Remedies:** All remedies of a party, whether existing under this Agreement or at law, may be exercised at the same time. Any action taken for one default does not prevent any action being taken for any other default.
- 4.05 **No Waiver:** Any failure by Kitselas to exercise its rights with respect to any particular default of the Province will not operate as a waiver of its rights with respect to any subsequent default.

Part 5 Dispute Resolution

- 5.01 Any dispute arising out of or in connection with this Agreement will be resolved as follows:
 - a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
 - b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute and agreed upon by the parties;
 - c) if the dispute is not resolved within 60 days of the notice to mediate under subsection (b), or any further period of time agreed to by the parties, then any party may refer the dispute to a single arbitrator, knowledgeable about the matters in dispute and agreed upon by the parties, for final resolution in accordance with the *Arbitration Act* of British Columbia; and
 - d) if the parties do not commence arbitration within 60 days of the notice to mediate under subsection (b), then any party may refer the matter to a court of competent jurisdiction.
- 5.02 It is not incompatible with this Article for a party to apply to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

Part 6 Notice

6.01 Whenever it is required or permitted that notice or demand be given by any party to the other, the same will be in writing and will be forwarded to the address for that party as set out below:

To the Province:

Ministry of Transportation and Infrastructure

To Kitselas: Kitselas First Nation ADDRESS

or at such other addresses as the parties may specify in accordance with this provision.

- 6.02 If any question arises as to the date on which such notice was communicated to any party, will be deemed to have been given on the earlier of:
 - a) if it was delivered personally, by courier, or by email, on the next business day; or

b) if it was sent by mail, on the sixth day after the notice was mailed.

In the event of postal disruption or an anticipated postal disruption, notices may not be given by mail.

Part 7 General

- 7.01 There are no representations, warranties, terms, conditions, undertakings or collateral agreements, either express or implied, between the parties, other than as expressly set forth in this Agreement, the Management Plan and in the Kitselas Treaty, which together supersede all prior understandings, communications and agreements between the parties with respect to the subject matter hereof and constitute the entire agreement between the Kitselas and the Province regarding the Right of Way.
- 7.02 Nothing in this Agreement will be interpreted or construed to limit or restrict any rights that Kitselas may have as set out under the Kitselas Treaty.
- 7.03 The terms and provisions of this Agreement will extend to, be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 7.04 This agreement will be governed by and construed in accordance with the laws in force from time to time in British Columbia and on Kitselas Lands.

Witness to the signature of an authorized signatory of HIS MAJESTY THE KING in right of the Province of British Columbia as represented by the Minister of

	THE KING in right of the Province of
Witness	British Columbia, as represented by the Minister of
	Date of Signature

Authorized signatory of HIS MAJESTY

Witness to the signature of an authorized signatory of KITSELAS FIRST NATION

Witness	Authorized signatory of KITSELAS FIRST NATION
	Date of Signature

APPENDIX A: Map of Access Right of Way

Map(s) to be provided.

APPENDIX B: Map of Gravel Removal Activity Right of Way

Map(s) to be provided.

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

- **Document 1. Transmission Statutory Right of Way Agreement**
- Document 2. Ancillary Rights Statutory Right of Way Agreement
- Document 3. Right of Way for Electrical Distribution and Telecommunication Works
- **Document 4. PNG Form of Statutory Right of Way**
- **Document 5. Enbridge PTP Statutory Right of Way- Pipeline**

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

Document 1. Transmission Statutory Right of Way Agreement

Note: The Parties will update the Appendices before the Effective Date.

TERMS OF INSTRUMENT – PART 2

TRANSMISSION STATUTORY RIGHT OF WAY AGREEMENT

WHEREAS:

- A. Kitselas, Canada and British Columbia have entered into the Kitselas Treaty;
- B. In accordance with the Kitselas Treaty, the Grantor wishes to provide the grants to Hydro with respect to the Right of Way Area as herein provided; and
- C. The statutory rights of way herein granted are necessary for the operation and maintenance of Hydro's undertaking.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto covenant and agree as follows:

1.0 **DEFINITIONS**

- 1.1 The following capitalized terms will have the following meanings, respectively, in this Agreement:
 - (a) "Access Areas" means roads, lanes, trails, bridges and helicopter landing pads on the Right of Way Area from time to time, including:
 - (i) any roads, lanes, trails, bridges and helicopter pads constructed pursuant to paragraph 2.1(i); and
 - (ii) any related surface, ditching, drainage and road bed;
 - (b) "Agreement" means the General Instrument Part 1, the Terms of Instrument Part 2, and all schedules attached to either of them;
 - (c) "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;
 - (d) "Environment" means the components of air and earth and includes, without limitation:
 - (i) air, lands and water;
 - (ii) all layers of the atmosphere;
 - (iii) all organic and inorganic matter and living organisms; and

- (iv) the interacting natural systems that include the components listed in paragraphs (i), (ii) and (iii) above;
- (e) "Fish Bearing Stream" means a body of fresh water, either flowing or still, that is wetted at some or all points of the year that contains or supports fish through some or all parts of their life cycle;
- (f) "Grantor" means the transferor in Item 5 of the General Instrument Part 1;
- (g) "Hydro" means the person named as the transferee in Item 6 of the General Instrument Part 1;
- (h) "Lands" means the land described in Item 2 of the General Instrument Part 1;
- (i) "Kitselas Treaty" means the treaty among the Grantor, Canada, and British Columbia:
- (j) "Right of Way Area" means the area shown in bold on the Plan prepared by

 B.C.L.S. and deposited in the Land Title Office under number ______, a reduced copy of which is attached hereto;
- (k) "Risk or Hazard" means something existing or threatened, including an emergency, that Hydro, acting reasonably, determines could be or could cause:
 - (i) an interference, disturbance or threat to the Works, including the safety and security of the Works;
 - (ii) a disruption of service from the Works to any customer of Hydro; or
 - (iii) a hazard to persons or property in relation to the Works; and
- (l) "Works" means all things and components, using any type of technology from time to time, necessary or convenient for the purposes of distributing and/or transmitting electricity, telecommunications or communications by any method or process whatsoever, including poles, towers, antennae (except for monopole free standing antennae), anchors, guy wires, brackets, cross arms, insulators, foundations, overhead and underground conductors, wires, lines, cables and transformers, underground conduits and pipes, access nodes, cabinets, all ancillary appliances and fittings, reasonably required associated protective installations, and related works such as fencing for safety or security, devices and identifying colours for aircraft warning and utility services for the operation of any of the foregoing.
- 1.2 With respect to any right or obligation on the part of Hydro under this Agreement, any reference to Hydro includes, to the extent reasonably applicable, its employees, representatives, agents, contractors, sub-contractors, invitees, licensees, and those for whom it is responsible in law. For greater certainty, Hydro remains fully liable for all of

its obligations in this Agreement despite the exercise of any such right by such other persons.

2.0 RIGHTS RELATED TO RIGHT OF WAY AREA

- 2.1 The Grantor grants to Hydro, for so long as required, the right over the Right of Way Area to:
 - (a) excavate for, construct, install, erect, bury, string, abandon, replace, extend, upgrade, operate, inspect, alter, maintain, remove and repair the Works on, over, under, or in the Right of Way Area;
 - (b) clear and keep it cleared (including removal or pruning) of any vegetation, including trees;
 - (c) conduct vegetation management, which may include the application of herbicides provided Hydro:
 - (i) obtains the written consent of the Grantor, such consent not to be unreasonably withheld; and
 - (ii) does not conduct any aerial application of herbicides;
 - (d) clear and keep it cleared of all or any part of any obstruction, improvement or thing;
 - (e) ground any structure, installation or thing, by whomsoever owned;
 - (f) enter, work, inspect, pass and re-pass for the purposes of this Agreement, with or without vehicles, equipment, machinery and materials;
 - (g) maintain, repair, rebuild, and replace any Access Areas, to such extent as may reasonably be required by Hydro for the purposes of this Agreement, provided Hydro gives the Grantor written notice before effecting any material change to an Access Area under this paragraph, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible;
 - (h) install, maintain and use gates in any fences that are necessary for access, provided that both the Grantor and Hydro have keys for any lock, or locks are installed in a series to allow for access by both Hydro and the Grantor;
 - (i) construct a new Access Area if there are no suitable or available Access Areas, provided Hydro has proceeded in accordance with the requirements of Article 6.0;
 - (j) undertake works or other appropriate measures to protect the Works from a Risk or Hazard, subject to first providing written notice to the Grantor except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible; and,

(k) generally, do all such other acts or things as may reasonably be necessary or incidental to the exercise of Hydro's rights under this Agreement in connection with any of the foregoing, including investigative studies and related work to ensure compliance with applicable government or regulatory requirements in relation to the rights in this Agreement.

3.0 NON-EXCLUSIVE USE

3.1 This Agreement will not entitle Hydro to exclusive possession of the Right of Way Area, and the Grantor reserves the right to grant other dispositions of any part of the Right of Way Area affected by this Agreement, so long as the grant does not affect or interfere with the exercise of Hydro's rights under this Agreement.

4.0 COVENANTS OF HYDRO

4.1 Hydro will:

- (a) undertake activities permitted under this Agreement having regard to the impact on the Environment, and will take prudent measures to minimize any danger or disruption to the Environment;
- (b) pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged to the account of Hydro which relate to the Works and which Hydro is liable to pay;
- (c) keep the portions of the Right of Way Area used by Hydro under this Agreement in a safe, clean and sanitary condition to the extent the condition relates to the use or occupation of the Right of Way Area by Hydro, and on written notice from the Grantor, make safe, clean, and sanitary any portion of the Right of Way Area that contravenes the provisions of this covenant, provided that Hydro has no obligation to keep any portion of the Right of Way Area suitable for use by anyone except Hydro;
- (d) bury and maintain all underground Works as may be required so as not to unduly interfere with the drainage of the Right of Way Area;
- (e) not bury debris or rubbish of any kind on the Right of Way Area in excavations or backfill, and will remove shoring and similar temporary structures as backfilling proceeds;
- (f) if Hydro unearths or discovers any Artifact or Feature on the Lands, and there is no previously agreed upon mitigation or management plan with Kitselas:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;

- (iii) take reasonable measures to protect the Artifact or Feature; and
- (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;
- (g) not commit any voluntary or permissive waste, spoil or destruction on the Right of Way Area, or do anything thereon that may be or become a nuisance or annoyance to the Grantor, except to the extent required by Hydro, acting reasonably, to exercise its rights under this Agreement;
- (h) provide written notice to the Grantor, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible, prior to:
 - (i) constructing drainage works;
 - (ii) undertaking works to maintain slope stability; or
 - (iii) undertaking work within a Fish Bearing Stream,

within the Right of Way Area, and, subject to its regulatory obligations, will give reasonable consideration to any concerns raised by the Grantor with respect to the proposed work; and

- (i) [NTD: A provision regarding a physical reconfiguration of the existing Works within the Right of Way Area that would result in an increase to the transmission line capacity is the subject of continuing discussion]
- 4.2 The Grantor may, at its expense, at all reasonable times, visually inspect the Right of Way Area and the Works, or carry out tests, surveys and inspections that do not interfere with the Works. If the Grantor requires access to any part of the Right of Way Area that has been fenced off or enclosed by Hydro, the Grantor will notify Hydro, which will provide such safe access as may be reasonably required by the Grantor.

5.0 RELOCATION OF WORKS DUE TO CHANGE

- 5.1 If a change occurs to the Right of Way Area, such as erosion, which for any reason makes the continued use of any portion of the Right of Way Area unsuitable for any of the Works, and such portion of the Right of Way Area cannot practicably be repaired or rebuilt, then Hydro will have the right to relocate those Works to a new location on the Lands, provided:
 - (a) Hydro delivers a work plan to the Grantor identifying the area it is proposing to use for the relocation of the Works and proceeds in accordance with the requirements of Article 6.0;
 - (b) the work plan will take into account any likely material effect of the relocated Works on the Right of Way Area;

- (c) the relocated Works will be subject to the terms and conditions of this Agreement;
- (d) the cost of such relocation will be borne by Hydro; and
- (e) the Grantor gives its approval of the new location after taking into account the cost efficiencies of the location selected by Hydro for the relocated Works, relative to alternative locations.
- 5.2 After any relocation in accordance with Section 5.1, Hydro will obtain an appropriate plan or survey of the relocated Works by a British Columbia Land Surveyor to identify the new Right of Way Area for the purposes of Section 2.1, and will deliver such plan or survey to the Grantor for its review and approval. The parties will execute and deliver a modification of this Agreement in order to duly incorporate the amended plan or survey.

6.0 WORK PLANS

- 6.1 Except in the case of an emergency or imminent Risk or Hazard, Hydro will provide to the Grantor a written work plan before:
 - (a) constructing a new Access Area pursuant to 2.1(i); or
 - (b) undertaking any relocation of any Works pursuant to Article 5.
- 6.2 The Grantor will provide comments in writing to Hydro no more than 60 days after the delivery of a work plan to the Grantor pursuant to Section 6.1. Hydro will make reasonable efforts to accommodate any suggestions or requests made by the Grantor, taking into account potential impacts to fish bearing streams and archaeological or cultural resources, with the goal of reaching agreement on a work plan within 90 days of delivery of a work plan to the Grantor. If no comments are received, Hydro may proceed with the work.
- 6.3 The Grantor will act reasonably in providing comments on a work plan, including taking into consideration the effects and benefits of the proposed work, the cost of the proposed work compared to the cost of alternate solutions, and any risks that may be associated with not undertaking the work. Hydro will act reasonably in responding to the comments.
- 6.4 If the parties are not able to reach agreement on a work plan within 90 days of delivery of a work plan to the Grantor, either party may refer the matter to dispute resolution under Article 14.
- 6.5 In the event of an emergency or imminent Risk or Hazard, Hydro may immediately undertake work and take such steps on the Right of Way Area as are reasonably required in order to protect the Works or persons or property that may be at risk, and in that event Hydro will as soon as reasonably possible notify the Grantor.
- 6.6 Hydro will, upon request, pay compensation to the Grantor for any loss or damage to the affected property resulting from any error, negligence or omission in the implementation of the work plan, on the same basis as Hydro would compensate other parties suffering

comparable loss or damage. If Hydro disputes that it has an obligation to pay compensation or disputes the amount claimed, the dispute may be referred to dispute resolution under Article 14 by any of the parties.

7.0 RELOCATION OF WORKS AT THE REQUEST OF THE GRANTOR

- 7.1 If the Grantor requires a portion of the Right of Way Area for other purposes, then upon written request by the Grantor, Hydro will relocate any Works in the Right of Way Area to a new location on the Kitselas Treaty lands, provided:
 - (a) the new location is, in the reasonable opinion of Hydro, suitable for use for the relocated Works considering engineering feasibility, construction, maintenance and operation, safety, and cost factors;
 - (b) the Grantor gives Hydro reasonable notice to permit proper design, planning and construction of the Works to be relocated;
 - (c) before relocation, the Grantor has paid the reasonable costs and expenses of the relocation, including costs of design, supervision and construction as estimated by Hydro, with appropriate adjustments based on actuals, after the relocation is complete; and
 - (d) the relocated Works will be subject to the terms and conditions of this Agreement.
- 7.2 After any relocation in accordance with Section 7.1, Hydro will obtain an appropriate plan or survey of the relocated Works by a British Columbia Land Surveyor to identify the new Right of Way Area for the purposes of Section 2.1, and will deliver such plan or survey to the Grantor for its review and approval. Following approval by the Grantor, the parties will execute and deliver a modification of this Agreement in order to duly incorporate the amended plan or survey.

8.0 REMOVAL OF WORKS

- 8.1 If Hydro determines that it no longer requires all or a portion of the Right of Way Area, then Hydro will, in respect of such Right of Way Area or portion thereof:
 - (a) provide notice to the Grantor;
 - (b) remove all above ground Works, unless otherwise agreed between the Parties and such other Works as the Parties may agree;
 - (c) fix all damage to the Right of Way Area caused by the removal of the Works within a reasonable period of time, including revegetation with suitable grass seed where reasonably appropriate;
 - (d) leave the Right of Way Area, or portion thereof that is no longer required, as the case may be:

- (i) in a safe, clean and sanitary condition (as it would be maintained by a prudent owner in occupation), to the extent the condition relates to the use or occupation of the Right of Way Area by Hydro; and
- (ii) free from all waste, debris, and things owned or left on the Right of Way Area by Hydro (including trade fixtures, inventory, and other personal property), except as otherwise provided in this section; and
- (e) quit peaceably the Right of Way Area, or portion thereof that is no longer required, as the case may be and, where applicable, amend this Agreement to remove the portion no longer required from the Right of Way Area.
- 8.2 Any Works permitted to remain under subsection 8.1(b) will be absolutely forfeited to and become the property and responsibility of the Grantor. Hydro will remain liable for any environmental damage to the Right of Way Area arising from any other Works that remain on or in the Right of Way Area or portion thereof, except that, if the Grantor uses or authorizes the use of any of such remaining Works for any purpose, Hydro will not be liable for any environmental damage to the Right of Way Area to the extent caused by the Grantor's use or authorized use of the remainingWorks.
- 8.3 This Article will survive the termination of this Agreement.

9.0 COVENANTS OF THE GRANTOR

- 9.1 The Grantor covenants that:
 - (a) Hydro will and may peaceably enjoy and hold its rights under this Agreement without any interruption, disturbance, molestation or hindrance from the Grantor or any other person for whom the Grantor is responsible at law, provided that nothing in this subsection 9.1(a) will limit the Grantor's right of inspection in Section 4.2;
 - (b) if the Grantor attempts to enforce against Hydro any by-law, law, regulation, standard or requirement in relation to the Works, or in relation to their respective rights or obligations under this Agreement, that frustrates, or creates an unreasonable delay, condition, limit or impairment of Hydro's authorized use of the Right of Way Area, then the Grantor will indemnify and hold harmless Hydro or TELUS, as the case may be, from and against any resulting additional costs. This indemnity is personal to the original Grantor and not binding on any subsequent owner of the Lands or part thereof, so that the Grantor will be bound by this indemnity notwithstanding any transfer of the Lands or part thereof.
 - (c) the Grantor will not permit or make, place, erect, operate, use or maintain any building, structure, foundation, pavement, excavation, well, fill, pile of material, obstruction, equipment, thing or inflammable substance, or plant any vegetation upon the Right of Way Area, if any such action or thing, in the reasonable opinion of Hydro:

- (i) may interfere with or endanger the Works or any part thereof or the installation, operation, maintenance, removal or replacement of the Works or any part thereof;
- (ii) may obstruct access to the Works or any part thereof by those authorized by Hydro; or
- (iii) may by its operation, use, maintenance, or existence create or increase any Risk or Hazard;
- (d) the Grantor will not diminish or increase the ground elevation in the Right of Way Area by any method, including piling any material or creating any excavation, drain, or ditch in the Right of Way Area, unless permission in writing from Hydro has first been received;
- (e) the Grantor will not carry out blasting or aerial logging operations on or near the Right of Way Area without prior written permission from Hydro, not to be unreasonably withheld;
- (f) the Grantor will not use or authorize the use of the portions of the Right of Way Area for the regular, or organized parking of vehicles without the prior written permission from Hydro, not to be unreasonably withheld, provided that nothing in this subsection is intended to prevent safe temporary parking of vehicles;
- (g) the Grantor will not park, or authorize to be parked on the Right of Way Area any vehicle or equipment if the parking of such vehicle does not comply with the requirements of the Canadian Standards Association's Canadian Electrical Code, as may be amended from time to time;
- (h) the Grantor will not use, or authorize the use of the Right of Way Area for fuelling any vehicle or equipment;
- (i) the Grantor will not do or authorize any act or thing that injures or endangers the Works;
- (j) the Grantor will not use or authorize the use of the Right of Way Area for any purpose that would create a Risk or Hazard or would interfere with Hydro's exercise of rights under this Agreement;
- (k) the Grantor will not close an Access Area, or portion thereof, without the consent of Hydro, not to be unreasonably withheld; and
- (l) subject to Section 4.1(b) and except as specifically provided for in this Agreement, the Grantor will not assess any fee, charge, toll, levy or expense on or in connection with the rights herein granted.

10.0 COMPENSATION FOR DAMAGE

- 10.1 If, contrary to the terms of this Agreement, Hydro or its contractors, damage any structures, buildings, fixtures, improvements, chattels, crops, merchantable timber, livestock, drains, ditches, culverts, fences, or Access Areas, and such damage or contamination is not caused as a result of the Grantor's breach of the terms of this Agreement or the negligence or wilful act of the Grantor or its contractors, agents or permittees or those for whom it is responsible in law, then Hydro will, within a reasonable period of time:
 - (a) repair in a good and workman-like manner any damaged structure, building or improvement, as closely as is practicable to its condition immediately prior to the damage but will otherwise have no liability or responsibility for any maintenance or repair of Access Areas;
 - (b) remediate any other kind of damage or contamination; or
 - (c) where it is not practical to repair or remediate, compensate the Grantor, or if appropriate, a person in the affected area who suffers any loss as a result of the damage or contamination, to the extent that such damage or contamination was caused by Hydro.
- 10.2 Compensation paid to the Grantor for merchantable timber pursuant to section 10.1 will be calculated in accordance with generally accepted principles of timber valuation and on payment, ownership of any timber cut on the Lands under this Agreement will vest in Hydro. At the Grantor's request, the Grantor may retain ownership of any merchantable timber cut on the Lands instead of receiving compensation for the timber.

11.0 OBLIGATION RESPECTING THIRD PARTY CLAIMS

- 11.1 On written notice and unless prohibited by provincial legislation or its tariff, Hydro will indemnify the Grantor from and against all claims, demands, actions, suits or other legal proceedings brought against the Grantor by any third party by reason of or arising out of:
 - (a) any breach, violation or non-performance by Hydro of its covenants, conditions or obligations under this Agreement; or
 - (b) any negligent act or omission on the part of Hydro in relation to its Works,

but only to the extent such matter is found to be the responsibility of Hydro and was not contributed to by:

- (i) the negligence of; or
- (ii) the breach, violation, or non-performance of this Agreement

by, the Grantor or those for whom the Grantor is responsible at law, and not for any matters based on nuisance or the rule in *Rylands v. Fletcher*, unless Hydro was negligent.

12.0 DEFAULTS AND END OF AGREEMENT

- 12.1 The rights granted under this Agreement are for so long as required and will terminate, without compensation to Hydro, when Hydro no longer requires the Right of Way Area for its undertaking and Hydro gives 90 days written notice of termination to the Grantor.
- 12.2 If Hydro fails to perform any of its obligations under this Agreement, the Grantor may deliver a default notice to Hydro. If the default is capable of being cured within 90 days of delivery of the default notice, Hydro will promptly commence to cure the default with all due diligence to completion.
- 12.3 If the default is not reasonably capable of being cured within 90 days of delivery of the default notice, then Hydro will still promptly commence to cure the default with all due diligence to completion. Hydro will, in this case, request the Grantor to approve a further period beyond the 90 days to cure the default.
- 12.4 If Hydro fails to commence and continue with all due diligence to cure the default, then without relieving Hydro of its obligations under this Agreement and without limiting any other right of the Grantor hereunder, the Grantor, after notice to Hydro, may undertake the performance of any necessary work in order to cure the default of Hydro, and the cost of any such work undertaken by the Grantor shall be borne by Hydro. Having commenced such work, the Grantor has no obligation to complete such work.
- 12.5 All remedies of a party, whether existing under this Agreement or at law, may be exercised at the same time. Any action taken for one default does not prevent any action being taken for any other default.
- 12.6 The Grantor has no right to terminate this Agreement for default.

13.0 ACCESS TO THE RIGHT OF WAY AREA AFTER AGREEMENT ENDS

- 13.1 Hydro is entitled to access the Right of Way Area after this Agreement ends at reasonable times and on such reasonable conditions as may be specified by the Grantor, and only to perform any of its obligations that survive the ending of this Agreement.
- 13.2 This Article survives the ending of this Agreement.

14.0 DISPUTE RESOLUTION

- 14.1 Any dispute arising out of or in connection with this Agreement will be resolved as follows:
 - (a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
 - (b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute and agreed upon by the parties;

- (c) if the dispute is not resolved within 60 days of the notice to mediate under subsection (b), or any further period of time agreed to by the parties, then any party may refer the dispute to a single arbitrator, knowledgeable about the matters in dispute and agreed upon by the parties, for final resolution in accordance with the *Arbitration Act* of British Columbia; and
- (d) if the parties do not commence arbitration within 60 days of the notice to mediate under subsection (b), then any party may refer the matter to a court of competent jurisdiction.
- 14.2 It is not incompatible with this Article for a party to apply to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

15.0 RUNS WITH THE LAND

- 15.1 Subject to Section 15.2, this Agreement runs with and binds the Right of Way Area to the extent necessary to give full force and effect to this Agreement.
- 15.2 The parties acknowledge that the covenant in subsection 9.1(b) relates to the powers of Kitselas as a government. If Kitselas transfers all or any portion of the Right of Way Area:
 - (a) it will continue to be bound directly to Hydro in respect of those covenants that involve its governmental powers, notwithstanding the transfer; and
 - (b) the transferee will have no liability in respect of those covenants that can only be exercised by Kitselas as a government.
- 15.3 Hydro will be entitled to enforce the covenant described in Section 15.2 directly against Kitselas without additional consideration and without an amendment to this Agreement.

16.0 NOTICE

- 16.1 Whenever it is required or permitted that notice or demand be given by any party to the other, the same will be in writing and will be forwarded to the address for that party in the General Instrument Part 1, or to a current email or other electronic address used for such purposes and notified by that party to the other party.
- 16.2 If any question arises as to the date on which such notice was communicated to any party, it will be deemed to have been given on the earlier of:
 - (a) if it was delivered personally, by courier, or by email, on the next business day; or
 - (b) if it was sent by mail, on the sixth day after the notice was mailed.

In the event of postal disruption or an anticipated postal disruption, notices may not be given by mail.

16.3 A party may change their address, and specify an email address by which they may be notified, by giving notice to the other parties in accordance with this provision.

17.0 GENERAL

- 17.1 A breach of any term, condition, covenant or other provision of this Agreement may only be waived in writing, and any waiver will not be construed as a waiver of any subsequent breach. Consent to or approval of any act, where consent or approval is required under this Agreement, will not be construed as consent to or approval of any subsequent act. Wherever consent or permission is required under this Agreement, such consent or permission will not be unreasonably delayed, conditioned or withheld.
- 17.2 No remedy set out in this Agreement is exclusive of any other remedy provided by law, but will be in addition to any other remedy existing at law, in equity, or by statute.
- 17.3 The terms and provisions of this Agreement will extend to, be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 17.4 From and after the date of this Agreement, Hydro will not licence or authorize a third party to attach its works to the Works on the Right of Way Area unless the third party has first obtained consent from the Grantor for such attachment and provided a copy of such consent to Hydro.
- 17.5 For greater certainty, a licence granted by Hydro pursuant to section 17.4 will not grant the licensee the right to use or occupy the Right of Way Area, and the third party will be solely responsible for obtaining its own tenure to the Right of Way Area. Hydro will make reasonable efforts to work with the Grantor to address any third party whose works are attached to the Works without the Grantor's permission, but Hydro will have no obligation to remove the works of any third party who has attached its works to the Works, either before or after the date of this Agreement:
 - (a) without the required consent from the Grantor; or
 - (b) whose consent has expired or been revoked.
- 17.6 The Grantor may appoint a delegate to provide Hydro with all commentary, authorizations and approvals required pursuant to this Agreement.
- 17.7 Except where this Agreement expressly provides otherwise, nothing in this Agreement will be interpreted or construed to limit or restrict any rights or obligations that Hydro may have under applicable laws.
- 17.8 Nothing in this Agreement will be interpreted or construed to limit or restrict any rights that Hydro, as a Public Utility, may have as set out under the Kitselas Treaty.
- 17.9 Except as hereinafter specifically provided Hydro retains ownership for all existing Works and Works that it constructs, places or installs on the Right of Way Area, including any underground Works. The Works shall not form part of the freehold

regardless of the degree to which they are affixed or attached to the Right of Way Area, and regardless of any damage that may be caused by their removal. Notwithstanding the foregoing, title will pass to the Grantor for Works that:

- (a) Hydro has abandoned with the consent of the Grantor pursuant to section 8.1; or
- (b) Hydro has forfeited to the Grantor pursuant to section 8.2.
- 17.10 There are no representations, warranties, terms, conditions, undertakings or collateral agreements, either express or implied, between the parties, other than as expressly set forth in this Agreement and in the Kitselas Treaty, which together supersede all prior understandings, communications and agreements between the parties with respect to the subject matter hereof.
- 17.11 This Agreement may not be modified or amended, nor any provision waived, discharged or terminated, except by an instrument in writing signed by the parties.
- 17.12 The parties agree that Hydro will only pay compensation for interference with or damage to the Lands pursuant to this Agreement as provided under section 6.6 and Article 10.0.

