

FIRCREST RESORT
(the "Resort")

CONSOLIDATED DISCLOSURE STATEMENT

(REAL ESTATE DEVELOPMENT MARKETING ACT (BRITISH COLUMBIA))

Disclosure Statement dated December 12, 2018 Amendment #1 April 20, 2020, Amendment #