18.0 INTERPRETATION

18.1 In this Agreement:

- (a) capitalized terms in this Agreement have the meanings given in Article 1 (Definitions);
- (b) all attached schedules form an integral part of this Agreement, including any schedule attached to the General Instrument Part 1;
- (c) the headings are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of this Agreement;
- (d) a reference to "party" or "parties" in this Agreement is a reference to the Grantor or Hydro, or both, as the context requires;
- (e) the words "include", "includes", and "including", are to be read as if they are followed by the phrase "without limitation";
- (f) if any provision is determined by a court or arbitrator of competent jurisdiction to be illegal or unenforceable, that provision will be considered separate and severable, and the legality or enforceability of the remaining provisions will not be affected by that determination;
- (g) unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender, body politic and a corporation;

- (h) any reference to a statute means that statute and any regulations made under it, all as amended or replaced from time to time; and
- (i) any reference to an Article, Section, subsection, paragraph or subparagraph means the appropriate part of this Agreement, which for ease of reference is illustrated as follows:
 - 1.00 Article;
 - 1.1 Section;
 - (a) subsection;
 - (i) paragraph; and
 - (A) subparagraph.

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

Document 2. Ancillary Rights Statutory Right of Way Agreement

Note: The Parties will update the Appendices before the Effective Date.

TERMS OF INSTRUMENT - PART 2

ANCILLARY RIGHTS STATUTORY RIGHT OF WAY AGREEMENT

WHEREAS:

- A. Kitselas, Canada and British Columbia have entered into the Kitselas Treaty;
- B. In accordance with the Kitselas Treaty, the Grantor wishes to provide the grants to Hydro with respect to the Lands as herein provided; and
- C. The statutory rights of way herein granted are necessary for the operation and maintenance of Hydro's undertaking.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the promises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto covenant and agree as follows:

1.0 **DEFINITIONS**

- 1.1 The following capitalized terms will have the following meanings, respectively, in this Agreement:
 - (a) "Access Areas" means roads, lanes, trails, bridges and helicopter landing pads on the Lands from time to time, including:
 - (i) any roads, lanes, trails, bridges and helicopter pads constructed pursuant to paragraph 2.1(e); and
 - (ii) any related surface, ditching, drainage and road bed;
 - (b) "Agreement" means the General Instrument Part 1, the Terms of Instrument Part 2, and all schedules attached to either of them:
 - (c) "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;
 - (d) "Effective Date" has the meaning set out in the Kitselas Treaty;
 - (e) "Environment" means the components of air and earth and includes: without limitation
 - (i) air, lands and water;
 - (ii) all layers of the atmosphere;
 - (iii) all organic and inorganic matter and living organisms; and

- (iv) the interacting natural systems that include the components listed in paragraphs (i), (ii) and (iii) above;
- (f) "Fish Bearing Stream" means a body of fresh water, either flowing or still, that is wetted at some or all points of the year that contains or supports fish through some or all parts of their life cycle;
- (g) "Grantor" means the transferor in Item 5 of the General Instrument Part 1;
- (h) "Hydro" means the person named as the transferee in Item 6 of the General Instrument Part 1;
- (i) "Lands" means the land described in Item 2 of the General Instrument Part 1; [NTD: Once the parcel boundaries of the treaty lands have been confirmed, Hydro will confirm whether this Agreement is required for each individual parcel, and where the ancillary rights are only required over a portion of the parcel, Hydro will agree to limit the application of these rights to an area shown on a sketch to be attached, which will be agreed upon by Hydro and Kitselas]
- (j) "Kitselas Treaty" means the treaty among the Grantor, Canada, and British Columbia;
- (k) "Risk or Hazard" means something existing or threatened, including an emergency, that Hydro, acting reasonably, determines could be or could cause:
 - (i) an interference, disturbance or threat to the Works, including the safety and security of the Works;
 - (ii) a disruption of service from the Works to any customer of Hydro; or
 - (iii) a hazard to persons or property in relation to the Works; and
- (l) "Works" means all things and components, whether located on the Lands or not, using any type of technology from time to time, necessary or convenient for the purposes of distributing and/or transmitting electricity, telecommunications or communications by any method or process whatsoever, including poles, towers, antennae (except for monopole free standing antennae), anchors, guy wires, brackets, cross arms, insulators, foundations, overhead and underground conductors, wires, lines, cables and transformers, underground conduits and pipes, access nodes, cabinets, all ancillary appliances and fittings, reasonably required associated protective installations, and related works such as fencing for safety or security, devices and identifying colours for aircraft warning and utility services for the operation of any of the foregoing.
- 1.2 With respect to any right or obligation on the part of Hydro under this Agreement, any reference to Hydro includes, to the extent reasonably applicable, its employees, representatives, agents, contractors, sub-contractors, invitees, licensees, and those for

whom it is responsible in law. For greater certainty, Hydro remains fully liable for all of its obligations in this Agreement despite the exercise of any such right by such other persons.

2.0 GRANT OF RIGHT OF WAY

- 2.1 The Grantor grants to Hydro, for so long as required, the right over the Lands to:
 - (a) enter, inspect, pass and repass, with or without vehicles, machinery, material or equipment, of any kind or description, as reasonably required by Hydro;
 - (b) maintain, repair, rebuild, and replace any Access Areas, to such extent as may reasonably be required by Hydro for the purposes of this Agreement, provided Hydro gives the Grantor written notice before effecting any material change to an Access Area under this paragraph, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible;
 - (c) install, maintain and use gates in any fences that are necessary for access, provided that both the Grantor and Hydro have keys for any lock, or locks are installed in a series to allow for access by both Hydro and the Grantor;
 - (d) with prior notice to the Grantor, cut trees and vegetation that poses a Risk or Hazard, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible;
 - (e) if there are no suitable and available Access Areas, construct a new Access Area, provided Hydro has proceeded in accordance with the requirements of Article 5.0, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as reasonably possible and then, if requested by the Grantor, Hydro will make reasonable efforts to restore the affected area to its previous condition and compensate for any remaining damage;
 - (f) undertake works or other appropriate measures, including the removal of any obstruction or structure, to protect the Works from a Risk or Hazard, provided Hydro has proceeded in accordance with the requirements of Article 5.0, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible; and
 - (g) do all things necessary or incidental to the undertakings of Hydro in connection with the above, including investigative studies and related work to ensure compliance with applicable government or regulatory requirements in relation to the rights in this Agreement.
- 2.2 The rights granted under this Agreement are for so long as required and will terminate, without compensation to Hydro, when Hydro no longer requires the rights under this Agreement for its undertaking and Hydro gives 90 days written notice of termination to the Grantor.

3.0 GRANTOR'S COVENANTS

- 3.1 The Grantor covenants with Hydro that:
 - (a) it will not close an Access Area, or portion thereof, unless the Grantor has given Hydro notice of the Grantor's intention to close the Access Area, and
 - (i) Hydro has given notice that it has reasonably satisfactory alternate access to the Works; or
 - (ii) the Grantor has completed construction of another Access Area, at its sole cost and expense, that will provide alternate access to Hydro's Works that is reasonably satisfactory to BC Hydro;
 - (b) if the Grantor attempts to enforce against Hydro any by-law, law, regulation, standard or requirement in relation to the Works, or in relation to their respective rights or obligations under this Agreement, that frustrates, or creates an unreasonable delay, condition, limit or impairment of Hydro's authorized use of the Right of Way Area, then the Grantor will indemnify and hold harmless Hydro or TELUS, as the case may be, from and against any resulting additional costs. This indemnity is personal to the original Grantor and not binding on any subsequent owner of the Lands or part thereof, so that the Grantor will be bound by this indemnity notwithstanding any transfer of the Lands or part thereof;
 - (c) the Grantor will not use or authorize the use of the Lands, including the construction of any improvements, that would create a Risk or Hazard or would interfere with Hydro's exercise of rights under this Agreement; and
 - (d) except as specifically provided for in this Agreement, the Grantor will not assess any fee, charge, toll, levy or expense on or in connection with the rights herein granted.

4.0 HYDRO'S COVENANTS

4.1 Hydro will:

- (a) if, contrary to the terms of this Agreement, Hydro or its contractors, damage any structures, buildings, fixtures, improvements, chattels, crops, merchantable timber, livestock, drains, ditches, culverts, fences, or Access Areas, and such damage or contamination is not caused as a result of the Grantor's breach of the terms of this Agreement or the negligence or wilful act of the Grantor or its contractors, agents or permittees or those for whom it is responsible in law, then Hydro will, within a reasonable period of time:
 - (i) repair in a good and workman-like manner any damaged structure, building or improvement, as closely as is practicable to its condition immediately prior to the damage but will otherwise have no liability or responsibility for any maintenance or repair of Access Areas;

- (ii) remediate any other kind of damage or contamination; or
- (iii) where it is not practical to repair or remediate, compensate the Grantor, or if appropriate, a person in the affected area who suffers any loss as a result of the damage or contamination, to the extent that such damage or contamination was caused by Hydro, provided that compensation paid to the Grantor for merchantable timber pursuant to this sub-section will be calculated in accordance with generally accepted principles of timber valuation and, on payment, ownership of any timber under this Agreement will vest in Hydro and, at the Grantor's request, the Grantor may retain ownership of any merchantable timber cut on the Lands instead of receiving compensation for the timber;
- (b) on written notice and unless prohibited by provincial legislation or its tariff, indemnify the Grantor from and against all claims, demands, actions, suits or other legal proceedings brought against the Grantor by any third party by reason of or arising out of:
 - (i) any breach, violation or non-performance by Hydro of its covenants, conditions or obligations under this Agreement; or
 - (ii) any negligent act or omission on the part of Hydro in relation to its use of the Access Areas,

but only to the extent such matter is found to be the responsibility of Hydro and was not contributed to by the negligence of, or the breach, violation, or non-performance of this Agreement by, the Grantor or those for whom the Grantor is responsible at law, and not for any matters based on nuisance or the rule in *Rylands v. Fletcher*, unless Hydro was negligent.

- (c) undertake activities permitted under this Agreement having regard for the impact on the Environment, and take prudent measures to minimize any danger or disruption to the Environment;
- (d) if Hydro unearths or discovers any Artifact or Feature on the Lands, and there is no previously agreed upon mitigation or management plan with Kitselas:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;
 - (iii) take reasonable measures to protect the Artifact or Feature; and
 - (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;

- (e) keep the portions of the Lands used by Hydro under this Agreement in a safe, clean and sanitary condition to the extent the condition relates to the use or occupation by Hydro of such Lands, provided that Hydro has no obligation to keep any portion of the Lands suitable for use by anyone except Hydro;
- (f) not remove any merchantable timber from the Lands, except in compliance with any applicable laws and with the prior approval of the Grantor; and
- (g) pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged to the account of Hydro which relate to Hydro's use of the Lands and which Hydro is liable to pay;
- (h) notify the Grantor in writing if it no longer requires all or a portion of an Access Area that it has improved pursuant to subsection 2.1(e), and:
 - (i) will meet with the Grantor to discuss decommissioning the road;
 - (ii) the Grantor will have six months after the meeting to notify Hydro in writing that Hydro must decommission the Access Area, in which case Hydro will decommission the Access Area and restore it to a condition as close as reasonably possible to the condition that existing prior to such improvement; and
 - (iii) if Hydro is not required to remove the Access Area, they will have no further liability for its condition, use, maintenance or repair; and
- (i) provide written notice to the Grantor, except in the event of an imminent Risk or Hazard, in which case Hydro will give notice as soon as possible, prior to:
 - (i) constructing drainage works;
 - (ii) undertaking works to maintain slope stability; or
 - (iii) undertaking work within a Fish Bearing Stream,

within the Lands, and, subject to its regulatory obligations, will give reasonable consideration to any concerns raised by the Grantor with respect to the proposed work.

5.0 WORK PLANS

- 5.1 Except in the case of an emergency or imminent Risk or Hazard, Hydro will provide to the Grantor a written work plan before:
 - (a) constructing any Access Areas pursuant to subsection 2.1(e); or
 - (b) undertaking works or other measures to avoid a Risk or Hazard pursuant to subsection 2.1(f).

- 5.2 The Grantor will provide comments in writing to Hydro no more than 60 days after the delivery of a work plan to the Grantor pursuant to Section 5.1. Hydro will make reasonable efforts to accommodate any suggestions or requests made by the Grantor, taking into account the potential loss of productive capacity and the guiding principle that no more land will be used than is reasonably required for the proposed activity, with the goal of reaching agreement on a work plan within 90 days of delivery of a work plan to the Grantor. If no comments are received, Hydro may proceed with the work.
- 5.3 The Grantor will act reasonably in providing comments on a work plan, including taking into consideration the effects and benefits of the proposed work, the cost of the proposed work compared to the cost of alternate solutions, and any risks that may be associated with not undertaking the work, and Hydro will act reasonably in responding to such comments.
- 5.4 If the parties are not able to reach agreement on a work plan within 90 days of delivery of a work plan to the Grantor, either party may refer the matter to dispute resolution under Article 7.
- 5.5 In the event of an emergency or imminent Risk or Hazard, Hydro may immediately undertake work and take such steps on the Lands as are reasonably required in order to protect the Works or persons or property that may be at risk, and in that event Hydro will as soon as reasonably possible notify the Grantor.
- 5.6 Hydro will, upon request, pay compensation to the Grantor for any loss or damage to the affected property resulting from any error, negligence or omission in the implementation of the work plan. If Hydro disputes that it has an obligation to pay compensation or disputes the amount claimed, the dispute may be referred to dispute resolution under Article 7 by any of the parties.

6.0 MUTUAL COVENANTS

- 6.1 The parties mutually promise and agree as follows:
 - (a) this Agreement will run with the Lands and will bind all present and subsequent owners of the Lands;
 - (b) this Agreement will in no way abrogate from or affect any rights, powers or privileges which Hydro may have under any other agreement registered against the title to the Lands or under any federal, provincial or local legislation;
 - (c) no compensation will be payable for any matter for which Hydro has fulfilled its obligations to repair under subsection 4.1(a); and
 - (d) failure to enforce any covenant or restriction contained in this Agreement for a breach or violation of any covenant or right contained in this Agreement will not constitute a waiver, in whole or in part, of any of the injured party's rights or remedies.

7.0 DISPUTE RESOLUTION

- 7.1 Any dispute arising out of or in connection with this Agreement will be resolved as follows:
 - (a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
 - (b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute and agreed upon by the parties;
 - (c) if the dispute is not resolved within 60 days of the notice to mediate under subsection (b), or any further period of time agreed to by the parties, then any party may refer the dispute to a single arbitrator, knowledgeable about the matters in dispute and agreed upon by the parties, for final resolution in accordance with the *Arbitration Act* of British Columbia; and
 - (d) if the parties do not commence arbitration within 60 days of the notice to mediate under subsection (b), then any party may refer the matter to a court of competent jurisdiction.
- 7.2 It is not incompatible with this Article for a party to apply to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

8.0 GENERAL

- 8.1 The expressions "Grantor" and "Hydro" include their respective heirs, executors, administrators, successors and assigns.
- 8.2 If the Grantor is more than one person, every covenant and agreement by the Grantor will be joint and several.
- 8.3 Words in one gender include all genders and words in the singular include the plural.
- 8.4 If any provision of this Agreement is found to be partially or wholly illegal or unenforceable, then that provision or portion thereof will be considered to be separate and severable from this Agreement and the remaining provisions will be unaffected and will remain enforceable to the fullest extent permitted by law as though the illegal or unenforceable provision or portion thereof had never been included in this Agreement.
- 8.5 This Agreement will not entitle Hydro to exclusive possession of the Lands and the Grantor reserves the right to grant other dispositions of any part of the Lands affected by this Agreement, so long as the grant does not materially affect or interfere with the exercise of Hydro's rights under this Agreement.

- 8.6 The parties acknowledge that the covenant in subsection 3.1(b) relate to the powers of Kitselas as a government. If Kitselas transfers all or any portion of the Lands:
 - (a) it will continue to be bound directly to Hydro in respect of those covenants that involve its governmental powers, notwithstanding the transfer; and
 - (b) the transferee will have no liability in respect of those covenants that can only be exercised by Kitselas as a government.
- 8.7 Hydro will be entitled to enforce the covenant described in Section 8.6 directly against Kitselas without additional consideration and without an amendment to this Agreement.
- 8.8 Whenever it is required or permitted that notice or demand be given by any party to the other, the same will be in writing and will be forwarded to the address for that party in the General Instrument Part 1, or to a current email or other electronic address used for such purposes and notified by that party to the other party.
- 8.9 If any question arises as to the date on which such notice was communicated to any party, it will be deemed to have been given on the earlier of:
 - (a) if it was delivered personally, by courier, or by email, on the next business day; or
 - (b) if it was sent by mail, on the sixth day after the notice was mailed.

In the event of postal disruption or an anticipated postal disruption, notices may not be given by mail.

- 8.10 A party may change their address, and specify an email address by which they may be notified, by giving notice to the other parties in accordance with this provision.
- 8.11 A breach of any term, condition, covenant or other provision of this Agreement may only be waived in writing, and any waiver will not be construed as a waiver of any subsequent breach. Consent to or approval of any act, where consent or approval is required under this Agreement, will not be construed as consent to or approval of any subsequent act. Wherever consent or permission is required under this Agreement, such consent or permission will not be unreasonably delayed, conditioned or withheld.
- 8.12 No remedy set out in this Agreement is exclusive of any other remedy provided by law, but will be in addition to any other remedy existing at law, in equity, or by statute.
- 8.13 The terms and provisions of this Agreement will extend to, be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 8.14 The Grantor may appoint a delegate to provide Hydro with all commentary, authorizations and approvals required pursuant to this Agreement.

- 8.15 Except where this Agreement expressly provides otherwise, nothing in this Agreement will be interpreted or construed to limit or restrict any rights or obligations that Hydro may have under applicable laws.
- 8.16 Nothing in this Agreement will be interpreted or construed to limit or restrict any rights that Hydro, as a Public Utility (as defined in the Kitselas Treaty), may have as set out under the Kitselas Treaty.
- 8.17 There are no representations, warranties, terms, conditions, undertakings or collateral agreements, either express or implied, between the parties, other than as expressly set forth in this Agreement and in the Kitselas Treaty, which together supersede all prior understandings, communications and agreements between the parties with respect to the subject matter hereof.
- 8.18 This Agreement may not be modified or amended, nor any provision waived, discharged or terminated, except by an instrument in writing signed by the parties.
- 8.19 The parties agree that Hydro will only pay compensation for interference with or damage to the Lands pursuant to this Agreement as provided under subsections 2.1(e) and 4.1(a) and section 5.6.

9.0 INTERPRETATION

9.1 In this Agreement:

- (a) capitalized terms in this Agreement have the meanings given in Article 1 (Definitions);
- (b) all attached schedules form an integral part of this Agreement, including any schedule attached to the General Instrument Part 1;
- (c) the headings are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of this Agreement;
- (d) a reference to "party" or "parties" in this Agreement is a reference to the Grantor or Hydro, or both, as the context requires;
- (e) the words "include", "includes", and "including", are to be read as if they are followed by the phrase "without limitation";
- (f) if any provision is determined by a court or arbitrator of competent jurisdiction to be illegal or unenforceable, that provision will be considered separate and severable, and the legality or enforceability of the remaining provisions will not be affected by that determination;
- (g) unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender, body politic and a corporation;

- (h) any reference to a statute means that statute and any regulations made under it, all as amended or replaced from time to time; and
- (i) any reference to an Article, Section, subsection, paragraph or subparagraph means the appropriate part of this Agreement, which for ease of reference is illustrated as follows:
 - 1.00 Article;
 - 1.1 Section;
 - (a) subsection;
 - (i) paragraph; and
 - (A) subparagraph.

END OF SET

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

Document 3. Right of Way for Electrical Distribution and Telecommunication Works

Note: The Parties will update the Appendices before the Effective Date.

PART 2

STANDARD CHARGE TERMS

RIGHT OF WAY FOR ELECTRICAL DISTRIBUTION AND TELECOMMUNICATION WORKS

Filed by: British Columbia Hydro and Power Authority

These Filed Terms are deemed to be included in and form part of every Agreement which incorporates these Filed Terms by an election on the General Instrument.

WHEREAS:

- A. Kitselas, Canada and British Columbia have entered into the Kitselas Treaty;
- B. In accordance with the Kitselas Treaty, the Grantor wishes to provide the grants, as herein provided, to each of Hydro and TELUS with respect to the Lands as hereinafter defined; and
- C. The statutory rights of way herein granted are necessary for the operation and maintenance of the respective undertakings of Hydro and TELUS.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto covenant and agree as follows:

1. **DEFINITIONS**

1.1 In this Agreement:

- (a) "Affiliate" will have the meaning ascribed to it in the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended or replaced from time to time and, in the case of TELUS, includes an affiliate (as defined in that Act) of TELUS and any partnership or other unincorporated association in which TELUS or any affiliate (as defined in that Act) of TELUS has a controlling interest;
- (b) "Agreement" means the General Instrument Part 1, the Filed Terms, and all schedules attached to either of them;
- (c) "Artifact or Feature" means any artifact or feature that may have heritage, archaeological, or cultural value, including ancestral remains, burials, and areas containing evidence of past human activity;

- (d) "Effective Date" has the meaning set out in the Kitselas Treaty;
- (e) "Environment" means all the components of the earth including, without limitation, all layers of the atmosphere, air, land (including, without limitation, all underground spaces and cavities and all lands submerged under water), soil, water (including, without limitation, surface and underground water), organic and inorganic matter and living organisms, the interacting natural systems that include the foregoing and all other external conditions or influences under which humans, animals and plants live or develop;
- (f) "Filed Terms" means these filed Standard Charge Terms;
- (g) "Fish Bearing Stream" means a body of fresh water, either flowing or still, that is wetted at some or all points of the year that contains or supports fish through some or all parts of their life cycle;
- (h) "Grantor" means the transferor in Item 5 of the General Instrument Part 1;
- (i) "Hydro" means British Columbia Hydro and Power Authority, the transferee in Item 6 of the General Instrument Part 1;
- (j) "Interested Party" means a person who, in relation to a portion of the Lands to which consent is required under this Agreement:
 - (i) is shown in the records of the Land Title Office as having a right of exclusive possession to such portion of the Lands; or
 - (ii) is identified in a notice in writing by the Grantor to Hydro and TELUS, as appropriate, within ten days of receiving any application from either of them, as a person with the right to give consent as provided under this Agreement in place of the Grantor;
- (k) "Kitselas Treaty" means the treaty ratified by each of Kitselas, Canada and British Columbia;
- (1) "Lands" means the lands described in Item 2 of the General Instrument Part 1; [NTD: Once the parcel boundaries of the treaty lands have been confirmed, Hydro will confirm whether this Agreement is required for each individual parcel]
- (m) "Right of Way Area" has the meaning set out in section 3.1;
- (n) "Risk or Hazard" means something that Hydro or TELUS, acting reasonably, determines is causing or could cause:
 - (i) an interference, disturbance or threat to the Works, including without limitation the safety or security of the Works;

- (ii) a disruption of service from the Works to any customer of Hydro or TELUS; or
- (iii) a hazard to persons or property in relation to the Works;
- (o) "Roads" means any roads, lanes, trails, bridges, or helicopter landing pads, existing from time to time on or through the Lands;
- (p) "TELUS" means TELUS Communications Inc., the transferee in Item 6 of the General Instrument; and
- (q) "Works" means:
 - (i) as it relates to the rights and responsibilities of Hydro, all things and components using any type of technology from time to time necessary or convenient for the purpose of transmitting and distributing electricity, and for the purpose of telecommunications related to the business of Hydro, including: poles, towers, antennae (except for monopole free standing antennae), guy wires, brackets, crossarms, insulators, above ground or underground transformers, submarine cables, equipment shelters including vault boxes, anchors, attachments, lines, access nodes and cables, including underground or fibre optic cables, underground conduits, lines and pipes of every kind, cabinets, all ancillary appliances and fittings, reasonably required associated protective installations and related works such as fencing for safety or security, devices and identifying colours for aircraft warning, and utility services for the operation of any of the foregoing, but does not include transmission towers or any electrical works operated at a voltage of 69 ky or higher; and
 - (ii) as it relates to the rights and responsibilities of TELUS, all things and components, using any type of technology from time to time, necessary or convenient for the purpose of telecommunications, including: poles, towers, guy wires, brackets, crossarms, insulators, transformers, anchors, attachments, lines, access nodes and cables, including fibre optic and electrical cables, in whole or in part and underground conduits, lines and pipes of every kind, underground cables, including fibre optic and electrical cables, together with all ancillary appliances and fittings and above ground or underground equipment shelters, and vault boxes. submarine cables. and wireless telecommunications equipment, including antennas and other associated equipment.
- 1.2 With respect to any right or obligation on the part of Hydro or TELUS under this Agreement, any reference to Hydro or TELUS includes, to the extent reasonably applicable, their respective employees, representatives, agents, contractors, subcontractors, invitees, licensees, and those for whom either or both of them is responsible

in law. For greater certainty, Hydro or TELUS, as the case may be, remains fully liable for all of its obligations in this Agreement despite the exercise of any such right by such other persons.

2. GRANT OF RIGHT OF WAY

- 2.1 The Grantor grants, separately to each of Hydro and TELUS, for so long as required, the uninterrupted right, liberty and right of way, at any time, to:
 - (a) use the Right of Way Area as follows:
 - (i) excavate for, construct, install, erect, bury, abandon, replace, extend, upgrade, operate, inspect, maintain, alter, remove and repair the Works on, over, in, under, across and through the Right of Way Area;
 - (ii) clear and keep the Right of Way Area cleared of all or any part of any obstruction, improvement or other matter, because of a Risk or Hazard;
 - (iii) clear and keep the Right of Way Area cleared (including pruning or removal) of any vegetation, including trees;
 - (iv) conduct vegetation management, which may include the application of herbicides, provided Hydro or TELUS, as the case may be:
 - (A) obtains the consent of the Grantor, such consent not to be unreasonably withheld; and
 - (B) does not conduct any aerial application of herbicides on the Lands;
 - (v) install, maintain and use gates in any fences on the Right of Way Area from time to time, provided that the Grantor has keys for any locks to allow for access by the Grantor; and
 - (vi) ground any structure, installation or thing, by whomsoever owned, situated anywhere on the Right of Way Area, because of a Risk or Hazard;
 - (b) use the Lands as follows:
 - (i) enter, pass and repass for the purposes of this Agreement, with or without vehicles, equipment, machinery or materials;
 - (ii) maintain, repair, rebuild, and replace any Roads, to such extent as may reasonably be required by Hydro or TELUS in relation to this Agreement;
 - (iii) if there are no suitable and available Roads, construct a new road, lane,

trail, bridge, or helicopter landing pad, provided Hydro or TELUS, as the case may be, have proceeded in accordance with the requirements of Article 6;

- (iv) with prior notice to the Grantor, cut trees or growth outside the Right of Way Area, because of a Risk or Hazard, except in the event of an imminent Risk or Hazard, in which case notice will be given as soon as possible;
- (v) ground any structure, installation or thing, by whomsoever owned, because of a Risk or Hazard;
- (vi) undertake works or take steps to protect any Works located within the Lands, or to protect persons or property that may be at risk from such Works, provided Hydro or TELUS, as the case may be, have proceeded in accordance with the requirements of Article 6; and
- (vii) Hydro may, acting reasonably, enter onto the Lands to determine electrical consumption, without notice to or prior approval from the Grantor; and
- (c) generally, do all such other acts or things as may reasonably be necessary or incidental to the exercise of rights by Hydro or TELUS under this Agreement, or because of a Risk or Hazard, including investigative studies and related work to ensure compliance with the applicable government or regulatory requirements in relation to the rights in this Agreement.

3. RIGHT OF WAY AREA

- 3.1 The Right of Way Area includes:
 - (a) all those portions of the Lands six (6) metres on either side of the centre alignment of:
 - (i) any Works existing as of the date of this Agreement;
 - (ii) any additional Works constructed after the date of this Agreement adjacent to, under, along the sides of or across any Roads; and
 - (iii) any additional Works that provide service to any Lands adjacent to any Roads;
 - (b) any of the Lands as may from time to time be consented to in writing by the Grantor, or by any delegate appointed by the Grantor; and
 - (c) any other portion of the Lands as may from time to time be consented to in

writing by an Interested Party.

- 3.2 Before extending any pole line or constructing any new underground equipment shelters or conduits pursuant to paragraph 3.1(a)(ii), Hydro or TELUS, as the case may be, must provide reasonable notice to the Grantor of the proposed location of such Works and must give reasonable consideration, subject to their respective regulatory obligations, to any request by the Grantor to modify the proposed location.
- 3.3 Prior to the date of this Agreement, Hydro and TELUS will provide a sketch showing the approximate location of the Works as of the date of the sketch. Hydro and TELUS will provide the Grantor on request with an updated sketch of the Works, if the Works have been extended in the previous calendar year. All of the terms and conditions of this Agreement will apply to the new Works and the related area of the Lands.

4. NON-EXCLUSIVE USE

4.1 This Agreement will not entitle Hydro or TELUS to exclusive possession of the Right of Way Area or any other part of the Lands and the Grantor reserves the right to grant other dispositions of any part of the Lands affected by this Agreement, so long as the grant does not materially affect or interfere with the exercise of Hydro's or TELUS's rights under this Agreement.

5. COVENANTS OF HYDRO AND TELUS

- 5.1 Hydro and TELUS each covenant separately with the Grantor to:
 - (a) pay and discharge when due all applicable taxes, levies, charges and assessments from time to time lawfully assessed, levied or charged to the account of Hydro or TELUS, as the case may be, which relate to the Works or the Right of Way Area and which Hydro or TELUS is liable to pay;
 - (b) keep the portions of the Lands used by Hydro or TELUS under this Agreement in a safe, clean and sanitary condition to the extent the condition relates to the use or occupation by Hydro or TELUS of such Lands, provided that Hydro and TELUS have no obligation to keep any portion of the Lands suitable for use by anyone except Hydro and TELUS;
 - (c) bury and maintain all underground Works as may be required so as not to unduly interfere with the drainage of the Lands;
 - (d) undertake activities permitted under this Agreement having regard for the impact on the Environment and take prudent measures to minimize any danger or disruption to the Environment;

- (e) if Hydro or TELUS unearths or discovers any Artifact or Feature on the Lands, and there is no previously agreed upon mitigation or management plan with Kitselas:
 - (i) promptly notify Kitselas;
 - (ii) immediately cease any further activity that could affect the Artifact or Feature;
 - (iii) take reasonable measures to protect the Artifact or Feature; and
 - (iv) comply with the direction of a lawful authority in relation to the handling of the Artifact or Feature, which may include compliance with a Kitselas' cultural heritage policy;
- (f) not remove any merchantable timber from the Lands, except in compliance with any applicable laws and with the prior approval of the Grantor;
- (g) not bury debris or rubbish of any kind on the Lands in excavations or backfill, and will remove shoring and similar temporary structures as backfilling proceeds;
- (h) not commit any voluntary or permissive waste, spoil or destruction on the Right of Way Area, or do or suffer to be done thereon anything that may be or become a nuisance to the Grantor, except to the extent required by Hydro or TELUS, acting reasonably, to exercise the rights granted under this Agreement; and
- (i) provide written notice to the Grantor, except in the event of an imminent Risk or Hazard, in which case Hydro or TELUS, as the case may be, will give notice as soon as possible, prior to:
 - (i) constructing drainage works;
 - (ii) undertaking works to maintain slope stability; or
 - (iii) undertaking work within a Fish Bearing Stream,

within the Lands, and, subject to its regulatory obligations, will give reasonable consideration to any concerns raised by the Grantor with respect to the proposed work.

6. WORK PLANS

- Except in the case of an emergency or imminent Risk or Hazard, Hydro or TELUS, as the case may be, will provide to the Grantor a written work plan before:
 - (a) constructing a new Road pursuant to paragraph 2.1(b)(iii); or
 - (b) undertaking any works pursuant to paragraph 2.1(b)(vi).

- 6.2 The Grantor will provide comments in writing to Hydro or TELUS, as appropriate, no more than 60 days after delivery of a work plan to the Grantor pursuant to section 6.1. Hydro or TELUS will make reasonable efforts to accommodate any suggestions or requests made by the Grantor with the goal of reaching agreement on a work plan within 90 days of delivery of a work plan to the Grantor. If no comments are received, Hydro or TELUS, as appropriate, may proceed with the work.
- 6.3 The Grantor will act reasonably in providing comments on a work plan, including taking into consideration the effects and benefits of the proposed work, the cost of the proposed work compared to the cost of alternate solutions, and any risks that may be associated with not undertaking the work.
- 6.4 If the parties are not able to reach agreement on a work plan within 90 days of delivery of a work plan to the Grantor, either party may refer the matter to dispute resolution under Article 16.
- 6.5 In the event of an emergency or imminent Risk or Hazard, Hydro and TELUS may immediately undertake work and take such steps on the Lands as are reasonably required in order to protect the Works or persons or property that may be at risk, and in that event Hydro or TELUS will as soon as reasonably possible notify the Grantor.
- 6.6 Hydro or TELUS will, upon request, pay compensation to the Grantor for any loss or damage to the affected property resulting from any error, negligence or omission in the implementation of a work plan, on the same basis as Hydro or TELUS would compensate other parties suffering comparable loss or damage. If Hydro or TELUS disputes that it has an obligation to pay compensation, or disputes the amount claimed, the dispute may be referred to dispute resolution under Article 16 by any of the parties.

7. RELOCATION OF HYDRO WORKS AT THE REQUEST OF THE GRANTOR

- 7.1 If the Grantor requires a portion of the Right of Way Area for other purposes, then upon written request by the Grantor, Hydro will relocate any Works in the Right of Way Area to a new location on the Lands, provided:
 - (a) the new location is, in the reasonable opinion of Hydro, suitable for use for the relocated Works considering construction, maintenance and operation, safety, and cost factors;
 - (b) the Grantor gives Hydro reasonable notice to permit proper design, planning and construction of the Works to be relocated;
 - (c) before any relocation, the Grantor has paid the reasonable costs and expenses of the relocation, including costs of design, supervision and construction as estimated by Hydro, with appropriate adjustments based on actuals, after the relocation is complete; and
 - (d) the relocated Hydro Works will be subject to the terms and conditions of this Agreement.

8. RELOCATION OF TELUS WORKS AT THE REQUEST OF THE GRANTOR

- 8.1 If the Grantor requires a portion of the Right of Way Area for other purposes, then upon written request by the Grantor, TELUS will relocate any Works in the Right of Way Area to a new location on the Lands, provided:
 - (a) the new location is, in the reasonable opinion of TELUS, suitable for use for the relocated Works considering construction, maintenance and operation, and cost factors;
 - (b) the Grantor gives TELUS reasonable notice to permit proper design, planning and construction of the Works to be relocated;
 - (c) before any relocation, the Grantor has paid the reasonable costs and expenses of the relocation as estimated by TELUS, including costs of design, supervision and construction with appropriate adjustments to be made, based on actuals, after the relocation is complete; and
 - (d) the relocated TELUS Works will be subject to the terms and conditions of this Agreement.

9. RESTORATION

- 9.1 When all or any portion of the Right of Way Area is no longer required for the Works, Hydro or TELUS, as the case may be, will restore the ground surface of the affected portion of the Right of Way Area, as near as reasonably practicable to its condition prior to the installation of the Works, including:
 - (a) the removal of any above ground Works, underground transformers and, at the request of the Grantor, any cables located within underground ducts in such portion of the Right of Way Area; and
 - (b) revegetation with suitable grass seed where reasonably appropriate.
- 9.2 This Article will survive the expiration or any termination of this Agreement.

10. REMOVAL OF WORKS

- 10.1 If Hydro or TELUS determine that certain of their respective Works are no longer required under this Agreement, either may, with the consent of the Grantor, abandon such Works and, on a date specified in the consent, all of their right, title, benefit and interest in such Works will be deemed to have been transferred to the Grantor. If the consent of the Grantor is not obtained within six months after the date of the expiration of this Agreement, Hydro or TELUS, as the case may be, will remove the above ground Works, underground transformers and, at the request of the Grantor, any cables located within underground ducts, as soon as reasonably possible in the circumstances.
- 10.2 The Grantor may request that Hydro or TELUS, as the case may be, remove Works no

- longer required under this Agreement, in accordance with section 10.1. If Hydro or TELUS dispute the removal of the Works, then any party may submit the dispute to the dispute resolution process in article 16 of this Agreement.
- 10.3 Hydro and TELUS will notify the Grantor in writing if they no longer require any new Road constructed pursuant to paragraph 2.1(b)(iii) and will meet with the Grantor to discuss decommissioning of the Road. The Grantor will have six months after the meeting to notify Hydro and TELUS in writing that Hydro and TELUS must decommission the Road, in which case Hydro and TELUS will decommission the Road. If Hydro and TELUS are not required to remove a Road they will have no further liability for its condition, use, maintenance or repair.
- 10.4 Hydro will remain liable for any environmental damage to the Lands arising from any of its below ground Works that remain on or in the Right of Way Area after the expiration of this Agreement, unless the Grantor uses or authorizes the use of the remaining below ground Works for any purpose, then Hydro will not be liable for any environmental damage caused by such use or authorized use.
- 10.5 TELUS will remain liable for any environmental damage to the Lands arising from any of its below ground Works that remain on or in the Right of Way Area after the expiration of this Agreement, unless the Grantor uses or authorizes the use of the remaining below ground Works for any purpose, then TELUS will not be liable for any environmental damage caused by the Grantor's use or authorized use.
- 10.6 This Article will survive the expiration or any termination of this Agreement.

11. COVENANTS OF THE GRANTOR

- 11.1 The Grantor covenants that Hydro and TELUS will and may peaceably enjoy and hold their respective rights under this Agreement without interruption, disturbance, molestation or hindrance whatsoever from the Grantor or any person for whom the Grantor is responsible at law, provided that nothing in this section 11.1 will limit the Grantor's right of inspection pursuant to section 15.1.
- 11.2 If the Grantor attempts to enforce against Hydro or TELUS any by-law, law, regulation, standard or requirement in relation to the Works, or in relation to their respective rights or obligations under this Agreement, that frustrates, or creates an unreasonable delay, condition, limit or impairment of Hydro or TELUS's authorized use of the Right of Way Area, then the Grantor will indemnify and hold harmless Hydro or TELUS, as the case may be, from and against any resulting additional costs. This indemnity is personal to the original Grantor and not binding on any subsequent owner of the Lands or part thereof, so that the Grantor will be bound by this indemnity notwithstanding any transfer of the Lands or part thereof.
- 11.3 If the Grantor requires TELUS to pay any taxes, levies, charges or assessments with respect to the Right of Way Area, their respective Works, or other property of either of them, that are unreasonably in excess of what TELUS would have been required to pay if the said taxes, levies, charges or assessments had been reasonably comparable to those

generally applicable in other jurisdictions in British Columbia, then the Grantor will indemnify and save harmless TELUS from and against such additional cost. This indemnity is personal to the original Grantor and not binding on any subsequent owner of the Lands or part thereof, so that the Grantor will be bound by this indemnity notwithstanding any transfer of the Lands or part thereof. Any dispute as to whether the costs exceed those generally applicable in other comparable jurisdictions, or the extent of those excess costs, may be referred to the dispute resolution process in Article 16.

- 11.4 Without limitation to Hydro's or TELUS's statutory and regulatory authorities, the Grantor will not, directly or indirectly, without the prior written permission, not to be unreasonably withheld, of Hydro or TELUS, as the case may be:
 - (a) make, place, erect, operate, use or maintain any building, structure, foundation, pavement, excavation, well, fill, pile of material, obstruction, equipment, thing or inflammable substance, or plant any growth upon the Right of Way Area, if any such action or thing, in the reasonable opinion of Hydro or TELUS:
 - (i) may interfere with or endanger the Works or any part thereof or the installation, operation, maintenance, removal or replacement of the Works or any part thereof;
 - (ii) may obstruct access to the Works or any part thereof by those authorized by Hydro or TELUS; or
 - (iii) may by its operation, use, maintenance or existence on the Right of Way Area create or increase any Risk or Hazard;
 - (b) authorize or carry out blasting or aerial logging operations on or near any portion of the Right of Way Area; or
 - (c) diminish or increase, or authorize anyone to diminish or increase, the ground elevation in the Right of Way Area by any method, including piling any material or creating any excavation, drain, or ditch in the Right of Way Area.

12. COMPENSATION FOR DAMAGE

- 12.1 If, contrary to the terms of this Agreement, Hydro or TELUS damage any structures, buildings, fixtures, improvements, or chattels, or damage any crops, merchantable timber, livestock, drains, ditches, culverts, fences, or Roads on the Lands, or contaminate the Lands in the exercise of its vegetation management rights pursuant to section 2.1, and such damage is not caused by the Grantor's breach of this Agreement or the negligence or wilful act of the Grantor or its contractors, agents or permittees, or those for whom it is responsible in law, then Hydro or TELUS, as the case may be, will, within a reasonable period of time:
 - (a) repair in a good and workman-like manner any damaged structure, building or improvement, as closely as is practicable to its condition immediately prior to the damage, but will otherwise have no liability or responsibility for any

maintenance or repair of Roads;

- (b) remediate any other kind of damage or contamination; or,
- (c) where it is not practical to repair or remediate, compensate the Grantor, or if appropriate, a person in the affected area who suffers any loss as a result of the damage or contamination, to the extent that such damage or contamination was caused by Hydro or TELUS.
- 12.2 Compensation paid to the Grantor for merchantable timber pursuant to section 12.1 will be calculated in accordance with generally accepted principles of timber valuation and on payment, ownership of any timber cut on the Lands under this Agreement will vest in Hydro or TELUS, as the case may be. At the Grantor's request, the Grantor may retain ownership of any merchantable timber cut on the Lands instead of receiving compensation for the timber.

13. OBLIGATION RESPECTING THIRD PARTY CLAIMS

- 13.1 On written notice and unless prohibited by provincial legislation or its tariff, Hydro will at all times save harmless and indemnify and keep indemnified the Grantor from and against all claims, demands, actions, suits or other legal proceedings brought against the Grantor by any third party by reason of or arising out of:
 - (a) any breach, violation or non-performance by Hydro of any of Hydro's covenants, conditions or obligations under this Agreement; or
 - (b) any negligent act or omission on the part of Hydro in relation to its Works, including:
 - (i) the construction, maintenance, operation or decommissioning of its Works; and
 - (ii) the exercise of its vegetation management rights pursuant to section 2.1,

but only to the extent that any such matter was found to be the responsibility of Hydro and was not contributed to by the negligence, breach, violation or non-performance of the Grantor, and not for any matters based on nuisance or the rule in *Rylands v. Fletcher*, unless Hydro was negligent.

- 13.2 On written notice and unless prohibited by legislation, TELUS will at all times save harmless and indemnify and keep indemnified the Grantor from and against all claims, demands, actions, suits or other legal proceedings by whomsoever made or brought against the Grantor by reason of or arising out of:
 - (a) any breach, violation or non-performance by TELUS of any of TELUS's covenants, conditions or obligations under this Agreement; or
 - (b) any negligent act or omission on the part of TELUS in respect of or in relation to

its Works, including:

- (i) the construction, maintenance, operation or decommissioning of its Works; and
- (ii) the exercise of its vegetation management rights pursuant to section 2.1,

but only to the extent that any such matter was found to be the responsibility of TELUS and was not contributed to by the negligence, breach, violation or non-performance of the Grantor.

14. FENCING

14.1 With the exception of transformer stations and equipment shelters, Hydro and TELUS will not fence the Right of Way Area without the prior consent of the Grantor.

15. INSPECTION

15.1 The Grantor may, at its expense, at all reasonable times, visually inspect the Right of Way Area and the Works or carry out tests, surveys and inspections that do not interfere with the Works. If the Grantor requires access to any part of the Right of Way Area that has been fenced off or enclosed, the Grantor will notify Hydro and TELUS, who will provide such safe access as may be reasonably required by the Grantor.

16. DISPUTE RESOLUTION

- 16.1 Any dispute arising out of or in connection with this Agreement will be resolved as follows:
 - (a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
 - (b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute and agreed upon by the parties;
 - (c) if the dispute is not resolved within 60 days of the notice to mediate under subsection (b), or any further period of time agreed to by the parties, then any party may refer the dispute to a single arbitrator, knowledgeable about the matters in dispute and agreed upon by the parties, for final resolution in accordance with the *Arbitration Act* of British Columbia;
 - (d) if the parties do not commence arbitration within 60 days of the notice to mediate under subsection (b), then any party may refer the matter to a court of competent jurisdiction; and
 - (e) for the purposes of this section 16.1, Hydro and TELUS will only be considered as one party where the dispute arises between the Grantor, on the one hand, and

Hydro and TELUS jointly, on the other.

16.2 It is not incompatible with this Article for a party to apply to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

17. RUNS WITH THE LAND

- 17.1 Subject to section 17.2, this Agreement runs with and binds the Lands to the extent necessary to give full force and effect to this Agreement.
- 17.2 The parties acknowledge that the covenants in sections 11.2, 11.3 and 20.8 relate to the powers of Kitselas as a government. If Kitselas transfers all or any portion of the Lands:
 - (a) it will continue to be bound directly to Hydro and TELUS in respect of those covenants that involve its governmental powers, notwithstanding the transfer; and
 - (b) the transferee will be released from any liability in respect of those covenants that can only be exercised by Kitselas as a government.
- 17.3 Either Hydro or TELUS, as the case may be, will be entitled to enforce the covenants described in section 17.2 directly against Kitselas without additional consideration and without an amendment to this Agreement.

18. ASSIGNMENT

- 18.1 This Agreement may be transferred or assigned at any time by Hydro or TELUS, in whole or in part, without the consent of the Grantor.
- During any time that TELUS carries on business as a telecommunications services provider in a partnership controlled by TELUS or one of its Affiliates, TELUS may allow that partnership and its members to exercise any of the rights granted to TELUS in this Agreement, provided that TELUS ensures that the partnership and its members comply with TELUS's obligations in this Agreement. For greater certainty, TELUS will remain fully liable for all of its obligations under this Agreement in such circumstances.

19. NOTICE

- 19.1 Whenever it is required or permitted that notice or demand be given by any party to the other, the same will be in writing and will be forwarded to the address for that party in the General Instrument Part 1, or to the most recent address provided by that party pursuant to section 19.3.
- 19.2 If any question arises as to the date on which such notice was communicated to a party, it will be deemed to have been given on the earlier of:
 - (a) if it was delivered personally, by courier, or by email, on the next business day;

or

(b) if it was sent by mail, on the sixth day after the notice was mailed.

In the event of postal disruption or an anticipated postal disruption, notices may not be given by mail.

19.3 A party may change their address, and specify an email address by which they may be notified, by giving notice to the other parties in accordance with this provision.

20. GENERAL

- 20.1 A breach of any term, condition, covenant or other provision of this Agreement may only be waived in writing, and any waiver will not be construed as a waiver of any subsequent breach. Consent to or approval of any act, where consent or approval is required under this Agreement, will not be construed as consent to or approval of any subsequent act. Wherever consent or permission is required under this Agreement, such consent or permission will not be unreasonably delayed, conditioned or withheld.
- No remedy set out in this Agreement is exclusive of any other remedy provided by law, but will be in addition to any other remedy existing at law, in equity, or by statute.
- 20.3 The terms and provisions of this Agreement will extend to, be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 20.4 From and after the date of this Agreement, Hydro and TELUS will not license or authorize a third party to attach its works to the Works on the Right of Way Area unless the third party has first obtained consent from the Grantor for such attachment and provided a copy of such consent to Hydro or TELUS, as the case may be.
- 20.5 For greater certainty, a licence granted by Hydro or TELUS, as the case may be, pursuant to section 20.4, will not grant the licensee the right to use or occupy the Right of Way Area, and the third party will be solely responsible for obtaining its own tenure to the Right of Way Area. Hydro or TELUS, as the case may be, will make reasonable efforts to work with the Grantor to address any third party whose works are attached to the Works without the Grantor's permission, but Hydro and TELUS will have no obligation to remove the works of any third party who has attached its works to the Works, either before or after the date of this Agreement:
 - (a) without the required consent from the Grantor; or
 - (b) whose consent has expired or been revoked.
- 20.6 The Grantor may appoint a delegate to provide Hydro and TELUS with all commentary, authorizations and approvals required pursuant to this Agreement, including all commentary, authorizations or approvals required in relation to work plans.
- 20.7 This Agreement may not be amended except by written agreement signed by all parties to

- this Agreement.
- 20.8 Except where this Agreement expressly provides otherwise, nothing in this Agreement will be interpreted or construed to limit or restrict any rights or obligations that Hydro or TELUS may have under applicable laws, including laws relating to environment, archaeology and fish-bearing streams.
- 20.9 Nothing in this Agreement will be interpreted or construed to limit or restrict any rights that Hydro or TELUS, as Public Utilities, may have as set out under the Kitselas Treaty.
- 20.10 Subject to section 10.1, Hydro and TELUS retain ownership for all existing Works and Works that they construct, place or install on the Right of Way Area, including any underground Works. The Works shall not form part of the freehold regardless of the degree to which they are affixed or attached to the Right of Way Area, and regardless of any damage that may be caused by their removal.
- 20.11 Kitselas will make reasonable efforts to notify Hydro and TELUS if it intends to apply for a certificate of indefeasible title in the provincial Land Title Office in respect of any lands that are to be added to the Kitselas' treaty settlement lands after the Effective Date. The Grantor agrees to execute an amendment of this Agreement or a new agreement that incorporates these Filed Terms, at the request of either Hydro or TELUS, in order to extend the application of these Filed Terms to any additional lands acquired by Kitselas after the Effective Date that are or will become treaty settlement lands within the meaning of the Kitselas Treaty. Hydro or TELUS, as the case may be, will be responsible for the cost of preparing any documentation that may be necessary to amend the Agreement, or for the cost of a new agreement, and for the related costs of filing the document in the Land Title Office.
- 20.12 The parties agree that Hydro and TELUS will only pay compensation for interference with or damage to the Lands pursuant to this Agreement as provided under section 6.6 and Article 12.

21. INTERPRETATION

21.1 In this Agreement:

- (a) all attached schedules form an integral part of this Agreement, including any schedules attached to the General Instrument Part 1;
- (b) the headings are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of this Agreement;
- (c) reference to "party" or "parties" is a reference to the Grantor, Hydro or TELUS, or all of them, as the context requires;
- (d) the words "include", "includes", and "including", are to be read as if they are followed by the phrase "without limitation";

- (e) if any provision is determined by a court or arbitrator of competent jurisdiction to be illegal or unenforceable, that provision will be considered separate and severable, and the legality or enforceability of the remaining provisions will not be affected by that determination;
- (f) any reference to a statute includes any regulations made pursuant to that statute and, unless otherwise expressly provided herein, includes a reference to all amendments made thereto and in force from time to time and any statute or regulation that may be passed which has the effect of supplementing or superseding that statute or those regulations;
- (g) any reference to an Article, section, subsection, paragraph, or sub-paragraph means the appropriate part of this Agreement, which for ease of reference is illustrated as follows:
 - 1. Article;
 - 1.1 section;
 - (a) subsection;
 - (i) paragraph; and
 - (A) sub-paragraph; and
- (h) any reference to "day" means a calendar day.

END OF SET

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

Document 4. PNG Form of Statutory Right of Way

STANDARD CHARGE TERMS

Filed by: Pacific Northern Gas Ltd.

These Filed Terms (as defined below) are deemed to be included in and form part of every Agreement that incorporates these Filed Terms by an election on the General Instrument.

WHEREAS:

- A. The Grantor, Canada and British Columbia, have entered into a Treaty;
- B. In accordance with the Treaty, the Grantor wishes to provide the grants, as herein provided, to PNG with respect to the Grantor's Lands; and
- C. The grants herein provided are necessary for the operation and maintenance of PNG's undertaking.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto covenant and agree as follows:

1.0 **DEFINITIONS**

- 1.1 The following terms shall have the following meanings, respectively, in this Agreement (including the recitals to this Agreement):
 - (a) "Access Improvements" has the meaning given to it in subparagraph 2.1(c)(v)(A);
 - (b) "**Affiliate**" has the meaning given to it in the *Business Corporations Act*, [SBC 2002] c. 57;
 - (c) "Agreement" means these Filed Terms, the General Instrument and all schedules attached to either of them:
 - (d) "Applicable Laws" means all laws (including the common law), statutes, regulations, treaties, judgments and decrees and all official directives, bylaws, rules, consents, approvals, authorizations, guidelines, orders and policies of any Governmental Authority having the force of law from time to time, and the lawful requirements of any Governmental Authority having jurisdiction;
 - (e) "**Area B**" means the area shown as "Area B" on the Plan;
 - (f) "Area C" means the area shown as "Area C" on the Plan;

- (g) "Area of the Works" means, together, the Right of Way Area, and those portions of the Lands shown as "Area B" on the Plan;
- (h) "**Discovered Works**" has the meaning given to it in Section 3.1;
- (i) "Emergency" means a situation that causes, or is in the opinion of PNG (reasonably formed) likely to cause, or is perceived by PNG (acting reasonably) to be, an immediate and serious threat or danger to the public, to PNG or its employees, contractors or agents, or to the Works or other facilities or operations of PNG;
- (j) "Effective Date" means the date upon which the Treaty will take effect;
- (k) "Entry Notice" has the meaning given to it in Section 6.2;
- (l) "**Environment**" has the meaning given to it in the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33;
- (m) "Excluded Right of Way Areas" means any right of way area or corridor that is not part of the Lands but in whole or in part passes through the Lands or is adjacent to such Lands;
- (n) "Filed Terms" means these filed standard charge terms;
- (o) "Gas" means any hydrocarbons or mixture of hydrocarbons that, at a temperature of 15 degrees Celsius and a pressure of 101.325 kilopascals is in a gaseous state, and/or low carbon gas (including hydrogen) and shall, in no event, contain any mix of components that will, under normal operating conditions, cause the presence of any liquids in the pipeline comprising part of the Works;
- (p) "General Instrument" means the Form C General Instrument Part I, which refers to these Filed Terms and any other pages attached thereto;
- (q) "Governmental Authority" means any federal, provincial, regional, municipal, local or other government, governmental or public department, authority, court, tribunal, arbitral body, commission, council, board, bureau or agency (and includes, where applicable, the Grantor);
- (r) "Grantor" means the person named as the transferor in Item 5 of the General Instrument;
- (s) "Grantor's Lands" means all and singular those lands and premises described in Item 2 of the General Instrument;
- (t) "Lands" means, together, the Area of the Works, and Area C, as shown on the Plan;

- (u) "Plan" means the Plan attached as Schedule "A" to the General Instrument, as described in section (a) of Item 3 of the General Instrument; [NTD: PNG to prepare a draft of the applicable Plan for each parcel]
- (v) "PNG" means the person named as the transferee in Item 6 of the General Instrument;
- (w) "Right of Way Area" means those portions of the Grantor's Lands shown as "Area A" on the Plan, as they may be modified from time to time;
- (x) "**Treaty**" means the Kitselas First Nation Final Agreement among the Grantor, Canada and British Columbia; and
- (y) "Works" means one or more pipelines for the carriage, conveyance, transportation and handling of Gas through or by means of the same, together with all such stations, structures, drips, valves, fittings, meters, communications equipment and all other equipment, appliances, appurtenances, devices for controlling corrosion, and such other works and things ancillary and incidental thereto as PNG considers necessary or convenient in connection therewith for the carriage, conveyance, transportation and handling of Gas.
- 1.2 With respect to any obligation on the part of PNG under this Agreement, any reference to PNG includes its respective servants, officers, employees, agents, contractors, subcontractors, invitees, licensees, successors, assigns, and those for whom PNG is responsible in law, as and to the extent reasonably applicable.

2.0 RIGHTS RELATED TO RIGHT OF WAY AREA

- 2.1 The Grantor grants over the Lands to PNG and its employees, representatives, contractors, agents, licensees, successors and assigns for so long as required the uninterrupted right, liberty and right of way to:
 - (a) use the Right of Way Area as follows:
 - (i) excavate for, construct, install, improve, alter, abandon, replace, extend, upgrade, operate, maintain, reconstruct, inspect, remove and repair the Works on, over, under, across and through the Right of Way Area; and
 - (ii) clear the Right of Way Area and keep it cleared (including removal or pruning) of any vegetation, including without limitation trees, at any time located therein; and
 - (b) use the Area of the Works as follows:
 - (i) enter, work, inspect, pass and re-pass upon, on, and along the Area of the Works;

- (ii) construct, maintain, repair, replace and use trails, helicopter landing pads, roads, lanes, and bridges on the Area of the Works including in addition any portions reasonably required adjacent to the Area of the Works for the sake of continuity, with or without equipment, machinery and materials, to such extent as may reasonably be required by PNG in relation to this Agreement;
- (iii) clear the Area of the Works and keep it cleared of all or any part of any obstruction, improvement or other matter which, in the reasonable opinion of PNG might interfere with or endanger the Works, disrupt service to PNG's customers, or pose a hazard to persons or property in relation to the Works; and
- (iv) clear the Area of the Works and keep it cleared (including removal or pruning) of all or any part of any vegetation, including without limitation trees, which do or might, in the reasonable opinion of PNG interfere with or endanger the Works, disrupt service to PNG's customers, or pose a hazard to persons or property in relation to the Works; and
- (v) conduct vegetation management upon the Area of the Works, such as the planting of vegetation compatible with the undertakings of PNG;
- (c) to enjoy further rights over the Area of the Works and Area C as follows:
 - (i) PNG may cut vegetation if in the opinion of PNG such vegetation and/or trees, might interfere with or endanger the Works or pose a hazard to persons or property in relation to the Works. PNG will, except in an Emergency, give the Grantor an Entry Notice prior to exercising its rights under this paragraph 2.1(c)(i);
 - (ii) PNG may maintain and use all fences and gates installed by or on behalf of PNG which are, as at the Effective Date, situated on the Area of the Works, including fences and gates affecting access to Area C;
 - (iii) PNG may install, maintain and use on the Area of the Works such fences and gates as PNG, acting reasonably, considers necessary or advisable for the protection of the Works situated within the Area of the Works or within the Excluded Right of Way Areas, or for the safety of its employees, contractors or agents, or for the safety of the public, including fences and gates affecting access to Area C, subject to the following:
 - (A) in the case of the initial installation of temporary fences or gates, PNG will first provide to the Grantor an Entry Notice; and
 - (B) in the case of the initial installation of permanent fences or gates, PNG will first deliver to the Grantor for approval a written work plan in accordance with Section 7.1, describing the proposed work;

- (iv) PNG may pass and re-pass over, and maintain, repair, replace and use all trails, helicopter landing pads, roads, lanes, and bridges on the Area of the Works and Area C with or without equipment, machinery and materials to such extent as may reasonably be required by PNG in relation to this Agreement;
- (v) where there are no suitable trails, helicopter landing pads, roads, lanes, or bridges under paragraph 2.1(c)(iv), PNG may either:
 - (A) construct, maintain, repair, replace, use, pass and re-pass over trails, helicopter landing pads, roads, lanes, and bridges on the Area of the Works or Area C (collectively referred to as "Access Improvements"); or
 - (B) pass and re-pass over the Area of the Works or Area C elsewhere than on the Access Improvements, with or without equipment, machinery and materials to such extent as may reasonably be required by PNG in relation to this Agreement, subject to prior approval of the route by the Grantor, such approval not to be unreasonably withheld, conditioned or delayed, provided that in the case of an Emergency PNG does not require the prior approval of the Grantor under this subparagraph 2.1(c)(v)(B) but will report to the Grantor the purpose and extent of the access as soon as practicable;
- (vi) to conduct vegetation management upon the Area of the Works and Area C, such as the planting of vegetation compatible with the undertakings of PNG, but without using or applying herbicides or pesticides (unless PNG has the prior written consent of the Grantor for such application or use, which consent may not be unreasonably withheld, conditioned or delayed); and
- (vii) PNG may enter onto Area C for the purpose of undertaking works, or to effect other appropriate measures, to protect any Works located within the Right of Way Area or within the Excluded Right of Way Areas, or to protect persons or property that may be at risk from such Works, provided that:
 - (A) PNG will, before commencing such works, deliver to the Grantor for approval a written work plan in accordance with Section 7.1, describing the proposed work;
 - (B) the Grantor will not unreasonably withhold, condition or delay approval of such work plan, and shall take into consideration the effect of the proposed work, the cost of the proposed work compared to the cost of alternative solutions and the extent of the risk of not undertaking the work. If PNG and the Grantor cannot agree on a work plan requested by PNG within 30 days of receipt by the Grantor of the proposed work plan, then either party may refer the disagreement to dispute resolution under Article 14 of this Agreement;

- (C) PNG will comply with Section 12.1 in respect of any damage resulting from the work plan, or from any measure taken by PNG pursuant to this subparagraph 2.1(c)(vii)(C);
- (D) if PNG determines that an Emergency exists, PNG may, without the approval of the Grantor, undertake works and take such measures on the Area of the Works and Area C as are reasonably required to be taken immediately in order to protect the Works, or to protect persons or property that may be at risk, and in that event PNG will as soon as reasonably possible notify the Grantor of the works or measures undertaken and the purpose therefor; and
- (E) generally, do all such other acts or things as may reasonably be necessary or incidental to the protection, or the safe and reliable operation, of the Works located within the Right of Way Area or the Excluded Right of Way Areas.
- 2.2 The rights, liberties and rights of way granted under this Agreement are for so long as required and will terminate, without compensation to PNG or the Grantor, when PNG no longer requires the Lands for the operation and maintenance of its undertaking, and:
 - (a) PNG gives 90 days' written notice to the Grantor; or
 - (b) the Grantor gives 90 days' written notice to PNG.
- 2.3 If, in the Grantor's opinion (reasonably formed), PNG is failing to make diligent use of the Lands for the purposes set out in this Agreement, and such failure continues for at least five (5) years after the Grantor gives written notice of such failure to PNG, then PNG will, for the purposes of Section 2.2, be conclusively deemed no longer to require the Lands for the operation and maintenance of its undertaking.
- 2.4 If PNG, in its discretion, determines that it will permanently de-commission the Works situated within the Area of the Works, it will, promptly after making such determination, so notify the Grantor. The rights, liberties and rights of way granted under this Agreement will terminate on the date that is 120 days after the date on which PNG completes decommissioning the Works.

3.0 RIGHT OF WAY AREA

3.1. The parties acknowledge that they have made reasonable efforts to identify all the existing Works and related Right of Way Area as of the Effective Date. However, in the unlikely event that either of the parties subsequently discovers any existing Works outside the Right of Way Area that were missed in such initial identification process (the "**Discovered Works**"), it will promptly notify the other party, and the parties (each acting in good faith) will negotiate and settle upon terms for the extension of the Right of Way Area over those portions of the Lands occupied by the Discovered Works. Such terms will include in

relation to the Discovered Works, a grant from the Grantor to PNG, for so long as required, of a right of way over those portions of the Lands upon which such Discovered Works are located, and the following will apply:

- (a) for and in respect of such Discovered Works, PNG will hold the same rights, privileges and obligations as apply to PNG for the use of the Right of Way Area, the Area of the Works and Area C under this Agreement, including the right of reasonable access over the Lands for the purpose of gaining access to such Discovered Works; and
- (b) the Grantor may at any time require PNG to attach a revised survey plan to this Agreement to include those additional relevant portions of the Grantor's Lands.

4.0 NON-EXCLUSIVE USE

4.1 This Agreement will not entitle PNG to exclusive possession of the Area of the Works or Area C, and the Grantor reserves the right to grant other dispositions of any Lands affected by this Agreement, so long as the grant does not materially affect or interfere with the exercise of PNG's rights under this Agreement.

5.0 PROTECTION OF THE ENVIRONMENT

- 5.1 PNG will undertake activities permitted under this Agreement having regard for the impact on the Environment, and will take prudent measures to minimize the danger or disruption to the Environment.
- 5.2 PNG will remediate, in accordance with Applicable Laws, any contamination it causes to the Lands as a result of the exercise of any of its rights under this Agreement.

6.0 COVENANTS OF PNG

- 6.1 PNG covenants with the Grantor that:
 - (a) after the construction of the Works, or any relocation of the Works in accordance with Section 8.1 on or about the Lands, PNG will cause that portion of the Lands used by PNG for the Works as contemplated in subsection 2.1(a) to be surveyed by a British Columbia Land Surveyor and will deliver such survey plan to the Grantor. Upon the delivery of such survey plan to the Grantor, that portion of the Lands so surveyed will be deemed to be the Right of Way Area for purposes of interpreting this Agreement and as modified under this Agreement from time to time. The Grantor authorizes PNG and the registrar of the relevant land title office to do all things necessary in relation to the filing of the survey plan for the Right of Way Area including inserting the number assigned by the relevant land title office to such plan;
 - (b) PNG shall pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged to the account of PNG

- which relate to the Works and which PNG is liable to pay pursuant to Applicable Laws;
- (c) PNG shall keep the portions of the Lands used by PNG under this Agreement in a safe, clean and tidy condition to the extent the condition relates to the use or occupation of the Lands by PNG, and on written notice from the Grantor, to make safe, clean, and tidy any portion of them that contravene the provisions of this covenant, provided that PNG has no obligation to keep any portion of the Lands suitable for use by anyone except PNG;
- (d) PNG shall bury and maintain all underground Works as may be required so as not to unduly interfere with the drainage of the Lands;
- (e) PNG shall take all reasonable steps and precautions to minimize disturbance of any archaeological material discovered by PNG on the Lands, and to immediately notify the Grantor;
- (f) PNG shall not bury debris or rubbish of any kind on the Lands in excavations or backfill, and to remove shoring and similar temporary structures as backfilling proceeds;
- (g) PNG shall not commit or suffer any wilful or voluntary waste, spoil or destruction on the Lands, or do or suffer to be done thereon anything that may be or become a nuisance or annoyance to the Grantor, except to the extent required by PNG acting reasonably, to exercise its rights under this Agreement or to carry out any work described in a written work plan approved under Section 7.1;
- (h) PNG does not intend to carry, convey or transport through the pipeline(s) that comprises part of the Works situate on the Area of the Works any crude oil (including light crude, synthetic crude, heavy oil or diluted bitumen);
- (i) PNG will make available to the Grantor all merchantable timber cut on the Lands by PNG in the exercise of any of its rights hereunder; and
- (j) PNG shall permit the Grantor to enter upon the Right of Way Area at any time to examine its condition.
- 6.2 Except in the case of an Emergency, PNG shall, by no later than twenty-four (24) hours prior to its entry onto the Lands for the purpose of exercising any of its rights under this Agreement, provide to the Grantor a notice (an "Entry Notice") stating PNG's intent to so enter onto the Lands, and setting out the nature and extent of the work PNG proposes to conduct and the anticipated duration of such work.
 - Subject always to the foregoing sentence, PNG shall deliver each Entry Notice to the Grantor such number of days in advance of the proposed date of entry onto the Lands as is reasonable in all the circumstances, having regard to the nature, extent and anticipated duration of the proposed work and the requirements of all Applicable Laws.

6.3 In the event of an Emergency, PNG shall provide to the Grantor, as soon as reasonably practical after entering onto the Lands in order to exercise any of its rights under this Agreement, a written report describing the nature and extent of any work done by PNG and the purpose of such entry onto the Lands.

7.0 WORK PLANS

- 7.1 Except in the case of an Emergency, PNG will provide to the Grantor a written work plan describing the proposed work located on, outside or related to the Lands prior to undertaking any of the following work under this Agreement:
 - (a) construction of any new Works;
 - (b) relocation or improvement of any Works;
 - (c) construction or relocation of any Access Improvements; and
 - (d) initial installation of any permanent fences or gates on or within the Lands or any excluded Right of Way Areas.

In accordance with this Section 7.1, prior to undertaking any work, PNG will deliver a copy of the work plan to the Grantor, for review and comment by the Grantor.

The Grantor will, no more than thirty (30) days after receiving the work plan, provide to PNG in writing any comments that it may have, and PNG will use reasonable efforts to accommodate any suggestions or requests made by the Grantor to PNG provided they do not result in delays, increased costs or technical difficulties.

8.0 RELOCATION OF WORKS DUE TO CHANGE

- 8.1 If a material change occurs to the Lands (other than a material change caused by PNG), such as erosion, which for any reason makes the continued use of any portion of the Right of Way Area or the Excluded Right of Way Area unsuitable for any of the Works, then the Grantor will consent, without charge (subject to subsection 8.1(d)), to the relocation and replacement of such Works to a new location on the Grantor's Lands, as follows:
 - (a) PNG will before undertaking any work, deliver a written work plan to the Grantor indicating the contemplated relocation of the Works for approval by the Grantor, which approval will not be unreasonably withheld, delayed or conditioned;
 - (b) PNG will, acting in good faith, take into account the potential impacts on the Grantor and the Grantor's Lands of the contemplated relocation, including any likely materially adverse effect of the relocated Works on adjacent lands, and the Grantor will, acting in good faith, take into account any cost efficiencies or other benefits that might accrue to PNG owing to the location selected by PNG for the relocated Works in relation to alternative locations;

- (c) the relocated Works will be covered by the terms and conditions of this Agreement; and
- (d) provided the Grantor is not responsible for PNG having to relocate the Works, PNG will pay the Grantor any difference between:
 - (i) the then current fair market value of the new Right of Way Area; and
 - (ii) the then current fair market value of any area to be removed from the Right of Way Area, or the Excluded Right of Way Area.

9.0 RELOCATION OF WORKS AT THE REQUEST OF THE GRANTOR

- 9.1 If the Grantor requires a portion of the Right of Way Area for other purposes, then upon written request by the Grantor, PNG will relocate any Works in the Right of Way Area to a new location on the Grantor's Lands, provided that:
 - (a) the new location is, in the reasonable opinion of PNG, suitable for use for the relocated Works considering engineering feasibility, construction, maintenance and operation, and cost factors;
 - (b) the Grantor gives PNG reasonable notice to permit proper design, planning and construction of the Works to be relocated;
 - (c) the Grantor agrees to pay all reasonable costs and expenses, including costs of design, supervision and construction (before any relocation, the Grantor will pay the costs and expenses as estimated by PNG, with appropriate adjustments based on actuals after the relocation is complete); and
 - (d) the rights, liberties and rights of way under this Agreement will extend to the relocated Works and associated areas, so that it has similar priority (within the meaning of the *Land Title Act* [RSBC 1996] c. 250) over other charges and encumbrances, and PNG will thereafter surrender its interest in the portion of the Lands no longer required.

10.0 REMOVAL OF WORKS

- 10.1 If either party has given a notice pursuant to Section 2.2, or PNG has given a notice pursuant to Section 2.3 or otherwise no longer requires all or a portion of the Right of Way Area, then PNG shall, in respect of such Right of Way Area:
 - (a) quit peaceably such Right of Way Area;
 - (b) remove any Access Improvements no longer required in relation to such Right of Way Area;

- (c) remove all above ground Works from such Right of Way Area within a reasonable period of time and any Works remaining on that portion of the Right of Way Area will be absolutely forfeited to and become the property of the Grantor. If the Grantor removes any remaining above ground Works within four (4) years after PNG's notice, PNG will, on demand by the Grantor, reimburse the Grantor for all reasonable costs of removal; and
- (d) remain liable for any environmental damage to the Lands arising from any below ground Works that remain on or in such Right of Way Area, except if the Grantor uses or authorizes the use of any of the remaining below ground Works for any purpose then PNG will not be liable for any environmental damage caused by the Grantor's use, or authorized use; and to the extent necessary, this covenant will survive the termination of this Agreement.

11.0 COVENANTS OF THE GRANTOR

11.1 The Grantor covenants with PNG that:

- (a) PNG shall and may peaceably enjoy and hold its rights under this Agreement without interruption, disturbance, molestation or hindrance whatsoever from the Grantor or any other person lawfully claiming from or under the Grantor, and by the exercise of any authority under the Treaty, provided however that nothing in this subsection 11.1(a) shall limit the Grantor's right of inspection pursuant to subsection 6.1(j);
- (b) without limiting the generality of subsection 11.1(a), the Grantor agrees that PNG, in carrying out its rights and obligations under this Agreement, is only subject to industry standards and Applicable Laws;
- (c) if the Grantor passes and attempts to enforce against PNG any law, regulation, standard or requirement in relation to the Works or its rights under this Agreement that is in excess of Applicable Laws (excluding those promulgated by the Grantor) or prevailing industry standards that generally apply in British Columbia in circumstances reasonably comparable to those sought to be addressed by such law, regulation, standard or requirement of the Grantor, and which results in a material increase to any or all of PNG's costs, as compared to those costs which PNG would otherwise incur in respect of all activities or things necessary or incidental to the business of PNG and operation of the Works pursuant to this Agreement, then the Grantor shall indemnify and hold harmless PNG for any additional costs required or incurred to comply with such law, regulation, standard, or requirement;
- (d) the Grantor will not permit or make, place, erect, operate, use or maintain any building, structure, foundation, pavement, excavation, well, fill, pile of material, obstruction, equipment, thing or inflammable substance, or plant any vegetation upon the Area of the Works, if any such action or thing, in the reasonable opinion of PNG:

- (i) may interfere with or endanger the Works or any part thereof or the installation, operation, maintenance, removal or replacement of the Works or any part thereof;
- (ii) may obstruct access to the Works or any part thereof by those authorized by PNG; or
- (iii) may by its operation, use, maintenance or existence on the Area of the Works, create or increase any hazard to persons or property in relation to the Works;
- (e) the Grantor will not diminish or increase the ground elevation in the Right of Way Area by any method, including piling any material or creating any excavation, drain, or ditch in the Right of Way Area, unless permission in writing from PNG has first been received, which permission will not be unreasonably withheld, conditioned or delayed;
- (f) the Grantor will not carry out blasting or aerial logging operations on or adjacent to the Area of the Works without first having obtained:
 - (i) all licences, approvals and permits required under Applicable Laws; and
 - (ii) written permission from PNG, which permission will not be unreasonably withheld (it being acknowledged that it shall be reasonable for PNG to withhold permission if PNG is of the opinion (reasonably formed) that the Grantor's proposed blasting or aerial logging operations would cause a serious threat or danger to the public, to PNG or to the Works or other facilties or operations of PNG);
- (g) the Grantor will not use or authorize the use of the portions of the Right of Way Area for the regular, or organized parking of vehicles without the prior written permission from PNG, in its sole determination, provided that nothing in this subsection is intended to prevent safe temporary parking of vehicles;
- (h) the Grantor will not use, or authorize the use of the Right of Way Area for fuelling any vehicle or equipment;
- (i) the Grantor will not intentionally do or authorize any act or thing that injures or endangers the Works; and
- (j) the Grantor will not use or authorize the use of the Right of Way Area for any purpose, including the construction of any improvements, that in the sole opinion of PNG would be unsafe or would interfere with PNG's use of the Right of Way Area.

12.0 COMPENSATION FOR DAMAGES

12.1 Subject to the rights granted in this Agreement, PNG covenants with the Grantor that if PNG or its contractors, damage any structures, buildings, fixtures, improvements, or

chattels outside of the Area of the Works, or damage any crops, merchantable timber, livestock, drains, ditches, culverts, fences, trails, bridges, or roads on the Lands, and such damage or contamination is not caused as a result of the Grantor's breach of the terms of this Agreement or the negligence or wilful act of the Grantor or its contractors, agents or permittees, that PNG will:

- (a) compensate the Grantor for such damages, to the extent caused by PNG; or
- (b) within a reasonable period of time, repair in a good and workman-like manner any damaged structure, building or improvement, as closely as is practicable to its condition immediately prior to the damage.

13.0 INDEMNITY

- 13.1 PNG will save harmless and indemnify the Grantor from and against all claims, demands, actions, suits or other legal proceedings by whomsoever made or brought against the Grantor by reason of or arising out of:
 - (a) any breach, violation or non-performance by PNG of any of PNG's covenants, conditions or obligations under this Agreement; and
 - (b) any act or omission on the part of PNG in respect of or in relation to its Works including the construction, maintenance, operation or decommissioning of its Works, but only to the extent any such matter is found to be the responsibility of PNG and was not contributed to by the negligence of, or breach, violation or non-performance by the Grantor or by those for whom the Grantor is responsible at law, and not for any matters based on nuisance or the rule in *Rylands v. Fletcher* unless PNG was negligent.

14.0 DISPUTE RESOLUTION

- 14.1 Any dispute arising out of or in connection with this Agreement will be resolved as follows:
 - (a) the parties will attempt to resolve disputes by negotiations, including timely disclosure of all relevant facts, information and documents;
 - (b) either party may, at any time, by written notice request that the dispute be referred to mediation, conducted by a mediator, knowledgeable about the matters in dispute;
 - (c) if the dispute is not resolved within thirty (30) days of the notice to mediate under subsection 14.1(b), or any further period of time agreed to by the parties, then, on the agreement of the parties, the dispute may be referred to a single arbitrator for final resolution, in accordance with the *Arbitration Act* [SBC 2020] c. 2. If the parties do not agree to arbitration, then any party may refer the matter to a court of competent jurisdiction; except that it is not incompatible with this subsection for a party to apply

to a court of competent jurisdiction at any time for interim or conservatory relief and for the court to grant that relief.

15.0 RUNS WITH THE LAND

15.1 This Agreement runs with and binds the Grantor's Lands to the extent necessary to give full force and effect to this Agreement.

16.0 NOTICES

16.1 Whenever it is required or permitted that notice or demand be given by any party to the other, the same will be in writing and will be forwarded to the following addresses:

To the Grantor:

Kitselas First Nation 2225 Gitaus Road Terrace, British Columbia V8H 0A9

Attention: Kitselas Government

To PNG:

Pacific Northern Gas Ltd. 750 – 888 Dunsmuir Street Vancouver, British Columbia V6C 3K4

Attention: Vice President, Regulatory Affairs, Legal and Gas Supply

If any question arises as to the date on which such notice was communicated to any party, it will be deemed to have been given on the earlier of:

- (i) if it was delivered personally or by courier, on the next business day; or
- (ii) if it was sent by mail, on the sixth day after the notice was mailed.

In the event of postal disruption or an anticipated postal disruption, notices may not be given by mail.

(b) A change of address by any party may be given to the others in accordance with this provision.

17.0 GENERAL

17.1 A breach of any term, condition, covenant or other provision of this Agreement may only be waived in writing, and any waiver will not be construed as a waiver of any subsequent

- breach. Consent to or approval of any act, where consent or approval is required under this Agreement, will not be construed as consent to or approval of any subsequent act.
- 17.2 No remedy set out in this Agreement is exclusive of any other remedy provided by law, but will be in addition to any other remedy existing at law, in equity, or by statute.
- 17.3 The terms and provisions of this Agreement will extend to, be binding upon and enure to the benefit of the parties and their respective successors and assigns.
- 17.4 PNG may not grant licences respecting its rights under this Agreement to anyone, in whole or in part, without the prior written consent of the Grantor (such consent not to be unreasonably withheld, conditioned or delayed) provided that no licence will act as a release of any of PNG's obligations set out in this Agreement.
- 17.5 A delegate appointed by the Grantor may provide PNG with all commentary, authorizations and approvals required pursuant to this Agreement including without limitation, all commentary, authorizations or approvals required in relation to work plans, approval of access routes, and relocations or replacements of any Works, as contemplated in this Agreement.
- 17.6 Nothing in this Agreement will be interpreted or construed to limit or restrict the rights of PNG as a public utility under the Treaty.
- 17.7 The Grantor agrees to execute an amendment of this Agreement, at the request of PNG, in order to:
 - (a) extend the application of this Agreement to any additional lands that are acquired by the Grantor after the Effective Date, on which Works are located, provided such additional lands are treaty settlement lands within the meaning of the Treaty; or
 - (b) reflect any adjustment that may be needed in the description of the Lands as a result of a re-survey of the Lands, or a portion thereof.
 - PNG will be responsible for the cost of preparing any documentation that may be necessary to amend the Agreement, and for any related costs of filing the document in the appropriate land registry.
- 17.8 This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior understandings, communications and agreements between the parties hereto with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, either express or implied, between the parties other than as expressly set forth in this Agreement.
- 17.9 This Agreement may not be modified or amended, nor any provision waived, discharged or terminated, except by an instrument in writing signed by the parties.

18.0 INTERPRETATION

18.1 In this Agreement:

- (a) all attached schedules form an integral part of this Agreement;
- (b) the headings are for convenience only and are not to be construed as defining or in any way limiting the scope or intent of this Agreement;
- (c) a reference to "party" or "parties" in this Agreement is a reference to Grantor or PNG, or both, as the context requires;
- (d) if any provision is determined by a court or arbitrator of competent juris- diction to be illegal or unenforceable, that provision will be considered separate and severable, and the legality or enforceability of the remaining provisions will not be affected by that determination;
- (e) unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender, body politic and a corporation;
- (f) any reference to a statute means that statute and any regulations made under it, all as amended or replaced from time to time; and
- (g) any reference to an Article, Section, subsection, paragraph or subparagraph means the appropriate part of this Agreement, which for ease of reference is illustrated as follows:

1.00 Article;

- 1.1 Section;
 - (a) subsection;
 - (i) paragraph; and
 - (A) subparagraph.

END OF DOCUMENT

Appendix G-4 Applicable Forms of Documents for Interests Listed in Appendices G1, G2 and G-3

Part 4: Applicable Forms of Documents for Interests that Cross Both Former Kitselas Indian Reserves and Former Provincial Crown Land

Document 5. Enbridge PTP Statutory Right of Way - Pipeline

Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty.

Part 1: Subsurface Tenures Issued Under the Mineral Tenure Act

Interest Holder	Mineral Tenure	Tenure No.	General Location
BCM Resources	Mineral Cell Title	504253	Appendix B-3
Corp.	Submission		Maps 13, 18
BCM Resources	Mineral Cell Title	514220	Appendix B-3
Corp.	Submission		Maps 13, 18
BCM Resources	Mineral Cell Title	541265	Appendix B-3
Corp.	Submission		Maps 13, 17-18
BCM Resources	Mineral Cell Title	541267	Appendix B-3
Corp.	Submission		Maps 13, 18
BCM Resources	Mineral Cell Title	541268	Appendix B-3
Corp.	Submission		Maps 13, 18
BCM Resources	Mineral Cell Title	543709	Appendix B-3
Corp.	Submission		Maps 6, 13-14
BCM Resources	Mineral Cell Title	543710	Appendix B-3
Corp.	Submission		Maps 6, 13-14
BURTON, Alex	Mineral Cell Title Submission	556688	Appendix B-3 Maps 17, 25
BURTON, Alex	Mineral Cell Title Submission	556690	Appendix B-3 Map 25
BCM Resources	Mineral Cell Title	559141	Appendix B-3
Corp.	Submission		Map 6, 13
BCM Resources	Mineral Cell Title	559154	Appendix B-3
Corp.	Submission		Map 6, 14
BCM Resources	Mineral Cell Title	559155	Appendix B-3
Corp.	Submission		Map 6
Casa Minerals Inc.	Mineral Cell Title Submission	854416	Appendix B-3 Maps 11-12
BURTON, Alex	Mineral Cell Title Submission	940817	Appendix B-3 Map 17

Interest Holder	Mineral Tenure	Tenure No.	General Location
BURTON, Alex	Mineral Cell Title Submission	940825	Appendix B-3 Maps 17, 25
BURTON, Alex	Mineral Cell Title Submission	946009	Appendix B-3 Map 25
Casa Minerals Inc.	Mineral Cell Title Submission	1000162	Appendix B-3 Maps 6-8, 10-11
Casa Minerals Inc.	Mineral Cell Title Submission	1000263	Appendix B-3 Maps 6-7
GODDARD, Kevin Russell	Mineral Cell Title Submission	1010914	Appendix B-3 Maps 12, 15
Kitselas Geothermal Inc.	Geothermal Permit	PNG 67428	Appendix B-3 Map 38

Part 2: Water Rights Under the Water Sustainability Act

Water Licence Number	Location	Appurtenance	General Location
C049458	Cabellero Creek	PID 015-276-490, that part of Lot 5423, Range 5, Coast District lying east of Hwy No. 16 (Plan 7241)	Appendix B-3 Map 4
C126762	Copper Stage Creek	PID 015-276-490, District Lot 5423, Range 5, Coast District, except part lying west of plan 7241 and except plan 2035 and 7241	Appendix B-3 Map 4
C035711	Kenyon Creek	PID 012-408-034, L 4 of Lot 833, Range 5, Coast District Plan 3050	Appendix B-3 Maps 18-19, 21
C050314	Noble Five Creek	PID 007-573-332, 20 AC of BLK A of Lot 6639, Range 5, Coast District	Appendix B-3 Map 27
C127559	Swede Creek	PID 015-008-029, Powerhouse Site on Lot 1915, Range 5, Coast District	Appendix B-3 Map 22
C127792	Swede Creek	PID 015-008-029, Powerhouse Site on Lot 1915, Range 5, Coast District	Appendix B-3 Map 22
C061588	Hoover Creek	PID 014-970-511, BLK A of Lot 428, Range 5, Coast District	Appendix B-3 Map 25
F120795	Clore Spring	PID 018-572-472, Lot 1 District Lot 989, Range 5, Coast District Plan PRP13871	Appendix B-3 Map 25, 30
505512 - IR 1	Singlehurst Spring	IR No. 1 Being Kitselas Range 5 Coast District	Appendix B-2 Map 4
C054003	Collins Creek	PID 006-364-438, BLK C of Lot 5130, Range 5, Coast District Plan 9106	Appendix B-3 Map 34
505512 - IR 1	Singlehurst Spring	IR No. 1 Being Kitselas Range 5 Coast District	Appendix B-2 Map 4

Part 3: Guide Outfitter Certificates Issued Under the Wildlife Act

Certificate No.	General Location
610016	Appendix B-3 Maps 1, 4, 6-8, 10-15, 17-19, 21, 25, 26, 28, 29, 33-41
610020	Appendix B-3 Maps 1-5, 8-12, 14-16, 18-28, 30-34, 41

Part 4: Traplines Issued Under the Wildlife Act

Certificate No.	General Location		
TR0603T103	Appendix B-3 Maps 39-41		
TR0609T043	Appendix B-3 Maps 38, 41		
TR0609T044	Appendix B-3 Maps 32-34, 36, 37		
TR0609T048	Appendix B-3 Maps 25, 28, 30-32		
TR0609T049	Appendix B-3 Maps 23-24		
TR0609T050	Appendix B-3 Maps 21-23, 26-28		
TR0609T051	Appendix B-3 Maps 14-16, 18-24, 27		
TR0609T052	Appendix B-3 Maps 3-5, 8-12, 14-16, 20, 24		
TR0609T054	Appendix B-3 Maps 1-3, 5		
TR0610T001	Appendix B-3 Maps 35-37		
TR0611T001	Appendix B-3 Maps 39-41		
TR0611T004	Appendix B-3 Maps 39-41		
TR0611T036	Appendix B-3 Map 42		
TR0615T002	Appendix B-3 Maps 17, 29		
TR0615T003	Appendix B-3 Maps 17-18, 21, 25, 26, 28-29		

Certificate No.	General Location
TR0615T004	Appendix B-3 Maps 2-4, 6-8, 10-15, 17-19, 21
TR0615T007	Appendix B-3 Maps 16-28, 35-36

Appendix G-6 Interests on Former Private Fee Simple Lands

Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty.

Appendix G-7 Privately Held Subsurface Resources

Interest Holder	Legal Description	Existing Land Title Parcel Identifier (PID)	General Location
MCRAE, Douglas Richard	District Lot 71, being Emma Mine Mineral Claim, Range 5, Coast District	014-969-637	Appendix B-3 Map 19
MCRAE, Douglas Richard	District Lot 72, bring I.X.L. Mineral Claim, Range 5, Coast District	014-969-653	Appendix B-3 Map 19

Appendix H Crown Corridors and Roads

Part 1: Crown Corridors

Part 2: Roads to be Deactivated

Appendix H Crown Corridors and Roads

Part 1: Crown Corridors

Road	Width (metres)	General Location
Kitimat Cassiar Hwy No. 37	60	Appendix B-3 Map 33
Yellowhead TransCanada Hwy No. 16	60	Appendix B-3 Map 1-4, 8-12, 14-15, 19-21, 25-30
Chimdemash Loop Road	30	Appendix B-3 Map 19
Kitselas Wagon Road	30	Appendix B-3 Map 17, 25-26, 29
Bornite Mountain Road	30	Appendix B-3 Map 21, 22
Old Lakelse Lake Road	30	Appendix B-3 Map 34
Beam Station Road	30	Appendix B-3 Map 36-37
Crown Land File #0331189	30	Appendix B-3 Map 11-12, 15
Old Hwy 16 Right-of-Way by Ste. Croix Creek	100	Appendix B- 3 Map 12, 15
Kitimat Cassiar Hwy No. 37	70	Appendix B-3 Map 33-34, 41
7880 Section 02, SK West – bridge	30	Appendix B-3 Map 12
7880 Section 03, Fiddler FSR	30	Appendix B-3 Map 7, 11-12
0529 Section 01, Kleanza FSR	30	Appendix B-3 Map 22-23, 27
R08642 Section A, West Copper Main	30	Appendix B-3 Map 30, 31
7755 Section 01, Copper FSR	30	Appendix B-3 Map 30-31
Legate Slide Area	7.5 ha excluded area	Appendix B-3 Map 10
FSR 8351 01, Thunderbird Main FSR	30	Appendix B-3 Map 35

Road	Width (metres)	General Location
FSR 8261 01, Lakelse FSR, from	30	Appendix B-3
its junction with FSR 9714 0 to its		Map 39
crossing of the CN rail line		
R19065 D, Unsigned FSR	30	Appendix B-3
		Map 39
FSR 9714 01, Wedeene FSR	30	Appendix B-3
		Map 39-40
R07570, North Kitimat ML	30	Appendix B-3
		Map 41

Appendix H Crown Corridors and Roads

Part 2: Roads to be Deactivated

Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty.

Appendix I Expropriation Procedures

Part 1: Federal Expropriation Procedures

Part 2: Provincial Expropriation Procedures

Appendix I Expropriation Procedures

Part 1: Federal Expropriation Procedures

- 1. The Governor-in-Council may consent to an expropriation of an interest in Kitselas Lands if the expropriation is justifiable in accordance with paragraph 3 and necessary for a public purpose.
- 2. For greater certainty, where Federal Law deems an expropriation to be for a public purpose, the expropriation will be deemed to be necessary for a public purpose under this Agreement.
- 3. The Governor-in-Council may consent to any expropriation of an interest in Kitselas Lands only if the Governor-in-Council is satisfied that, in addition to any other legal requirements that may apply, the following requirements have been met:
 - (a) there is no other reasonably feasible alternative land to acquire that is not Kitselas Lands;
 - (b) reasonable efforts have been made by the Federal Expropriating Authority to acquire the interest in Kitselas Lands through agreement with Kitselas;
 - (c) the most limited interest in Kitselas Lands necessary is expropriated for the shortest time required; and
 - (d) all information relevant to the expropriation, other than documents that would be protected from disclosure pursuant to Federal Law, has been provided to Kitselas.
- 4. Prior to the Governor-in-Council issuing an order consenting to the expropriation of an interest in Kitselas Lands, the Federal Expropriating Authority will provide to Kitselas, and make available to the public, a report stating the justification for the expropriation and describing the steps taken to satisfy the requirements set out in paragraph 3.
- 5. If Kitselas objects to a proposed expropriation of an interest in Kitselas Lands, it may, within 60 days after the report has been provided to Kitselas under paragraph 4, by providing notice in writing to the Federal Expropriating Authority refer the matter directly to neutral evaluation under Stage Two of Chapter 29 Dispute Resolution for review of the steps taken to satisfy the requirements set out in paragraph 3.
- 6. The Federal Expropriating Authority may not seek Governor-in-Council consent to the expropriation of an interest in Kitselas Lands:
 - (a) before the expiration of the period referred to in paragraph 5;
 - (b) if Kitselas has referred the matter to a neutral evaluator in accordance with paragraph 5, before the neutral evaluator has delivered an opinion on the matter, such opinion to be rendered within 60 days of the referral being made; or

- (c) within such additional time as Kitselas and the Federal Expropriating Authority may agree.
- 7. Without limiting the generality of Chapter 29 Dispute Resolution, the opinion of the neutral evaluator under subparagraph 6(b):
 - (a) is without prejudice to the legal positions that may be taken by a Federal Expropriating Authority and Kitselas in court or in any other forum;
 - (b) will not be admissible in any legal proceedings, unless otherwise required by law; and
 - (c) is not binding on the Governor-in-Council under paragraphs 1 and 3.
- 8. If a fee simple interest in a parcel of Kitselas Lands is expropriated by a Federal Expropriating Authority, the Federal Expropriating Authority will make reasonable efforts to identify replacement land within the Kitselas Harvest Area, being Crown land or land available on a willing-seller willing-buyer basis of equivalent or greater size and comparable value and, if acceptable to Kitselas, to acquire and offer the replacement land to Kitselas as partial or full compensation for the expropriation. If the Federal Expropriating Authority and Kitselas are unable to agree on the provision of replacement land as compensation, the Federal Expropriating Authority will provide Kitselas with other compensation in accordance with this Agreement.
- 9. Subject to paragraph 12, if the replacement land identified by the Federal Expropriating Authority would result in the total size of Kitselas Lands being less than at the Effective Date and Kitselas does not agree that the replacement land is of comparable value to the interest in Kitselas Lands being expropriated, Kitselas may refer the issue of whether the replacement land is of comparable value to the interest in Kitselas Lands being expropriated to be finally determined by arbitration under Chapter 29 Dispute Resolution.
- 10. The total value of compensation for an interest in Kitselas Lands expropriated by a Federal Expropriating Authority pursuant to this Appendix will be based upon the following factors:
 - (a) the market value of the expropriated interest or of the Kitselas Lands in which an interest has been expropriated;
 - (b) the replacement value of any improvement to the Kitselas Lands in which an interest has been expropriated;
 - (c) any expenses or losses resulting from the disturbance directly attributable to the expropriation;
 - (d) any reduction in the value of any interest in Kitselas Lands that is not expropriated which directly relates to the expropriation;
 - (e) any adverse effect on any cultural or other special value of Kitselas Lands in which an interest has been expropriated provided that the cultural or other special

value is only applied to an interest in Kitselas Lands recognized in law and held by Kitselas, and provided that there will be no increase in the total value of compensation on account of any Aboriginal rights, title or interest; and

Note: Paragraph 10(e) is subject to further review by the Parties.

- (f) the value of any special economic advantage arising out of or incidental to the occupation or use of the Kitselas Lands by Kitselas to the extent that the value is not otherwise compensated.
- 11. Subject to paragraph 12, if the total value of compensation cannot be agreed upon between the Federal Expropriating Authority and Kitselas, or if there is disagreement on whether the combination of replacement land and cash is equal to the total value of compensation, the Federal Expropriating Authority or Kitselas may refer the matter for dispute resolution under Chapter 29 Dispute Resolution.
- 12. A dispute on the valuation of replacement land under paragraph 9, or on the total value of compensation under paragraph 11, or on the terms and conditions of the return of land under paragraph 25, will not delay the expropriation.
- 13. Interest is payable on compensation from the date of an expropriation at the interest rate payable in accordance with Federal Law.
- 14. If a Federal Expropriating Authority expropriates or otherwise acquires a fee simple interest in a parcel of Kitselas Lands, the land will no longer be Kitselas Lands, and Appendix B will be amended in accordance with the process set out in paragraph 9 of Chapter 31 Amendment.
- 15. If a Federal Expropriating Authority expropriates less than a fee simple interest in a parcel of Kitselas Lands:
 - (a) the parcel of land retains its status as Kitselas Lands;
 - (b) the parcel of land remains subject to Kitselas Law that are otherwise applicable, except to the extent that such laws are inconsistent with or interferes with the use of the interest that was expropriated; and
- (c) Kitselas may continue to use and occupy the parcel of land, except to the extent the use or occupation is inconsistent with or interferes with the expropriation in the view of the Federal Expropriating Authority.

Note: Paragraph 15.(c) is subject to further review by the Parties.

16. Kitselas may make a request under paragraph 91 of Chapter 3 Kitselas Lands to have a parcel of replacement land transferred to Kitselas under paragraph 8 added to Kitselas Lands, if that parcel of land is within the Kitselas Harvest Area.

- 17. Paragraphs 92 to 99 of Chapter 3 Kitselas Lands apply to a request to add a parcel of replacement to Kitselas Lands made under paragraph 16, except as otherwise provided in paragraphs 18 and 19.
- 18. When considering a request to add a parcel of replacement to Kitselas Lands made under paragraph 16, Canada will take into account the matters set out in subparagraphs 93.(a) and 93.(b) of Chapter 3 Kitselas Lands and will not take into account the matters set out in subparagraph 93.(c) of Chapter 3 Kitselas Lands.
- 19. Notwithstanding paragraph 18, Canada will agree to a request made under paragraph 16 if the replacement land does not overlap with an area that is the subject of any claims or treaty negotiations with another First Nation.
- 20. If an expropriated interest in a parcel of Kitselas Lands is no longer required for the purpose for which it was expropriated, the federal department, agency, or other entity, or its successors or assigns, will ensure that the interest in land is returned to Kitselas, on the terms and conditions negotiated in accordance with paragraph 25.
- 21. Where Kitselas becomes the registered owner of the fee simple interest in a parcel of land that is returned to Kitselas under paragraph 20, Kitselas may add that parcel to Kitselas Lands upon notice to Canada and British Columbia.
- 22. Upon receipt by Canada and British Columbia of a notice under paragraph 21, Appendix B will be amended in accordance with the process set out in paragraph 9 of Chapter 31 Amendment to reflect the addition of the parcel, and the land will become Kitselas Lands when the amendment takes effect.
- 23. The consent of the Governor-in-Council is not required to give effect to a reversion under paragraph 20, and the federal department, agency or other entity who holds the expropriated interest will determine the disposition of any improvements made to the land in a manner consistent with the agreement reached pursuant to paragraph 25.
- 24. Kitselas agrees that the return of an interest in Kitselas Lands in accordance with paragraph 20 will not result in Canada or British Columbia assuming financial or other obligations, unless agreed to in writing at the time of the expropriation.

Note: Paragraph 24 is subject to further review by the Parties.

- 25. At the time of the expropriation, Kitselas and the Federal Expropriating Authority will negotiate the terms and conditions of the return of an expropriated interest in Kitselas Lands, including:
 - (a) requirements relating to financial considerations based on market value principles;
 - (b) the condition of the land to be returned; and

- (c) the process for resolving any disputes around the implementation of these terms and conditions.
- 26. Where the terms and conditions of the return of an expropriated interest in Kitselas Lands cannot be agreed upon by Kitselas and the Federal Expropriating Authority at the time of the expropriation, either Kitselas or the Federal Expropriating Authority, may refer the issue to be finally determined by arbitration under Chapter 29 Dispute Resolution.
- 27. Except as otherwise provided in paragraphs 5, 9, 11 and 26 of this Appendix, no conflict or dispute between the Parties respecting the interpretation, application or implementation of paragraphs 110 to 113 of Chapter 3 Kitselas Lands or this Appendix will go to dispute resolution under Chapter 29 Dispute Resolution.
- 28. Where the fee simple interest in a parcel of Kitselas Lands is held by any person other than Kitselas, any interest in that parcel of Kitselas Lands may be expropriated by a Federal Expropriating Authority in accordance with:
 - (a) Federal Law;
 - (b) the consent of the Governor-in-Council; and
 - (c) paragraphs 1 to 7, 14 to 15 and 20 to 26;
 - (d) and for greater certainty, any return of land under paragraphs 20 to 24 will be to Kitselas.
- 29. For greater certainty, except to the extent that this Agreement modifies the application of Federal Law relating to an expropriation of Kitselas Lands, Federal Law relating to expropriation will apply to an expropriation of Kitselas Lands.

Appendix I Expropriation Procedures

Part 2: Provincial Expropriation Procedures

Note: The Parties will update the Appendices before the Effective Date.

General

- 1. A Provincial Expropriating Authority may expropriate an interest or estate in Kitselas Lands only with the consent and by the order of the Lieutenant- Governor-in-Council.
- 2. Except to the extent that this Agreement modifies the application of Provincial Law, Provincial Law applies to the expropriation of Kitselas Lands by a Provincial Expropriating Authority, including the process and procedures under the *Expropriation Act*.

Purchase of Kitselas Lands

- 3. Where a Provincial Expropriating Authority has determined that it requires Kitselas Lands, the Provincial Expropriating Authority will make reasonable efforts to acquire the interest or fee simple estate by agreement with the owner.
- 4. The Provincial Expropriating Authority will notify Kitselas of its intention to acquire Kitselas Lands.
- 5. Where the Provincial Expropriating Authority and the owner of the fee simple estate are unable to reach an agreement on the acquisition of Kitselas Lands, the Provincial Expropriating Authority may proceed with expropriation in accordance with this Appendix.
- 6. Where the Provincial Expropriating Authority other than British Columbia has determined that:
 - (a) it requires a fee simple estate in Kitselas Lands; and
 - (b) the fee simple estate may no longer be Kitselas Lands given the purposes for which the land is to be used, then, notwithstanding any agreement for the purchase of the fee simple estate in Kitselas Lands, the removal of the fee simple estate from Kitselas Lands will require the consent of the Lieutenant-Governor-in-Council having regard for the factors under section 8.

Lieutenant Govenor-in-Council Consent

- 7. The Lieutenant-Governor-in-Council may issue an order consenting to an expropriation of Kitselas Lands by a Provincial Expropriating Authority only:
 - (a) after the conclusion of the procedures described in sections 10 and 11; and
 - (b) where the expropriation is justifiable under section 8 based on:
 - i. information furnished by the Provincial Expropriating Authority; and

- ii. the inquiry officer's report where an inquiry has been held under the *Expropriation Act*.
- 8. An expropriation is justifiable under section 7 where the Lieutenant-Governor-in-Council is satisfied that, in addition to the applicable requirements under Provincial Law, the following requirements have been met:
 - (a) there is no other reasonably feasible alternative to the expropriation, including the use of lands that are not Kitselas Lands;
 - (b) reasonable efforts have been made by the Provincial Expropriating Authority to acquire the Kitselas Lands through agreement with the owner;
 - (c) the Provincial Expropriating Authority has confirmed that the proposed expropriation is the smallest interest or estate necessary and for the shortest time required;
 - (d) where, in the case of a fee simple estate, the Provincial Expropriating Authority other than British Columbia has requested that the lands no longer be Kitselas Lands, the Provincial Expropriating Authority has confirmed that the removal of the lands from Kitselas Lands is necessary for the purposes for which the land is to be used;
 - (e) where Kitselas has objected to the expropriation, reasonable efforts have been made to resolve the objection;
 - (f) where the Kitselas Lands are held by Kitselas and Kitselas has designated all or a portion of those lands as a Kitselas Heritage Site under Kitselas Law, reasonable efforts have been made to minimize or, where possible, avoid impacts on those portions of the lands that have been designated as a Kitselas Heritage Site; and
 - (g) information relevant to the expropriation, other than documents that would be protected from disclosure under Provincial Law, has been provided to Kitselas, including:
 - i. the Provincial Expropriating Authority's report referred to in section 6; and
 - ii. the inquiry officer's report where an inquiry has been held under the *Expropriation Act*.
- 9. Notwithstanding sections 7 to 8, the Lieutenant-Governor-in-Council may consent to the expropriation if the Minister or Lieutenant-Governor-in-Council has declared a state of emergency.

Expropriation Process

10. Before the Lieutenant-Governor-in-Council makes a decision under section 7, the Provincial Expropriating Authority will provide Kitselas with a report which states the reasons for the expropriation and addresses the factors under section 8.a to f.

- 11. Within 30 days of receipt of the report under section 10, Kitselas will notify the Provincial Expropriating Authority if it objects to the expropriation of Kitselas Lands and, within 30 days of the Provincial Expropriating Authority's receipt of notice from Kitselas, the Provincial Expropriating Authority and Kitselas will make reasonable efforts to resolve the objection raised by Kitselas.
- 12. Where the Provincial Expropriating Authority and Kitselas are unable to resolve Kitselas's objections under section 11, the Provincial Expropriating Authority may proceed with the expropriation of Kitselas Lands on notice to Kitselas and any person entitled to notice under the *Expropriation Act*.
- 13. For the purposes of section 12:
 - (a) Kitselas may participate in any inquiry under the Expropriation Act relating to the expropriation of Kitselas Lands and, whether or not it participates in the inquiry, will be entitled to receive the inquiring officer's report submitted to the approving officer; and
 - (b) where Kitselas Lands are not registered in the Land Title Office, the requirements under the *Expropriation Act* to file the expropriation notice in the Land Title Office will not apply.
- 14. The Lieutenant-Governor-in-Council will be the "approving authority" under the Expropriation Act in relation to an expropriation of Kitselas Lands under that Act.
- 15. Where the Lieutenant-Governor-in-Council has consented to the expropriation of Kitselas Lands and those lands are not registered in the Land Title Office, Kitselas will, at the request of the Provincial Expropriating Authority, register the lands in the Land Title Office in accordance with Chapter 5, Land Title and the Provincial Expropriating Authority will be responsible for the transaction costs of surveying, registering and transferring the land, if applicable.

Compensation

- 16. Where the Lieutenant-Governor-in-Council has consented to a Provincial Expropriating Authority's expropriation of Kitselas Lands, the Provincial Expropriating Authority will compensate the owner of the land based on the criteria set out in Provincial Law.
- 17. Where the Provincial Expropriating Authority and the owner of the land disagree on the amount of compensation, the amount of compensation will be determined in accordance with Provincial Law and this Agreement.
- 18. A dispute under this section will not delay the expropriation.

Replacement Land

19. Where a fee simple estate in Kitselas Lands is expropriated by a Provincial Expropriating Authority, before offering compensation in accordance with Provincial Law, the Provincial Expropriating Authority will first make reasonable efforts to identify and offer replacement land of comparable value within the Kitselas Area to the owner whose land is expropriated.

- 20. Where there is no agreement under section 19, or the replacement land is of less than comparable value, the Provincial Expropriating Authority will provide the owner with other, or additional, compensation in accordance with Provincial Law.
- 21. At the request of Kitselas, British Columbia will consent to the replacement land being added to Kitselas Lands and, where Canada consents to such replacement lands becoming Kitselas Lands in accordance with a request under paragraph 91 of Chapter 3, Lands, upon receipt by Kitselas of notice of the consent of each of British Columbia and Canada, Appendix B will be amended in accordance with the process set out in paragraph 9 of Chapter 31, Amendment.

Return of Expropriated Kitselas Lands

- 22. Where the expropriated interest or estate in Kitselas Land is no longer required by the Provincial Expropriating Authority, the Provincial Expropriating Authority will not dispose of the lands without first offering the owner from whom it was taken or, where such owner does not wish to acquire the land, Kitselas, a right of first refusal to acquire the land.
- 23. Where the land was expropriated and removed from Kitselas Lands under subsection 8.d, and the land is returned to the owner from whom it was taken or Kitselas under section 22, Kitselas may add the parcel to Kitselas Lands upon notice to Canada and British Columbia.
- 24. Upon receipt by Canada and British Columbia of notice under section 23, the parcel will become Kitselas Lands and Appendix B will be amended in accordance with the process set out in paragraph 9 of the Amendment Chapter.

Subsurface Resources

- 25. Unless British Columbia and Kitselas agree otherwise, the expropriation and removal of a fee simple estate from Kitselas Lands under section 8.d will include Subsurface Resources.
- 26. British Columbia acknowledges Kitselas's interest in retaining ownership of the Subsurface Resources for any expropriation of Kitselas Lands in fee simple.
- 27. Kitselas will own the Subsurface Resources on any replacement lands or lands that are added to Kitselas Lands under section 21 where:
 - (a) the fee simple includes ownership of the Subsurface Resources; or
 - (b) British Columbia owns the Subsurface Resources.
- 28. For purposes of subsection 27.b, any Subsurface Tenures and the Tenured Subsurface Resources will be administered by British Columbia accordance with paragraphs 8 to 17 of Chapter 4, Subsurface.

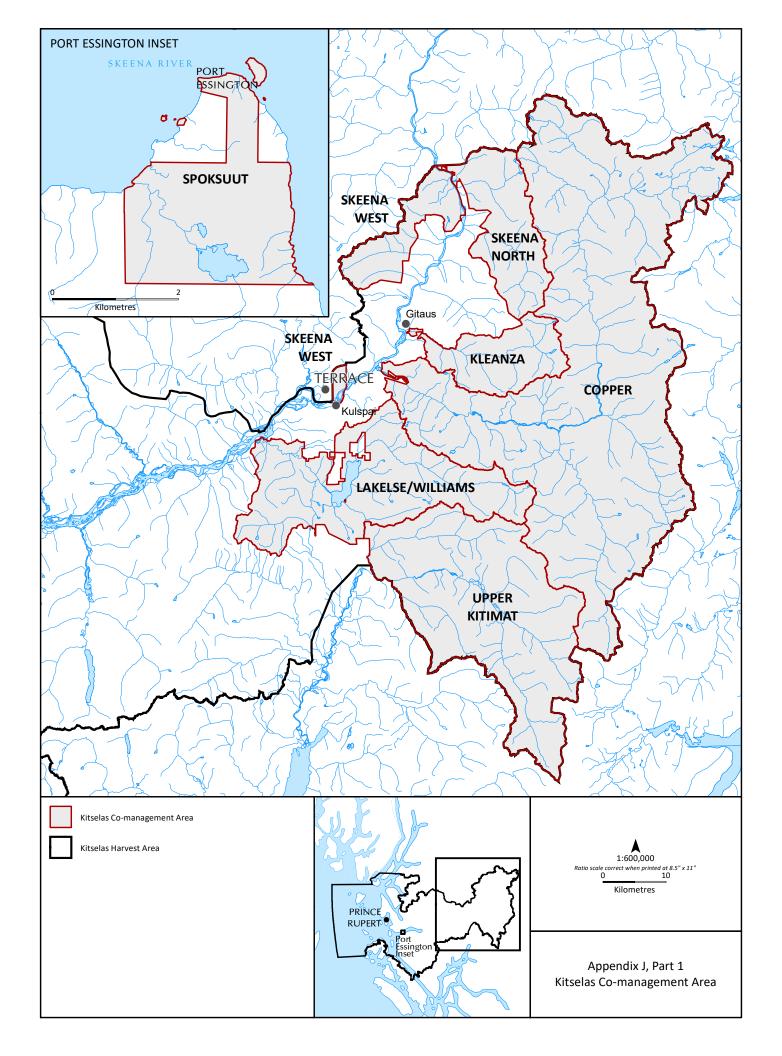
Kitselas Law-Making Authority

29. Nothing under Kitselas Law, including any restrictions on the ownership of Kitselas Lands, will prevent the expropriation of Kitselas Lands in accordance with this Agreement and Provincial Law.

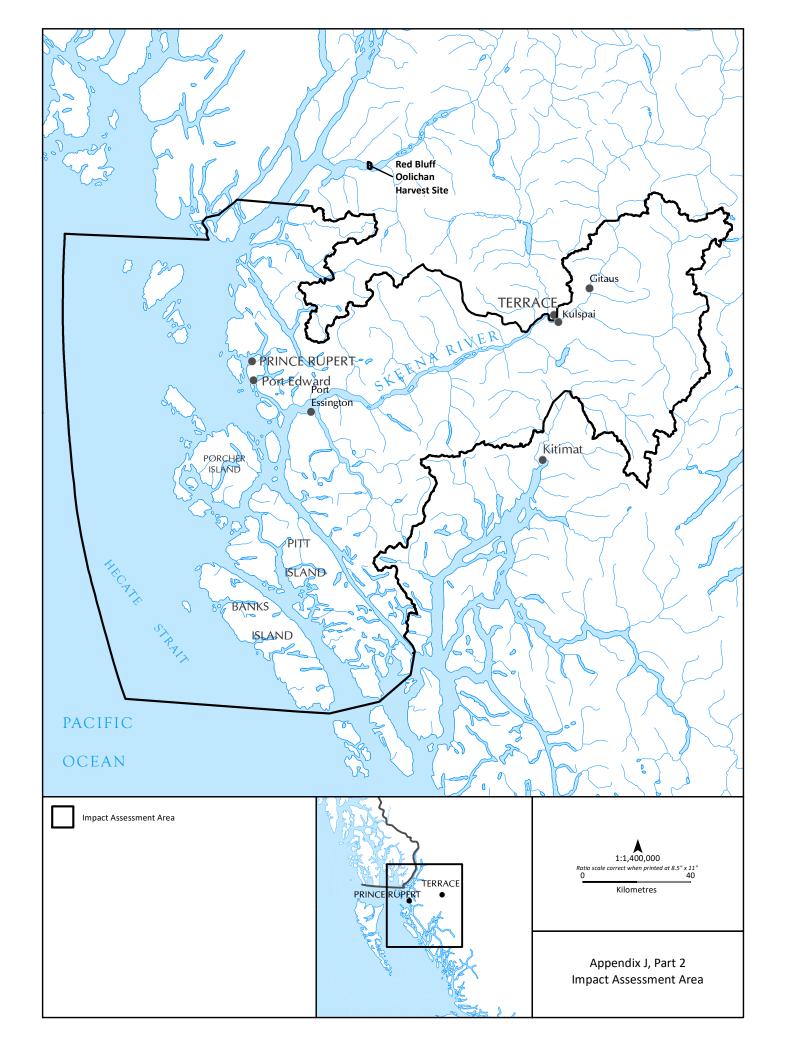
30. Kitselas Laws apply to expropriated Kitselas Lands except to the extent that Kitselas's use or occupation of the land or Kitselas Law is inconsistent with the use of land for which the expropriation took place.

- Part 1: Map of Kitselas Co-management Area
- Part 2: Map of Impact Assessment Area
- Part 3: Form of Port Essington Water Lot Lease

Part 1: Map of Kitselas Co-management Area



Part 2: Map of Impact Assessment Area



Part 3: Form of Port Essington Water Lot Lease

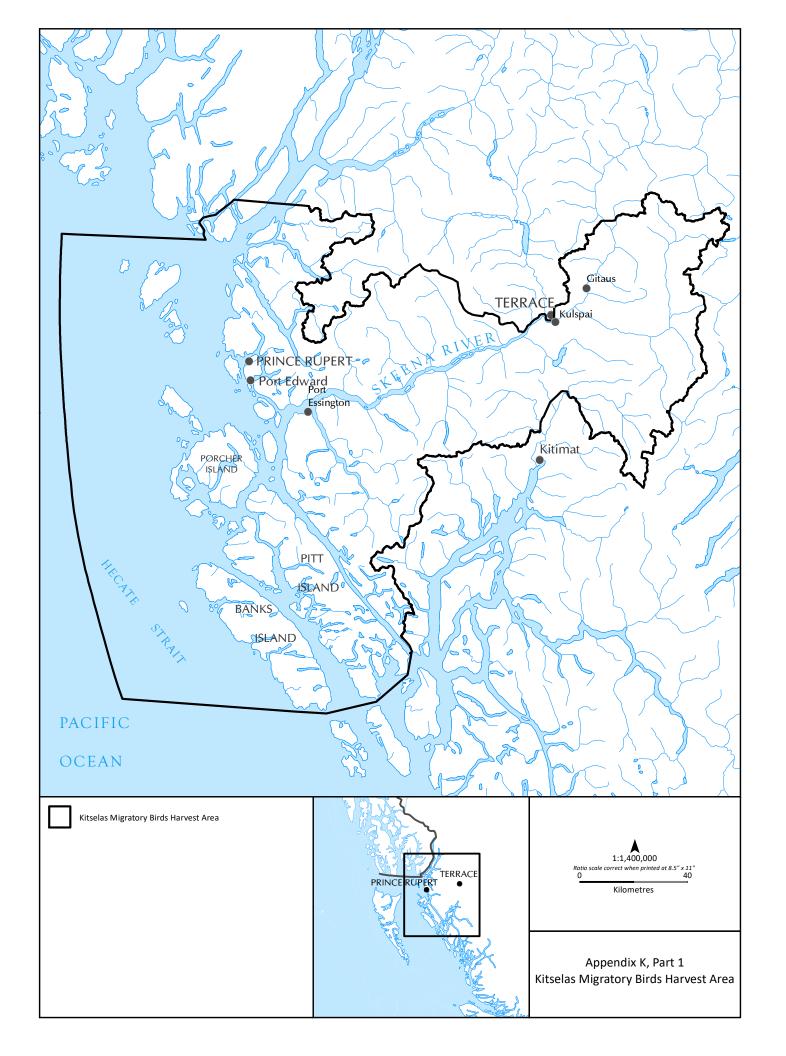
Note: The Parties will complete this sub-appendix for the Ratification Version of the Treaty.

Appendix K Kitselas Migratory Birds Harvest Area, Kitselas Fishing Area, and Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves

- Part 1: Map of Kitselas Migratory Birds Harvest Area
- Part 2: Map of Kitselas Fishing Area
- Part 3: Map of Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves

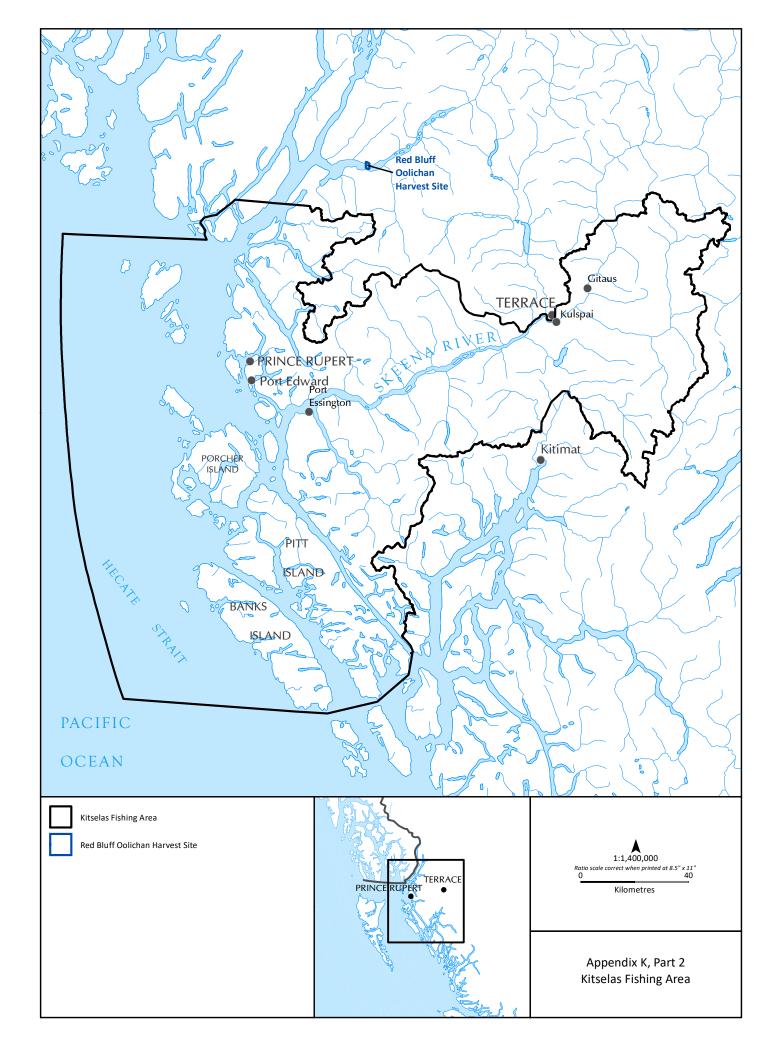
Appendix K Kitselas Migratory Birds Harvest Area, Kitselas Fishing Area and Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves

Part 1: Map of Kitselas Migratory Birds Harvest Area



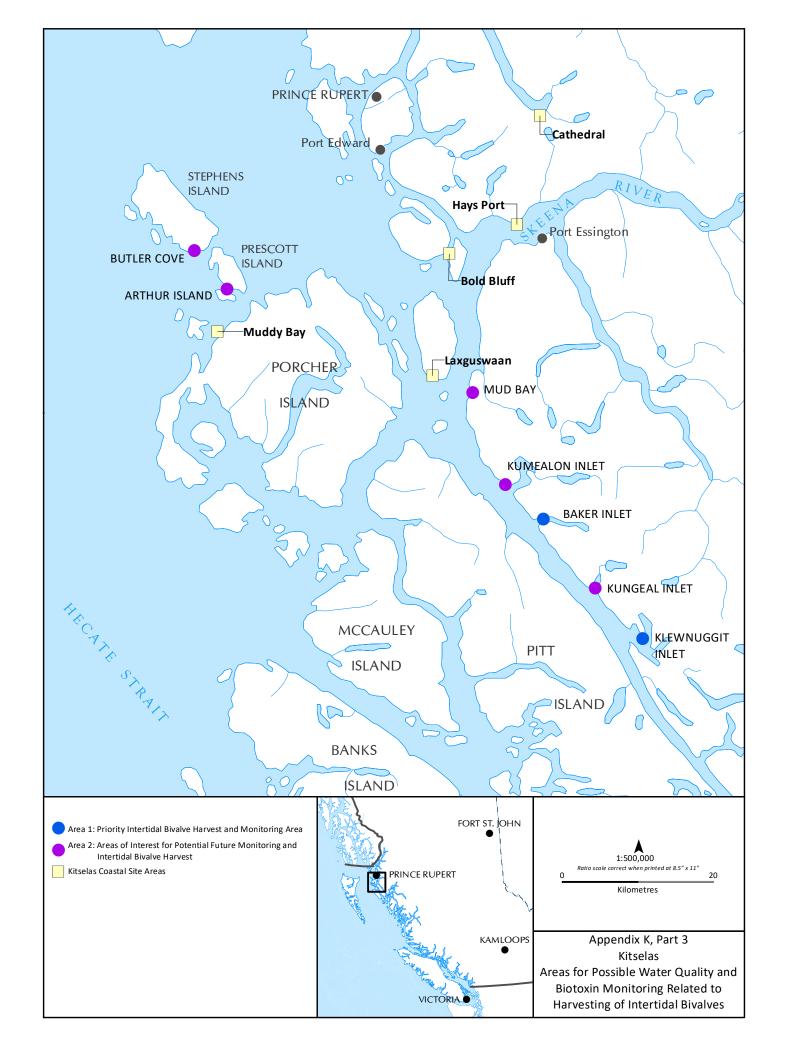
Appendix K Migratory Birds Harvest Area, Fishing Area and Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves

Part 2: Map of Kitselas Fishing Area



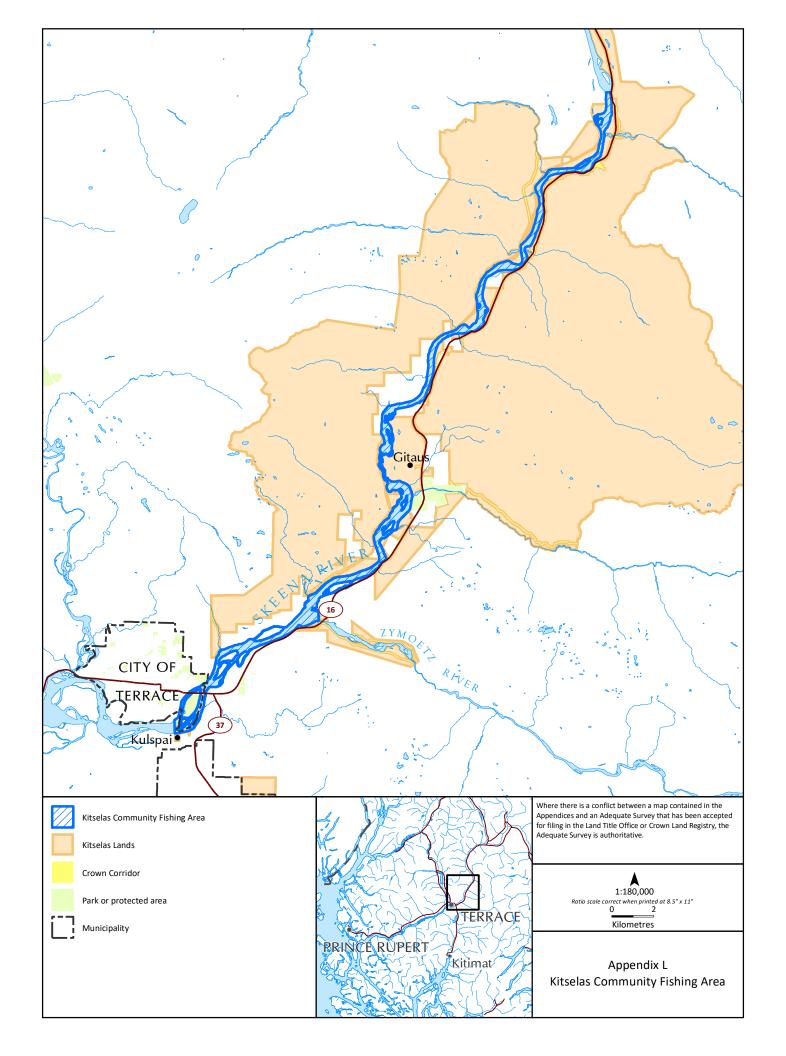
Appendix K Migratory Birds Harvest Area, Fishing Area and Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves

Part 3: Map of Areas for Possible Water Quality and Biotoxin Monitoring Related to Harvesting of Intertidal Bivalves



Appendix L Kitselas Community Fishing Area

Map of Kitselas Community Fishing Area



Appendix M Estates in Fee Simple That Require Access Over Kitselas Lands

- Part 1: Estates in Fee Simple That Require Access Over Kitselas Lands
- Part 2: Estates in Fee Simple Entitled to Negotiate a Right of Access Across Kitselas Lands

Appendix M Estates in Fee Simple That Require Access Over Kitselas Lands

Part 1: Estates in Fee Simple That Require Access Over Kitselas Lands

Legal Description	Land Title Parcel Identifier (PID)	General Location
District Lot 71, Range 5, Coast District (Subsurface Resources Only)	014-969-637	Appendix B-3 Map 19
District Lot 72, Range 5, Coast District (Subsurface Resources Only)	014-969-653	Appendix B-3 Map 19
District Lot 5979, Range 5, Coast District	015-275-400	Appendix B-3 Maps 14, 19
District Lot 2218, Range 5, Coast District	015-130-304	Appendix B-3 Map 25
District Lot 7651, Range 5, Coast District	015-191-290	Appendix B-3 Map 25

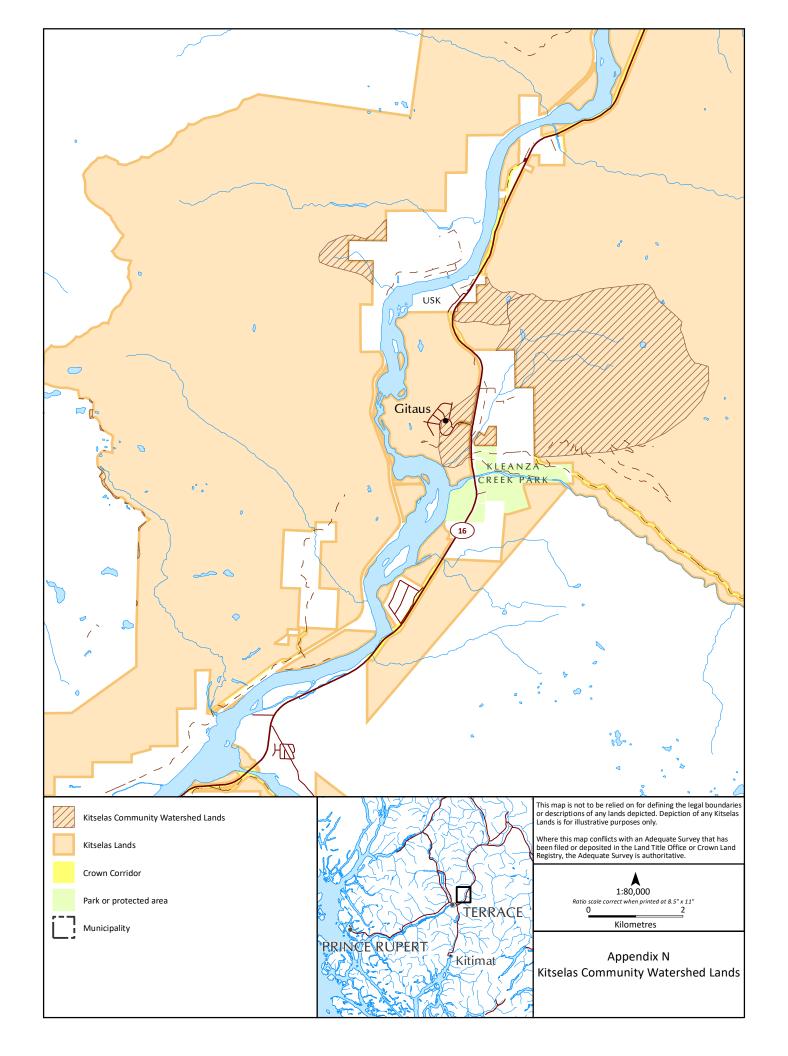
Appendix M Estates in Fee Simple That Require Access Over Kitselas Lands

Part 2: Estates in Fee Simple Entitled to Negotiate a Right of Access Across Kitselas Lands

Legal Description	Land Title Parcel Identifier (PID)	General Location
District Lot 71, Range 5, Coast District (Subsurface Resources Only)	014-969-637	Appendix B-3 Map 19
District Lot 72, Range 5, Coast District (Subsurface Resources Only)	014-969-653	Appendix B-3 Map 19
District Lot 5979, Range 5, Coast District	015-275-400	Appendix B-3 Maps 14, 19
District Lot 2218, Range 5, Coast District	015-130-304	Appendix B-3 Map 25
District Lot 7651, Range 5, Coast District	015-191-290	Appendix B-3 Map 25

Appendix N Kitselas Community Watershed Lands

Map of Kitselas Community Watershed Lands



Appendix O Dispute Resolution Procedures

Note: The Parties will update the Appendices before the Effective Date.

Appendix O-1 Collaborative Negotiations

Appendix O-2 Mediation

Appendix O-3 Technical Advisory Panel

Appendix O-4 Neutral Evaluation

Appendix O-5 Arbitration

Appendix O-1 Collaborative Negotiations

Note: The Parties will update the Appendices before the Effective Date.

Definitions

1. In this Appendix:

"Chapter" means Chapter 29 Dispute Resolution of this Agreement; and "Section" means a section in this Appendix.

General

- 2. Collaborative negotiations commence:
 - (a) on the date a written notice is delivered requiring the commencement of collaborative negotiations; or
 - (b) in the case of negotiations in the circumstances described in paragraph 5(c) of the Chapter, on the date of the first negotiation meeting.

Notice

- 3. A written notice under paragraph 14 of the Chapter requiring the commencement of collaborative negotiations will include the following:
 - (a) the names of the Disputing Parties;
 - (b) a brief summary of the particulars of the Disagreement;
 - (c) a description of the efforts made to date to resolve the Disagreement;
 - (d) the names of the individuals involved in those efforts; and
 - (e) any other information that will assist the Parties in collaborative negotiations.

Representation

- 4. A Participant may attend collaborative negotiations with or without legal counsel.
- 5. At the commencement of the first negotiation meeting, each Participant will advise the other Participants of any limitations on the authority of its representatives.

Negotiation Process

- 6. The Participants will convene their first negotiation meeting in collaborative negotiations, other than those described in paragraph 5(c) of the Chapter, within 21 days of the commencement of the collaborative negotiations.
- 7. Before the first scheduled negotiation meeting, the Participants will discuss and attempt to reach agreement on any procedural issues that will facilitate the collaborative negotiations, including the requirements of paragraph 25 of the Chapter.
- 8. For the purposes of paragraph 25(a) of the Chapter, "timely manner" means disclosure

made within 15 days of a request for disclosure by a Participant.

- 9. The Participants will make a serious attempt to resolve the Disagreement by:
 - (a) identifying underlying interests;
 - (b) isolating points of agreement and Disagreement;
 - (c) exploring alternative solutions;
 - (d) considering compromises or accommodations; and
 - (e) taking any other measures that will assist in resolution of the Disagreement.
- 10. No transcript or recording will be kept of collaborative negotiations, but this does not prevent an individual from keeping notes of the negotiations.

Confidentiality

- 11. In order to assist in the resolution of a Disagreement, collaborative negotiations will not be open to the public.
- 12. The Participants, and all Persons, will keep confidential:
 - (a) all oral and written information disclosed in the collaborative negotiations; and
 - (b) the fact that the information referred to in Section 12(a) has been disclosed.
- 13. The Participants will not rely on or introduce as evidence in any proceeding, whether or not that proceeding relates to the subject matter of the collaborative negotiations, any oral or written information disclosed in or arising from the collaborative negotiations, including:
 - (a) any documents of other Participants produced in the course of the collaborative negotiations that are not otherwise produced or producible in that proceeding;
 - (b) any views expressed, or suggestions made, by any Participant in respect of a possible settlement of the Disagreement;
 - (c) any admissions made by any Participant in the course of the collaborative negotiations, unless otherwise stipulated by the admitting Participant; and
 - (d) the fact that any Participant has indicated a willingness to make or accept a proposal for settlement.
- 14. Sections 12 and 13 do not apply:
 - in any proceeding for the enforcement or setting aside of an agreement resolving the Disagreement that was the subject of the collaborative negotiation;
 - (b) if the adjudicator in any proceeding determines that the interests of the public or the administration of justice outweigh the need for confidentiality; or
 - (c) if the oral or written information referred to in these Sections is in the public

forum.

Right to Withdraw

15. A Participant may withdraw from collaborative negotiations at any time.

Termination of Collaborative Negotiations

- 16. Collaborative negotiations are terminated when any of the following occurs:
 - (a) the expiration of:
 - (i) 30 days; or
 - (ii) in the case of negotiations in the circumstances described in paragraph 5(c) of the Chapter, 120 days after the first scheduled negotiation meeting, or any longer period agreed to by the Participants in writing;
 - (b) a Disputing Party withdraws from the collaborative negotiations under Section 15;
 - (c) the Participants agree in writing to terminate the collaborative negotiations; or
 - (d) the Disputing Parties sign a written agreement resolving the Disagreement.

Appendix O-2 Mediation

Note: The Parties will update the Appendices before the Effective Date.

Definitions

1. In this Appendix:

"Chapter" means Chapter 29 Dispute Resolution of this Agreement; and

"Section" means a section in this Appendix.

General

2. A mediation commences on the date the Disputing Parties agree in writing to use mediation, or are deemed to have agreed to use mediation, under paragraph 23 of the Chapter.

Appointment of Mediator

- 3. A mediation will be conducted by one mediator jointly appointed by the Participants.
- 4. A mediator must be:
 - (a) an experienced and skilled mediator, preferably with unique qualities or specialized knowledge that would be of assistance in the circumstances of the Disagreement; and
 - (b) independent and impartial.
- 5. If the Participants fail to agree on a mediator within 15 days of the commencement of a mediation, or within 15 days of the termination of a mediator's appointment under Section 10, the Neutral Appointing Authority will make the appointment on the written request of a Participant that is copied to the other Participants.
- 6. Subject to any limitations agreed to by the Participants, a mediator may employ reasonable and necessary administrative or other support services.

Requirement to Withdraw

- 7. If at any time a Participant has justifiable doubts as to the mediator's independence or impartiality, the Participant may give the mediator and the other Participants a written notice, with or without reasons, requiring the mediator to withdraw from the mediation.
- 8. On receipt of a written notice under Section 7, the mediator must immediately withdraw from the mediation.
- 9. A mediator who is a Kitselas Citizen, or related to a Kitselas Citizen, must not be required to withdraw under Section 8 solely on the grounds of being a Kitselas Citizen or of that relationship to a Kitselas Citizen.

End of Appointment

10. A mediator's appointment terminates if:

- (a) the mediator is required to withdraw under Section 8;
- (b) the mediator withdraws for any reason; or
- (c) the Participants agree to terminate the appointment.
- 11. If a mediator's appointment terminates, a replacement will be appointed under Sections 3 to 5 within the required time commencing from the date of the termination of the appointment.

Representation

- 12. A Participant may attend a mediation with or without legal counsel.
- 13. If a mediator is a lawyer, the mediator must not act as legal counsel for any Participant.
- 14. At the commencement of the first meeting of a mediation, each Participant will advise the mediator and the other Participants of any limitations on the authority of its representatives.

Conduct of Mediation

- 15. The Participants will:
 - (a) make a serious attempt to resolve the Disagreement by:
 - (i) identifying underlying interests,
 - (ii) isolating points of agreement and Disagreement,
 - (iii) exploring alternative solutions, and
 - (iv) considering compromises or accommodations; and
 - (b) cooperate fully with the mediator and give prompt attention to, and respond to, all communications from the mediator.
- 16. A mediator may conduct a mediation in any manner the mediator considers necessary and appropriate to assist the Participants to resolve the Disagreement in a fair, efficient and cost-effective manner
- 17. Within seven days of the appointment of a mediator, each Participant will deliver a brief written summary to the mediator of the relevant facts, the issues in the Disagreement, and its viewpoint in respect of them.
- 18. At the end of the seven day period referred to in Section 17, the mediator will deliver copies of the written summaries to each Participant.
- 19. A mediator may conduct a mediation in joint meetings or private caucus convened at locations the mediator designates after consulting the Participants.
- 20. Disclosures made by any Participant to a mediator in private caucus must not be disclosed by the mediator to any other Participant without the consent of the disclosing Participant.

21. No transcript or recording will be kept of a mediation meeting but this does not prevent an individual from keeping notes of the mediation meeting.

Confidentiality

- 22. In order to assist in the resolution of a Disagreement, a mediation will not be open to the public.
- 23. The Participants, and all Persons, will keep confidential:
 - (a) all oral and written information disclosed in the mediation; and
 - (b) the fact that the information referred to in Section 23(a) has been disclosed.
- 24. The Participants will not rely on or introduce as evidence in any proceeding, whether or not that proceeding relates to the subject matter of the mediation, any oral or written information disclosed in or arising from the mediation, including:
 - (a) any documents of other Participants produced in the course of the mediation that are not otherwise produced or producible in that proceeding;
 - (b) any views expressed, or suggestions or proposals made, in respect of a possible settlement of the Disagreement;
 - (c) any admissions made by any Participant in the course of the mediation, unless otherwise stipulated by the admitting Participant;
 - (d) any recommendations for settlement made by the mediator; and
 - (e) the fact that any Participant has indicated a willingness to make or accept a proposal or recommendation for settlement.
- 25. Sections 23 and 24 do not apply:
 - (a) in any proceeding for the enforcement or setting aside of an agreement resolving the Disagreement that was the subject of a mediation;
 - (b) if the adjudicator in any proceeding determines that the interests of public or the administration of justice outweigh the need for confidentiality; or
 - (c) if the oral or written information referred to in Sections 23 and 24 is in the public forum.
- 26. A mediator, or anyone retained or employed by the mediator, is not compellable in any proceeding to give evidence about any oral and written information acquired or opinion formed by that individual as a result of the mediation, and all Participants will oppose any effort to have that individual or that information subpoenaed.
- 27. A mediator, or anyone retained or employed by the mediator, may not act as a consultant or expert in any proceeding relating to the Disagreement, including any proceeding that involves Persons not a Participant to the mediation.

Referral of Issues to Other Processes

- 28. During a mediation the Participants may agree to refer particular issues in the Disagreement to independent fact-finders, expert panels or other processes for opinions or findings that may assist them in the resolution of the Disagreement, and in that event, the Participants must specify:
 - (a) the terms of reference for the process;
 - (b) the time within which the process must be concluded; and
 - (c) how the costs of the process are to be allocated to the Participants.
- 29. The time specified for concluding a mediation will be extended for 15 days following receipt of the findings or opinions rendered in a process described under Section 28.

Right to Withdraw

- 30. A Participant may withdraw from a mediation at any time in accordance with the processes set out in Sections 31 and 32.
- 31. Before withdrawing from the mediation, a Participant will:
 - (a) deliver written notice to the mediator of the Participant's intent to withdraw;
 - (b) speak with the mediator to disclose its reasons for withdrawing; and
 - (c) give the mediator the opportunity to discuss with the Participant the consequences of its withdrawal.
- 32. Following the process set out in Section 31, if the Participant decides to withdraw from the mediation:
 - (a) the Participant will deliver written notice of its withdrawal to the mediator and all other Participants; and
 - (b) that withdrawal is effective upon delivery of the written notice.

Termination of Mediation

- 33. A mediation is terminated when any of the following occurs:
 - (a) subject to Section 29, the expiration of 30 days after the appointment of the mediator, or any longer period agreed by the Participants in writing;
 - (b) the Participants have agreed in writing to terminate the mediation or not to appoint a replacement mediator under Section 11;
 - (c) a Disputing Party withdraws from the mediation under Section 30; or
 - (d) the Disputing Parties sign a written agreement resolving the Disagreement.

Mediator Recommendation

- 34. If a mediation is terminated without the Disputing Parties reaching agreement, the Disputing Parties may agree to request that the mediator give a written non-binding recommendation for settlement, but the mediator may decline the request without reasons.
- 35. Within 15 days of delivery of any mediator's recommendation under Section 34, the Participants will meet with the mediator to attempt to resolve the Disagreement.

Costs

36. A Participant withdrawing from a mediation under Section 30 is not responsible for any costs of the mediation that are incurred after the date that Participant's withdrawal takes effect.

Appendix O-3 Technical Advisory Panel

Note: The Parties will update the Appendices before the Effective Date.

Definitions

- 1. In this Appendix:
 - "Chapter" means Chapter 29 Dispute Resolution of this Agreement;
 - "Panel Member" means a member of a Panel;
 - "Panel" means a technical advisory panel appointed under this Appendix;
 - "Reference" means a reference of a Disagreement to a Panel; and
 - "Section" means a section in this Appendix.

General

- 2. A question of law may not be referred to a Panel.
- 3. A Reference commences on the date the Disputing Parties agree in writing to use a Panel under paragraph 23 of the Chapter.

Appointment of Panel Members

- 4. A Panel will have three Panel Members unless the Participants agree on a Panel of five Panel Members.
- 5. A Panel Member must have Indigenous, technical, or scientific knowledge and skills related to the subject matter or issues of the Disagreement.
- 6. If there are two Participants, then the Panel will have either:
 - (a) three Panel Members, in which case:
 - (i) each Participant will appoint one Panel Member; and then
 - (ii) the two appointed Panel Members will jointly appoint the third Panel Member; or
 - (b) five Panel Members, in which case:
 - (i) each Participant will appoint two Panel Members; and then
 - (ii) the four appointed Panel Members will jointly appoint the fifth Panel Member.
- 7. If there are three Participants, then the Panel will have either:
 - (a) three Panel Members, in which case each Participant will appoint one Panel

Member; or

- (b) five Panel Members, in which case:
 - (i) each Participant will appoint one Panel Member; and then
 - (ii) the three appointed Panel Members will jointly appoint the fourth and fifth Panel Members.
- 8. During an appointment process set out in Section 6 or 7, if:
 - (a) a process under Section 6(a)(i), 6(b)(i), 7(a) or 7(b)(i), as applicable, is not completed within 30 days of the commencement of the Reference; or
 - (b) a process under Section 6(a)(ii), 6(b)(ii) or 7(b)(ii), as applicable, is not completed within 15 days of the completion of the process under Section 6(a)(i), 6(b)(i) or 7(b)(i),

then the applicable appointment will be made by the Neutral Appointing Authority on the written request of a Participant that is copied to the other Participants.

End of Appointment

- 9. The appointment of a Panel Member who is appointed by the appointing Panel Members or by the Neutral Appointing Authority terminates if:
 - (a) the Panel Member withdraws from office for any reason; or
 - (b) the Participants agree to the termination.
- 10. The appointment of a Panel Member appointed by one Participant, or by the Neutral Appointing Authority in place of the Party, terminates if:
 - (a) the Member withdraws from office for any reason; or
 - (b) the appointing Participant terminates the appointment.
- 11. Subject to Section 12, if the appointment of a Panel Member terminates, a replacement Panel Member will be appointed under the same process by which the former Panel Member was appointed under Section 6 or 7, as applicable, within the required time commencing from the termination of the former Panel Member's appointment.
- 12. A Participant may elect not to replace a Panel Member it had appointed but the Participant may not withdraw from the Reference, except as permitted under Sections 30 to 34.

Terms of Reference

13. Within 15 days of the appointment of the last Panel Member, the Participants will provide the Panel with written terms of reference that will include:

- (a) the Disputing Parties and any other Participants;
- (b) the subject matter and issues of the Disagreement;
- (c) the kind of assistance that the Participants request from the Panel, including providing advice, finding facts, conducting, evaluating and reporting on studies and making determinations or recommendations;
- (d) the time period within which the Participants request the assistance to be provided;
- (e) the time within which the Panel must provide the Parties with the budget described in Section 16;
- (f) a schedule for when the Panel will provide the Participants with written interim reports on the Panel's progress and related expenditures under the budget described in Section 15;
- (g) any limitations on the application of Sections 35 to 41 to the Reference; and
- (h) the time period by which the Panel will provide the Participants with its final written report.
- 14. The Participants may discuss the proposed terms of reference with the Panel before they are finally settled.
- 15. Within the time referred to in Section 13(f), the Panel will provide the Participants with a budget for the costs of conducting the Reference, including:
 - (a) fees to be paid to the Panel Members;
 - (b) costs of required travel, food and accommodation of Panel Members;
 - (c) costs of any required administrative assistance; and
 - (d) costs of any studies.
- 16. The Participants will consider the budget submitted by the Panel and approve that budget with any amendments agreed to by the Participants before the Panel undertakes any activities under the Reference.
- 17. The Participants are not responsible for any costs incurred by the Panel that are in excess of those approved under Section 16, and the Panel is not authorized to incur any costs beyond that amount without obtaining prior written approval from all the Participants.
- 18. The Participants may amend the written terms of reference or the budget from time to time as they consider necessary, or on recommendation of the Panel.

Conduct of Reference

- 19. The Participants will:
 - (a) cooperate fully with the Panel;
 - (b) comply with any requests made by the Panel as permitted or required under this Appendix; and
 - (c) give prompt attention to and respond to all communications from the Panel.
- 20. Subject to the terms of reference and the budget, the Panel may conduct its Reference using any procedure it considers necessary or appropriate, including holding a hearing.
- 21. If a hearing is held, the hearing must be conducted as efficiently as possible and in the manner the Panel specifies, after consultation with the Participants.
- 22. If a hearing is held, the Panel must give the Participants reasonable written notice at least seven days before the hearing date.
- 23. No transcript or recording will be kept of a hearing, but this does not prevent an individual attending the hearing from keeping notes of the hearing.
- 24. The legal rules of evidence do not apply to a hearing before the Panel.
- 25. The Panel will give the Participants the interim and final written reports specified in its terms of reference within the required times.
- 26. The interim and final written reports of the Panel are not binding on the Participants.

Panel Business

- 27. The Panel will appoint one of its Panel Members to act as chair of the Panel.
- 28. The chair of the Panel is responsible for all communications between the Panel, the Participants and any other person to whom the Panel wishes to communicate, but this does not preclude a Panel Member from communicating informally with a Participant.
- 29. The Panel will make every reasonable effort to conduct its business, and fulfill its obligations under its terms of reference, by consensus, but:
 - (a) if consensus is not possible, by actions approved by a majority of its Panel Members; and
 - (b) if a majority is not possible, by actions approved by the chair of the Panel.

Right to Withdraw

- 30. If one of two Participants to a Reference, or two of three Participants to a Reference, are not satisfied with the progress of the Reference:
 - (a) after receipt of an interim report; or

(b) as a result of the Panel's failure to submit an interim report within the required time,

then the dissatisfied Participant or Participants, as the case may be, may give written notice to the Panel and the other Participant that the Participant or Participants are withdrawing from the Reference and that the Reference is terminated.

- 31. If one of three Participants to a Reference is not satisfied with the progress of the Reference:
 - (a) after receipt of an interim report; or
 - (b) as a result of the Panel's failure to submit an interim report within the required time,

then the dissatisfied Participant may give written notice to the Panel and the other Participants that it is withdrawing from the Reference.

- 32. The two Participants who receive a notice under Section 31 will advise the Panel in writing that they have agreed to:
 - (a) terminate the Reference; or
 - (b) continue the Reference.
- 33. If no Participant gives a notice under Section 30 or 31 within 10 days of:
 - (a) receipt of an interim report; or
 - (b) the deadline for the Panel to submit an interim report,

then all Participants will be deemed to be satisfied with the progress of the Reference until submission of the next required interim report.

34. No Participant may withdraw from a Reference except as permitted under Sections 30 to 33.

Confidentiality

- 35. The Participants may, in the terms of reference referred to in Section 13, limit the application of all or any part of Sections 36 to 41 in a Reference.
- 36. In order to assist in the resolution of the Disagreement, a Reference will not be open to the public.
- 37. The Participants, and all Persons, will keep confidential:
 - (a) all oral and written information disclosed in the Reference; and
 - (b) the fact that the information referred to in Section 37(a) has been disclosed.
- 38. The Participants will not rely on or introduce as evidence in any proceeding, whether or not that proceeding relates to the subject matter of the Reference, any oral or

written information disclosed in or arising from the Reference, including:

- (a) any documents of other Participants produced in the course of the Reference that are not otherwise produced or producible in that proceeding;
- (b) any views expressed, or suggestions made, in respect of a possible settlement of the Disagreement;
- (c) any admissions made by any Participant in the course of the Reference, unless otherwise stipulated by the admitting Participant;
- (d) the fact that any Participant has indicated a willingness to make or accept a proposal or recommendation for settlement; and
- (e) any reports of the Panel.
- 39. Sections 37 and 38 do not apply:
 - in any proceeding for the enforcement or setting aside of an agreement resolving the Disagreement that was the subject of the Reference;
 - (b) if the adjudicator in any proceeding determines that the interests of the public or the administration of justice outweigh the need for confidentiality; or
 - (c) if the oral or written information referred to in Sections 37 and 38 is in the public forum.
- 40. A Panel Member, or anyone retained or employed by the Panel Member, is not compellable in any proceeding to give evidence about any oral or written information acquired or opinion formed by that individual as a result of the Reference, and all Participants will oppose any effort to have that individual or that information subpoenaed.
- 41. A Panel Member, or anyone retained or employed by the Panel Member, may not act as a consultant or expert in any proceeding relating to the Disagreement, including any proceeding that involves persons not a Participant to the Reference.

Attempt to Resolve After Report

- 42. Within 21 days of receipt of the final written report of a Panel, the Participants will meet and make an effort to resolve the Disagreement taking into account the report of the Panel or any other considerations.
- 43. If the Participants and the Panel agree, the Panel Members may attend the meeting under Section 42 and provide any necessary assistance to the Participants.

Termination of Reference to Panel

44. A Reference is terminated when any of the following occurs:

- (a) the Reference has been terminated as permitted under Section 30 or 32;
- (b) the expiration of 30 days after receipt of the final report of the Panel, or any longer period agreed by the Participants in writing; or
- (c) the Disputing Parties sign a written agreement resolving the Disagreement.

Costs

45. A Participant is not responsible for sharing any costs of the Reference that were incurred after the date that Participant notified the other Participant or Participants, under Section 31, of its withdrawal from the Reference.

Appendix O-4 Neutral Evaluation

Note: The Parties will update the Appendices before the Effective Date.

Definitions

1. In this Appendix:

"Chapter" means Chapter 29 Dispute Resolution of this Agreement; and "Section" means a section in this Appendix.

General

2. A neutral evaluation commences on the date that the Disputing Parties have agreed in writing to use neutral evaluation under paragraph 23 of the Chapter.

Appointment of Neutral Evaluator

- 3. A neutral evaluation will be conducted by one individual jointly appointed by the Participants.
- 4. A neutral evaluator will be:
 - (a) experienced or skilled in the subject matter or issues of the Disagreement; and
 - (b) independent and impartial.
- 5. If the Participants fail to agree on a neutral evaluator within 21 days of the commencement of a neutral evaluation, the appointment will be made by the Neutral Appointing Authority on the written request of a Participant that is copied to the other Participants.
- 6. Subject to any limitations agreed to by the Participants, a neutral evaluator may employ reasonable and necessary administrative or other support services.

Requirement to Withdraw

- 7. If at any time a Participant has justifiable doubts as to the neutral evaluator's independence or impartiality, the Participant may give the neutral evaluator and the other Participants a written notice, with or without reasons, requiring the neutral evaluator to withdraw from the neutral evaluation.
- 8. On receipt of a written notice under Section 7, the neutral evaluator must immediately withdraw from the neutral evaluation.

9. A neutral evaluator who is a Kitselas Citizen, or related to a Kitselas Citizen, will not be required to withdraw under Section 8 solely on the grounds of being a Kitselas Citizen or that relationship to a Kitselas Citizen.

End of Appointment

- 10. A neutral evaluator's appointment terminates if:
 - (a) the neutral evaluator is required to withdraw under Section 8;
 - (b) the neutral evaluator withdraws for any reason; or
 - (c) the Participants agree to terminate the appointment.
- 11. If a neutral evaluator's appointment terminates, a replacement will be appointed under Sections 3 to 5 within the required time commencing from the date of the termination of the appointment.

Communications

- 12. Except with respect to administrative details or a meeting under Section 31, the Participants will not communicate with the neutral evaluator:
 - (a) orally except in the presence of all Participants; or
 - (b) in writing without immediately sending a copy of that communication to all Participants.
- 13. Section 12 also applies to any communication by a neutral evaluator to the Participants.

Conduct of Neutral Evaluation

- 14. The Participants will:
 - (a) cooperate fully with the neutral evaluator;
 - (b) comply with any requests made by the neutral evaluator as permitted or required under this Appendix; and
 - (c) give prompt attention to and respond to all communications from the neutral evaluator.
- 15. A neutral evaluation will be conducted only on the basis of documents submitted by the Participants under Section 20 unless the Participants agree to, or the neutral evaluator requires, additional submissions or other forms of evidence.
- 16. If a hearing is held, the hearing must be conducted as efficiently as possible and in the manner the neutral evaluator specifies, after consultation with the Participants.

- 17. If a hearing is held, the neutral evaluator must give the Participants reasonable written notice at least seven days before the hearing date.
- 18. No transcript or recording will be kept of a hearing, but this does not prevent an individual attending the hearing from keeping notes of the hearing.
- 19. The legal rules of evidence do not apply to a neutral evaluation.
- 20. Within 15 days of the appointment of a neutral evaluator, each Participant must deliver to the other Participants and to the neutral evaluator a written submission respecting the Disagreement, including facts upon which the Participants agree or disagree, and copies of any documents, affidavits and exhibits on which the Participant relies.
- 21. Within 21 days after the appointment of a neutral evaluator, a Participant may submit a reply to the submission of any other Participant and, in that event, will provide copies of the reply to the other Participants and the neutral evaluator.

Confidentiality

- 22. In order to assist in the resolution of the Disagreement, a neutral evaluation will not be open to the public.
- 23. The Participants, and all persons, will keep confidential:
 - (a) all oral and written information disclosed in the neutral evaluation; and
 - (b) the fact that the information referred to in Section 23(a) has been disclosed.
- 24. The Participants will not rely on or introduce as evidence in any proceeding, whether or not that proceeding relates to the subject matter of the neutral evaluation, any oral or written information disclosed in or arising from the neutral evaluation, including:
 - (a) any documents of other Participants produced in the course of the neutral evaluation which are not otherwise produced or producible in that proceeding;
 - (b) any views expressed, or suggestions made, in respect of a possible settlement of the Disagreement;
 - (c) any admissions made by any Participant in the course of the neutral evaluation, unless otherwise stipulated by the admitting Participant;
 - (d) the fact that any Participant has indicated a willingness to make or accept a proposal for settlement; and
 - (e) subject to Section 28, the opinion of the neutral evaluator.
- 25. Sections 23 and 24 do not apply:

- in any proceedings for the enforcement or setting aside of an agreement resolving the Disagreement that was the subject of a neutral evaluation;
- (b) if the adjudicator in any proceeding determines that the interests of the public or the administration of justice outweigh the need for confidentiality; or
- (c) if the oral or written information referred to in Sections 23 and 24 is in the public forum.
- 26. A neutral evaluator, or anyone retained or employed by the neutral evaluator, is not compellable in any proceedings to give evidence about any oral and written information acquired or opinion formed by that individual as a result of a neutral evaluation under this Appendix, and all Participants will oppose any effort to have that individual or that information subpoenaed.
- 27. A neutral evaluator, or anyone retained or employed by the neutral evaluator may not act as a consultant or expert in any proceeding relating to the Disagreement, including any proceeding that involves persons not a Participant to the neutral evaluation.
- 28. Notwithstanding Sections 23 to 26, after an Arbitral Tribunal has delivered its final Arbitral Award, or a court has referred its decision, in respect of a Disagreement, a Participant, for the purpose only of making a submission on the allocation of costs of that arbitral or judicial proceeding, may give to the Arbitral Tribunal or the court a copy of:
 - (a) the neutral evaluator's opinion respecting that Disagreement; or
 - (b) the neutral evaluator's written notice of termination under Section 7.

Non-Binding Opinion

- 29. Within 21 days of the later of:
 - (a) delivery of the last submission required or permitted in a neutral evaluation under this Appendix; or
 - (b) completion of a hearing,

the neutral evaluator will deliver to the Participants a written opinion with reasons in respect of the probable disposition of the Disagreement should it be submitted to arbitral or judicial proceedings, as the case may be, under the Chapter.

30. An opinion under Section 29 is not binding on the Participants.

Attempt to Resolve After Opinion

- 31. Within 21 days of delivery of an opinion under Section 29, the Participants will meet and make an effort to resolve the Disagreement, taking into account the opinion of the neutral evaluator or any other considerations.
- 32. If the Participants and the neutral evaluator agree, the neutral evaluator may attend a meeting under Section 31, and provide any necessary assistance to the Participants.

Failure to Comply

- 33. If a Participant fails to participate in the neutral evaluation as contemplated in Sections 14 to 21, the neutral evaluator may:
 - (a) provide an opinion based solely upon the information and submissions the neutral evaluator has obtained; or
 - (b) give a written notice of termination of the neutral evaluation,

to the Participants and, in either event, the neutral evaluator will record that Participant's failure to participate.

Termination of Neutral Evaluation

- 34. A neutral evaluation is terminated when any of the following occurs:
 - (a) the neutral evaluator gives a notice of termination under Section 33(b);
 - (b) the expiration of 30 days after receipt of an opinion under Section 29 or 33, as the case may be, or any longer period agreed by the Participants;
 - (c) the Disputing Parties agree in writing to terminate the neutral evaluation; or
 - (d) the Disputing Parties sign a written agreement resolving the Disagreement.

Costs

35. A Participant that has failed to participate in a neutral evaluation as contemplated in Sections 14 to 21 is responsible for its share of the costs of the neutral evaluation, despite its failure to participate.

Appendix O-5 Arbitration

Note: The Parties will update the Appendices before the Effective Date.

Definitions

1. In this Appendix:

"Applicant" means:

- in an arbitration commenced under paragraph 28 of the Chapter, the Disputing Party that delivered the notice of arbitration, and
- (b) in an arbitration commenced under paragraph 29 of the Chapter, the Disputing Party that the Disputing Parties have together agreed will be the applicant in the agreement to arbitrate;

"Arbitration Agreement" includes:

- (a) the requirement to refer to arbitration Disagreements described in paragraph 28 of the Chapter; and
- (b) an agreement to arbitrate a Disagreement as described in paragraph 29 of the Chapter;

"Tribunal Member" means a member of the Arbitral Tribunal appointed under this Appendix.

General

- 2. A Reference in this Appendix, other than in Section 87 or 116(a), to a claim, applies to a counterclaim, and a Reference in this Appendix to a defence, applies to a defence to a counterclaim.
- 3. Notwithstanding paragraph 2 of the Chapter, the Participants may not vary Section 55 or 99.

Communications

4. Except in respect of administrative details, the Participants will not communicate with the Arbitral Tribunal:

[&]quot;Chapter" means Chapter 29 Dispute Resolution of this Agreement;

[&]quot;Respondent" means a Participant other than the Applicant;

[&]quot;Section" means a section of this Appendix;

[&]quot;Supreme Court" means the Supreme Court of British Columbia; and

- (a) orally, except in the presence of all other Participants; or
- (b) in writing, without immediately sending a copy of that communication to all other Participants.
- 5. Section 4 also applies to any communication by the Arbitral Tribunal to the Participants.

Waiver of Right to Object

- 6. A Participant will be deemed to have waived its right to object where it knows that:
 - (a) any provision of this Appendix; or
 - (b) any requirement under this Agreement or an Arbitration Agreement,

has not been complied with, and yet proceeds with the arbitration without stating its objection to non-compliance without undue delay or, if a time limit is provided for stating that objection, within that period of time.

7. In Section 6(a), "any provision of this Appendix" includes any provision of this Appendix which the Participants have agreed to vary.

Extent of Judicial Intervention

- 8. In matters governed by this Appendix:
 - (a) no court will intervene except as provided in this Appendix; and
 - (b) no arbitral proceedings of an Arbitral Tribunal, or order, ruling or Arbitral Award made by an Arbitral Tribunal will be questioned, reviewed or restrained by a proceeding under any legislation or other law that permits judicial review except to the extent provided in this Agreement or this Appendix.

Construction of Appendix

9. In construing a provision of this Appendix, a court or Arbitral Tribunal may refer to the documents of the United Nations Commission on International Trade Law and its working group respecting the preparation of the UNCITRAL Model Arbitration Law and must give those documents the weight that is appropriate in the circumstances.

Stay of Legal Proceedings

- 10. If a Participant commences legal proceedings in a court against another Participant in respect of a matter required or agreed to be submitted to arbitration, a party to the legal proceedings may, before or after entering an appearance, and before delivery of any pleadings or taking any other step in the proceedings, apply to that court to stay the proceedings.
- 11. In an application under Section 10, the court must make an order staying the

legal proceedings unless it determines that:

- (a) the Arbitration Agreement is null and void, inoperative or incapable of being performed; or
- (b) the legal proceedings are permitted under the Chapter.
- 12. An arbitration may be commenced or continued, and an Arbitral Award made, even if an application has been brought under Section 10, and the issue is pending before the court.

Interim Measures by Court

13. It is not incompatible with an Arbitration Agreement for a Participant to request from a court, before or during arbitral proceedings, an interim measure of protection as provided in paragraph 13 of the Chapter, and for a court to grant that measure.

Commencement of Arbitral Proceedings

- 14. Arbitral proceedings in respect of a Disagreement:
 - (a) required to be arbitrated as set out in paragraph 28 of the Chapter, commence on delivery of the notice of arbitration to the Parties; or
 - (b) agreed to be arbitrated as set out in paragraph 29 of the Chapter, commence on the date of the Arbitration Agreement.

Notice of Arbitration

- 15. A notice of arbitration under paragraph 28 of the Chapter must be in writing and contain the following information:
 - (a) a statement of the subject matter or issues of the Disagreement;
 - (b) a requirement that the Disagreement be referred to arbitration;
 - (c) the remedy sought;
 - (d) the number of arbitrators; and
 - (e) any preferred qualifications of the arbitrators.
- 16. A notice of arbitration under Section 15 may contain the names of any proposed arbitrators.

Arbitrators

17. In an arbitration:

- (a) required to be arbitrated as set out in paragraph 28 of the Chapter, there will be three arbitrators; and
- (b) agreed to be arbitrated as set out in paragraph 29 of the Chapter, there will be one arbitrator.

18. All arbitrators:

- (a) will be independent and impartial, and
- (b) preferably, will have knowledge of, or experience in, the subject matter or issues of the Disagreement.
- 19. A single arbitrator or a chair of an Arbitral Tribunal will be an experienced arbitrator or arbitration counsel or have had training in arbitral procedure.

Appointment of Arbitrators

- 20. A Participant proposing the name of an arbitrator will also submit a copy of that individual's resume and the statement that individual is required to make under Section 27.
- 21. In an arbitration with a single arbitrator, if the Participants fail to agree on the arbitrator within 30 days of the commencement of the arbitration, the appointment will be made by the Neutral Appointing Authority on the written request of a Participant that is copied to the other Participants.
- 22. In an arbitration with three arbitrators and two Participants:
 - (a) each Participant will appoint one arbitrator;
 - (b) the two appointed arbitrators will appoint the third arbitrator; and
 - (c) the three arbitrators shall select a chair from among themselves having regard to the qualifications of a chair as set out in Section 19.
- 23. During the appointment process set out in Section 22, if:
 - (a) a Party fails to appoint an arbitrator under Section 22(a) within 30 days of receipt of a request to do so from the other Participant;
 - (b) the two appointed arbitrators fail to agree on the third arbitrator under Section 22(b) within 30 days of the completion of the process under Section 22(a); or
 - (c) the three arbitrators fail to appoint a chair under Section 22(c) within 15 days of the completion of the process under Section 22(b),

then the applicable appointment will be made by the Neutral Appointing Authority on

the written request of a Participant that is copied to the other Participants.

- 24. In an arbitration with three arbitrators and three Participants:
 - (a) the three Participants will jointly appoint the three arbitrators; and
 - (b) the three arbitrators shall select a chair from among themselves having regard to the qualifications of a chair as set out in Section 19.
- 25. During the appointment process set out in Section 24, if:
 - (a) the three Participants fail to agree on the three arbitrators under Section 24(a) within 60 days of the commencement of the arbitration; or
 - (b) the three arbitrators fail to appoint a chair under Section 24(b) within 15 days of the completion of the process under Section 24(a),

then the applicable appointment will be made by the Neutral Appointing Authority on the written request of a Participant copied to the other Participants.

- 26. The Neutral Appointing Authority, in appointing an arbitrator or the chair of an Arbitral Tribunal, will have due regard to:
 - (a) any qualifications as set out in Sections 18 or 19 or as otherwise agreed in writing by the Participants; and
 - (b) other considerations as are likely to secure the appointment of an independent and impartial arbitrator or chair.

Challenge of Arbitrator

- 27. When an individual is approached in connection with a possible appointment as an arbitrator, that individual will provide to the Participants a written statement:
 - (a) disclosing any circumstances likely to give rise to justifiable doubts as to their independence or impartiality; or
 - (b) advising that the individual is not aware of any circumstances of that nature and committing to disclose them if they arise or become known at a later date.
- 28. An arbitrator, from the time of appointment and throughout the arbitral proceedings, will, without delay, disclose to the Participants any circumstances referred to in Section 27 unless the Participants have already been informed of them.
- 29. A Participant may challenge an arbitrator only if:
 - (a) circumstances exist that give rise to justifiable doubts as to the arbitrator's independence or impartiality; or

- (b) the arbitrator does not possess the qualifications set out in this Appendix or as otherwise agreed in writing by the Participants.
- 30. A Participant may only challenge an arbitrator appointed by that Participant, or in whose appointment that Participant has participated, for reasons under Section 29 if that Participant becomes aware of those reasons after the appointment has been made.
- 31. An arbitrator who is a Kitselas Citizen, or related to a Kitselas Citizen, may not be challenged under Section 28 solely on the grounds that they are a Kitselas Citizen or on the grounds of that relationship to a Kitselas Citizen.
- 32. A Participant may challenge an arbitrator by sending a written statement of the reasons for the challenge to the Arbitral Tribunal within 15 days of becoming aware of:
 - (a) the constitution of the Arbitral Tribunal; or
 - (b) any circumstances referred to in Section 29.
- 33. Unless the arbitrator challenged under Section 32 withdraws from office, or the other Participants agree to the challenge, the Arbitral Tribunal will decide on the challenge and provide the Participants with written notice of the decision.
- 34. If a challenge under any procedure agreed upon by the Participants or under the procedure under Section 32 is not successful, the challenging Participant, within 30 days of having received written notice of the decision rejecting the challenge, may request that the Neutral Appointing Authority decide on the challenge.
- 35. The decision of the Neutral Appointing Authority under Section 34 is final and is not subject to appeal.
- 36. While a request under Section 34 is pending, the Arbitral Tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an Arbitral Award unless:
 - (a) the costs occasioned by proceeding before the decision of the Neutral Appointing Authority is made would unduly prejudice the Participants; or
 - (b) the Participants otherwise agree.

Termination of Mandate and Substitution of Arbitrator

- 37. The mandate of an arbitrator terminates if the arbitrator becomes unable at law, or as a practical matter, to perform the arbitrator's functions, or for other reasons fails to act without undue delay.
- 38. If a controversy remains concerning any of the grounds referred to in Section 37, a Participant may request that the Neutral Appointing Authority decide on the

- termination of the mandate of the arbitrator.
- 39. In addition to the circumstances referred to in Sections 32 to 34 and 37, the mandate of an arbitrator terminates:
 - (a) if the arbitrator withdraws from office for any reason; or
 - (b) by written agreement of the Participants.
- 40. If the mandate of an arbitrator terminates, a replacement arbitrator will be appointed under Sections 20 to 26 within the required time commencing from the date of the termination of the appointment.
- 41. If a single arbitrator or a chair of an Arbitral Tribunal is replaced, any hearings previously held will be repeated and the replacement arbitrator will review any previous award made under Section 36.
- 42. If an arbitrator other than a single arbitrator or a chair of an Arbitral Tribunal is replaced, any hearings previously held may be repeated at the discretion of the Arbitral Tribunal.
- 43. An order or ruling of the Arbitral Tribunal made before the replacement of an arbitrator under Section 40 is not invalid solely because there has been a change in the composition of the Arbitral Tribunal.

Competence of Arbitral Tribunal to Rule on Its Jurisdiction

- 44. An Arbitral Tribunal may rule on its own jurisdiction.
- 45. A plea that an Arbitral Tribunal does not have jurisdiction will be raised no later than the submission of the statement of defence.
- 46. A Participant is not precluded from raising a plea under Section 45 by the fact that the Participant has appointed, or participated in the appointment of, an arbitrator.
- 47. A plea that an Arbitral Tribunal is exceeding the scope of its jurisdiction will be made as soon as the matter alleged to be beyond the scope of its jurisdiction is raised during the arbitral proceedings.
- 48. An Arbitral Tribunal may, in either of the cases referred to in Section 45 or 47, admit a later plea if it considers the delay justified.
- 49. An Arbitral Tribunal may rule on a plea referred to in Section 45 or 47 either as a preliminary question or in the Arbitral Award.
- 50. If an Arbitral Tribunal rules as a preliminary question that it has jurisdiction, any Participant, within 15 days after having received written notice of that ruling, may request the Supreme Court to decide the matter.

- 51. A decision of the Supreme Court under Section 50 is final and is not subject to appeal.
- 52. While a request under Section 50 is pending, an Arbitral Tribunal may continue the arbitral proceedings and make an Arbitral Award unless:
 - (a) the costs occasioned by proceeding before the decision of the Supreme Court is made would unduly prejudice the Participants; or
 - (b) the Participants otherwise agree.

Interim Measures Ordered by Arbitral Tribunal

- 53. Unless otherwise agreed by the Participants, the Arbitral Tribunal may, at the request of a Participant, order a Participant to take any interim measure of protection as the Arbitral Tribunal may consider necessary in respect of the subject matter of the Disagreement.
- 54. The Arbitral Tribunal may require a Participant to provide appropriate security in connection with a measure ordered under Section 53.

Equal Treatment of Parties

55. The Participants will be treated with equality and each Participant will be given a full opportunity to present its case.

Determination of Rules of Procedure

- 56. Subject to this Appendix, the Participants may agree on the procedure to be followed by the Arbitral Tribunal in conducting the arbitral proceedings.
- 57. If the Participants do not agree to a procedure under Section 56, the Arbitral Tribunal, subject to this Appendix, may conduct the arbitral proceedings in the manner it considers appropriate.
- 58. The Arbitral Tribunal is not required to apply the legal rules of evidence and may determine the admissibility, relevance, materiality and weight of any evidence.
- 59. The Arbitral Tribunal will make all reasonable efforts to conduct the arbitral proceedings in the most efficient, expeditious and cost effective manner as is appropriate in all the circumstances of the case.
- 60. The Arbitral Tribunal may extend or abridge a period of time:
 - (a) set out in this Appendix, except the period specified in Section 108; or
 - (b) established by the Arbitral Tribunal.

Pre-Hearing Meeting

- 61. Within 10 days after the completion of the appointment process for the Arbitral Tribunal set out in Sections 22 or 24, as applicable, the Arbitral Tribunal will convene a pre-hearing meeting of the Participants to reach agreement and to make any necessary orders on:
 - (a) any procedural issues arising under this Appendix;
 - (b) the procedure to be followed in the arbitration;
 - (c) the time periods for taking steps in the arbitration;
 - (d) the scheduling of hearings or meetings, if any;
 - (e) any preliminary applications or objections; and
 - (f) any other matter which will assist the arbitration to proceed in an efficient and expeditious manner.
- 62. The Arbitral Tribunal will prepare and distribute promptly to the Participants a written record of all business transacted, and decisions and orders made, at the pre-hearing meeting.
- 63. The Arbitral Tribunal may conduct the pre-hearing meeting by video conference or in any manner it considers appropriate.

Place of Arbitration

- 64. Subject to Section 65, the arbitration will take place in British Columbia.
- 65. An Arbitral Tribunal may meet at any place it considers appropriate for consultation among the Tribunal Members, for hearing witnesses, experts or the Participants, for inspection of documents, goods or other personal property, or for viewing physical locations.

Language

66. If the Arbitral Tribunal determines that it was necessary or reasonable for a Participant to incur the costs of translating documents and oral presentations in the circumstances of a particular Disagreement, the Arbitral Tribunal, on application of a Participant, may order that any of the costs of that translation be included in the costs of the arbitration under paragraph 43 of the Chapter.

Statements of Claim and Defence

67. Within 21 days after the completion of the appointment process of the Arbitral Tribunal set out in Sections 22 or 24, as applicable, the Applicant will deliver a written statement to the other Participants stating the facts supporting its claim or

- position, the points at issue and the relief or remedy sought.
- 68. Within 15 days after receipt of the Applicant's statement, each Respondent will deliver a written statement to the other Participants stating its defence or position in respect of those particulars.
- 69. Each Participant will attach to its statement a list of documents:
 - (a) upon which the Participant intends to rely; and
 - (b) which describes each document by kind, date, author, addressee and subject matter.
- 70. The Participants may amend or supplement their statements, including the list of documents, and deliver counter-claims and defences to counter-claims during the course of the arbitral proceedings, unless the Arbitral Tribunal considers it inappropriate to allow the amendment, supplement or additional pleadings having regard to:
 - (a) the delay in making it; and
 - (b) any prejudice that would be suffered by the other Participants.
- 71. Each Participant will deliver to the other Participants copies of all amended, supplemented or new documents delivered under Section 70.

Disclosure

- 72. The Arbitral Tribunal may order a Participant to produce, within a specified time, any documents that:
 - (a) have not been listed under Section 69;
 - (b) the Participant has in its care, custody or control; and
 - (c) the Arbitral Tribunal considers to be relevant.
- 73. Each Participant will allow the other Participants the necessary access at reasonable times to inspect and take copies of all documents that it has listed under Section 69, or that the Arbitral Tribunal has ordered to be produced under Section 72.
- 74. The Participants will prepare and send to the Arbitral Tribunal an agreed statement of facts within the time specified by the Arbitral Tribunal.
- 75. At least 21 days before a hearing commences, each Participant will give the other Participants:
 - (a) the name and address of any witness and a written summary of the witness's evidence; and

- (b) in the case of an expert witness, a written statement or report prepared by the expert witness.
- 76. At least 15 days before a hearing commences, each Participant will give to the other Participants and the Arbitral Tribunal an assembly of all documents to be introduced at the hearing.

Hearings and Written Proceedings

- 77. Subject to Section 78, the Arbitral Tribunal will decide whether to:
 - (a) hold hearings for the presentation of evidence or for oral argument; or
 - (b) conduct the proceedings on the basis of documents and other materials.
- 78. Unless the Participants have agreed that no hearings will be held, the Arbitral Tribunal must hold hearings at an appropriate stage of the proceedings, if so requested by a Participant.
- 79. The Arbitral Tribunal will give the Participants sufficient advance written notice of any hearing or meeting of the Arbitral Tribunal for the purpose of inspecting documents, goods or other property or viewing any physical location.
- 80. All statements, documents or other information supplied to, or applications made to, the Arbitral Tribunal by one Participant will be communicated to the other Participants, and any expert report or evidentiary document on which the Arbitral Tribunal may rely in making its decision must be communicated to the Participants.
- 81. Unless ordered by the Arbitral Tribunal, all hearings and meetings in arbitral proceedings, other than meetings of the Arbitral Tribunal, are open to the public.
- 82. The Arbitral Tribunal will schedule hearings to be held on consecutive days until completion, unless the Participants otherwise agree.
- 83. All oral evidence will be taken in the presence of the Arbitral Tribunal and all Participants unless a Participant is absent by default or has waived the right to be present.
- 84. The Arbitral Tribunal may order any individual to be examined by the Arbitral Tribunal under oath or on affirmation in relation to the Disagreement and to produce before the Arbitral Tribunal all relevant documents within the individual's care, custody or control.
- 85. The document assemblies delivered under Section 76 will be deemed to have been entered into evidence at the hearing without further proof and without being read out at the hearing, but a Participant may challenge the admissibility of any document so introduced.

- 86. If the Arbitral Tribunal considers it just and reasonable to do so, the Arbitral Tribunal may permit a document that was not previously listed under Section 69, or produced as required under Section 72 or 76, to be introduced at the hearing, but the Arbitral Tribunal may take that failure into account when fixing the costs to be awarded in the arbitration.
- 87. If the Arbitral Tribunal permits the evidence of a witness to be presented as a written statement, a Participant may require that witness to be made available for cross examination at the hearing.
- 88. The Arbitral Tribunal may order a witness to appear and give evidence, and, in that event, the Participants may cross examine that witness and call evidence in rebuttal.

Default of a Participant

- 89. If, without showing sufficient cause, the Applicant fails to communicate its statement of claim in accordance with Section 67, the Arbitral Tribunal may terminate the proceedings.
- 90. If, without showing sufficient cause, a Respondent fails to communicate its statement of defence in accordance with Section 68, the Arbitral Tribunal will continue the proceedings without treating that failure in itself as an admission of the Applicant's allegations.
- 91. If, without showing sufficient cause, a Participant fails to appear at a hearing or to produce documentary evidence, the Arbitral Tribunal may continue the proceedings and make the Arbitral Award on the evidence before it.
- 92. Before terminating the proceedings under Section 89, the Arbitral Tribunal will give all Respondents written notice providing an opportunity to file a statement of claim in respect of the Disagreement within a specified period of time.

Expert Appointed by Arbitral Tribunal

- 93. After consulting the Participants, the Arbitral Tribunal may:
 - (a) appoint one or more experts to report to it on specific issues to be determined by the Arbitral Tribunal; and
 - (b) for that purpose, require a Participant to give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other personal property or land for inspection or viewing.
- 94. The Arbitral Tribunal will give a copy of the expert's report to the Participants, and the Participants will have an opportunity to reply to the expert's report.
- 95. If a Participant so requests, or if the Arbitral Tribunal considers it necessary, the expert will, after delivery of a report, participate in a hearing where the Participants

will have the opportunity to cross examine the expert and to call any evidence in rebuttal.

- 96. If a Participant requests, the expert will:
 - (a) make available to that Participant for examination all documents, goods or other property in the expert's possession that were provided to the expert in order to prepare a report; and
 - (b) provide that Participant with a list, including the location, of all documents, goods or other personal property or land not in the expert's possession to which the expert was given access in order to prepare a report.

Law Applicable to Substance of Disagreement

- 97. An Arbitral Tribunal will decide the Disagreement in accordance with the law.
- 98. If the Participants have expressly authorized it to do so, an Arbitral Tribunal may decide the Disagreement based upon equitable considerations.
- 99. In all cases, an Arbitral Tribunal will make its decisions in accordance with the spirit and intent of this Agreement.
- 100. Before a final Arbitral Award is made:
 - (a) an Arbitral Tribunal; or
 - (b) a Participant, with the agreement of the other Participants,

may refer a question of law to the Supreme Court for a ruling.

- 101. A Party may appeal a decision in the Supreme Court under Section 100 to the British Columbia Court of Appeal with leave of the British Columbia Court of Appeal. If the British Columbia Court of Appeal:
 - (a) refuses to grant leave to a Party to appeal a ruling of the Supreme Court under Section 100; or
 - (b) hears an appeal from a ruling of the Supreme Court under Section 100,

the decision of the British Columbia Court of Appeal may not be appealed to the Supreme Court of Canada.

- 102. While a request under Section 100 is pending, the Arbitral Tribunal may continue the arbitral proceedings and make an Arbitral Award unless:
 - (a) the costs occasioned by proceeding before the ruling of the Supreme Court is made would unduly prejudice the Parties; or

(b) the Parties agree otherwise.

Decision Making by Panel of Arbitrators

- 103. Subject to Section 105, in arbitral proceedings with more than one arbitrator, any decision of the Arbitral Tribunal will be made by a majority of all Tribunal Members.
- 104. If there is no majority decision on a matter to be decided, the decision of the chair of the Arbitral Tribunal is the decision of the Arbitral Tribunal.
- 105. If authorized by the Participants or all Tribunal Members, questions of procedure may be decided by the chair of the Arbitral Tribunal.

Settlement

- 106. If, during arbitral proceedings, the Participants settle the Disagreement, the Arbitral Tribunal will terminate the proceedings and, if requested by the Participants, will record the settlement in the form of an Arbitral Award on agreed terms.
- 107. An Arbitral Award on agreed terms:
 - (a) will be made in accordance with Sections 109 to 111;
 - (b) will state that it is an Arbitral Award; and
 - (c) has the same status and effect as any other Arbitral Award on the substance of the Disagreement.

Form and Content of Arbitral Award

- 108. An Arbitral Tribunal will make its final award as soon as possible and, in any event, within 60 days after:
 - (a) the hearings have closed; or
 - (b) the final submission has been made,

whichever is the later date.

- 109. An Arbitral Award will be made in writing and will be signed by all of the Tribunal Members.
- 110. An Arbitral Award will state the reasons upon which it is based, unless:
 - (a) the Participants have agreed that no reasons are to be given; or
 - (b) the award is an Arbitral Award on agreed terms under Sections 106 and 107.

- 111. A signed copy of an Arbitral Award must be delivered to the Parties by the Arbitral Tribunal.
- 112. At any time during the arbitral proceedings, an Arbitral Tribunal may make an interim Arbitral Award on any matter with respect to which it may make a final Arbitral Award.

Costs

- 113. An Arbitral Tribunal may award interest on costs awarded under Sections 114 and 116.
- 114. The costs of an arbitration are in the discretion of the Arbitral Tribunal which, in making an order for costs:
 - (a) may include as costs:
 - (i) the fees and expenses of the arbitrators and expert witnesses,
 - (ii) legal fees and expenses of the Participants,
 - (iii) any administration fees of a Neutral Appointing Authority, or
 - (iv) any other expenses incurred in connection with the arbitral proceedings; and
 - (b) will specify, if applicable:
 - (i) the Participant entitled to costs,
 - (ii) the Participant who will pay the costs,
 - (iii) subject to Section 115, the amount of costs or method of determining that amount, and
 - (iv) the manner in which the costs will be paid.
- 115. For purposes of Section 114, an Arbitral Tribunal may award up to 50% of the reasonable and necessary legal fees and expenses that were actually incurred by a Participant, and if the legal services were provided by an employee or employees of that Participant, the Arbitral Tribunal may fix an amount or determine an hourly rate to be used in the calculation of the cost of those employee legal fees.
- 116. Notwithstanding Section 114, and in accordance with paragraph 19 of Chapter 2 Periodic Renewal and Orderly Process, an Arbitral Tribunal will award the following costs against any Party that it determines has not participated in a Periodic Renewal in good faith:
 - (a) costs incurred in connection with the arbitral proceedings; and
 - (b) costs incurred in connection with the Periodic Renewal.

- 117. An order for costs under Section 116(a) will be composed of the following costs:
 - (a) the fees and expenses of the arbitrators and expert witnesses;
 - (b) legal fees and expenses of the Parties;
 - (c) any administration fees of a Neutral Appointing Authority, if applicable; and
 - (d) any other expenses incurred in connection with the arbitral proceedings.
- 118. An order for costs under Section 116(b) will be composed, as determined by the Arbitral Tribunal, of the cost of the legal fees and expenses and other expenses of the Parties incurred in connection with or wasted as a result of a Party's failure to participate in Periodic Renewal in good faith.
- 119. An order for costs under Section 116 will specify:
 - (a) the Party entitled to costs;
 - (b) the Party who will pay the costs;
 - (c) subject to Section 120, the amount of costs or method of determining that amount; and
 - (d) the manner in which the costs will be paid.
- 120. For the purposes of Section 116, an Arbitral Tribunal will award 100% of the reasonable and necessary legal fees and expenses that were actually incurred by a Party during the arbitral proceedings and the Periodic Renewal, and where the legal services were provided by an employee or employees of that Party, the Arbitral Tribunal may fix an amount or determine an hourly rate to be used in the calculation of the cost of those employee legal fees.
- 121. An Arbitral Tribunal may, in its discretion, include in any order of costs that it may make under Section 116 an additional financial penalty of up to three times the amount of the total costs awarded.

Termination of Proceedings

- 122. An Arbitral Tribunal will close any hearings if:
 - (a) the Participants advise they have no further evidence to give or submissions to make; or
 - (b) the Arbitral Tribunal considers further hearings to be unnecessary or inappropriate.
- 123. A final Arbitral Award, or an order of the Arbitral Tribunal under Section 124, terminates arbitral proceedings.
- 124. An Arbitral Tribunal must issue an order for the termination of the arbitral proceedings if:

- (a) the Applicant withdraws its claim, unless a Respondent objects to the order and the Arbitral Tribunal recognizes a legitimate interest in obtaining a final settlement of the Disagreement;
- (b) the Participants agree on the termination of the proceedings; or
- (c) the Arbitral Tribunal finds that the continuation of the proceedings has for any other reason become unnecessary or impossible.
- 125. Subject to Sections 126 to 131 and 135, the mandate of an Arbitral Tribunal terminates with the termination of the arbitral proceedings.

Correction and Interpretation of Award, and Additional Award

- 126. Within 30 days after receipt of an Arbitral Award, a Participant may:
 - (a) request that the Arbitral Tribunal correct in the Arbitral Award any computation errors, any clerical or typographical errors or any other errors of a similar nature; and
 - (b) if agreed by all the Participans, request that the Arbitral Tribunal give an interpretation of a specific point or part of the Arbitral Award.
- 127. If an Arbitral Tribunal considers a request made under Section 126 to be justified, it will make the correction or give the interpretation within 30 days after receipt of the request and the interpretation will form part of the Arbitral Award.
- 128. An Arbitral Tribunal, on its own initiative, may correct any error of the type referred to in Section 126(a) within 30 days after the date of the Arbitral Award.
- 129. Within 30 days after receipt of an Arbitral Award, a Participant may request that the Arbitral Tribunal make an additional Arbitral Award respecting claims presented in the arbitral proceedings but omitted from the Arbitral Award.
- 130. If the Arbitral Tribunal considers a request made under Section 129 to be justified, it will make an additional Arbitral Award within 60 days.
- 131. Sections 109 to 111 and Sections 113 to 115 apply to a correction or interpretation of an Arbitral Award made under Section 127 or 128 or to an additional Arbitral Award made under Section 130.

Application for Setting Aside Arbitral Award

- 132. Subject to Sections 137 and 139, an Arbitral Award may be set aside by the Supreme Court, and no other court, only if a Participant making the application establishes that:
 - (a) the Participant making the application:

- (i) was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings; or
- (ii) was otherwise unable to present its case or respond to the other Participant's case;
- (b) the Arbitral Award:
 - (i) deals with a Disagreement not contemplated by or not falling within the terms of the submission to arbitration; or
 - (ii) contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the Arbitral Award that contains decisions on matters not submitted to arbitration may be set aside;
- (c) the composition of the Arbitral Tribunal or the arbitral procedure was not in accordance with the agreement of the Participants, unless that agreement was in conflict with a provision of this Appendix from which the Participants cannot derogate, or, failing any agreement, was not in accordance with this Appendix;
- (d) the Arbitral Tribunal or a Tribunal Member has committed a corrupt or fraudulent act; or
- (e) the Arbitral Award was obtained by fraud.
- 133. An application to set aside an Arbitral Award may not be made more than 90 days after the date on which:
 - (a) the Participant making that application receives the Arbitral Award; or
 - (b) the Arbitral Award disposes of a request made under Section 126 or 129.
- 134. An application to set aside an Arbitral Award on the grounds that the Arbitral Tribunal or a Tribunal Member has committed a corrupt or fraudulent act or that the Arbitral Award was obtained by fraud must be commenced:
 - (a) within the period referred to in Section 132; or
 - (b) within 30 days after the Participant discovers or ought to have discovered the fraud or corrupt or fraudulent act,
 - whichever is the longer period.
- When asked to set aside an Arbitral Award, the Supreme Court may, where it is appropriate and it is requested by a Participant, adjourn the court proceedings for a

period of time in order to give the Arbitral Tribunal an opportunity:

- (a) to resume the arbitral proceedings; or
- (b) to take any other action that, in the Arbitral Tribunal's opinion, will eliminate the grounds for setting aside the Arbitral Award.
- 136. A Party that was not a Participant in an arbitration will be given written notice of an application under Section 133 and is entitled to be a party to, and make representations on, the application.

Appeal on Question of Law

- 137. A Participant may appeal an Arbitral Award to the Supreme Court, with leave, on a question of law, which the Supreme Court will grant only if it is satisfied that:
 - (a) the importance of the result of the arbitration to the Participants justifies the intervention of the court, and the determination of the point of law may prevent a miscarriage of justice; or
 - (b) the point of law is of general or public importance.
- 138. An application for leave may not be made more than 90 days:
 - (a) after the date on which the Participant making the application received the Arbitral Award; or
 - (b) if a request had been made under Section 126 or 129, after the date on which that request was disposed of by the Arbitral Tribunal.
- 139. The Supreme Court may confirm, vary or set aside the Arbitral Award or may remit the Arbitral Award to the Arbitral Tribunal with directions, including the court's opinion on the question of law.
- 140. When an Arbitral Award is appealed on a question of law, the Supreme Court may, where it is appropriate and it is requested by a Participant, adjourn the court proceedings for a period of time in order to give the Arbitral Tribunal an opportunity to:
 - (a) resume the arbitral proceedings; or
 - (b) take any other action that, in the Arbitral Tribunal's opinion, will eliminate the grounds for appealing the Arbitral Award.
- 141. A Party that was not a Participant in an arbitration will be given notice of an application under Section 137 and is entitled to be a party to, and make representations on, the application.
- 142. A decision of the Supreme Court under Section 139 may be appealed to to the

British Columbia Court of Appeal with leave of the British Columbia Court of Appeal.

- 143. If the British Columbia Court of Appeal:
 - (a) refuses to grant leave to a Party to appeal a ruling of the Supreme Court under Section 139; or
 - (b) hears an appeal from a ruling of the Supreme Court under Section 139,

the decision of the British Columbia Court of Appeal may not be appealed to the Supreme Court of Canada.

- 144. No application may be made under Section 137 in relation to:
 - (a) an Arbitral Award based upon equitable considerations as permitted in Section 98; or
 - (b) an Arbitral Award made in an arbitration commenced under paragraph 29 of the Chapter.
- 145. No ruling of the Supreme Court made under Section 100 may be appealed under Section 137 if the time limit for appealing that ruling has already expired.

Recognition and Enforcement

- 146. An Arbitral Award is binding on all Parties and, upon application to the Supreme Court, will be enforced in accordance with Chapter 9 Administration of Justice.
- 147. Unless the Supreme Court orders otherwise, the Participant relying on an Arbitral Award or applying for its enforcement will supply the duly authenticated original Arbitral Award or a duly certified copy of it.

Grounds for Refusing Enforcement

- 148. Subject to Sections 136 and 141, a Party that was not a Participant in an arbitration will not bring an application under Section 132 or 137 to set the Arbitral Award aside but may resist enforcement of the award against it by bringing an application under Section 149.
- 149. On the application of a Party that was not a Participant in an arbitration, the Supreme Court may make an order refusing to enforce against that Party an Arbitral Award made under this Appendix if that Party establishes that:
 - (a) it was not given copies of:
 - (i) the notice of arbitration or agreement to arbitrate; or
 - (ii) the pleadings or all amendments and supplements to the pleadings;

- (b) the Arbitral Tribunal refused to add the Party as a Participant to the arbitration under paragraph 32 of the Chapter;
- (c) the Arbitral Award
 - (i) deals with a Disagreement not contemplated by or not falling within the terms of the submission to arbitration; or
 - (ii) contains decisions on matters beyond the scope of the submission to arbitration,

provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the Arbitral Award which contains decisions on matters submitted to arbitration may be recognized and enforced;

- (d) the Arbitral Award has not yet become binding on the Parties or has been set aside or suspended by a court;
- (e) the Arbitral Tribunal or a Tribunal Member has committed a corrupt or fraudulent act; or
- (f) the Arbitral Award was obtained by fraud.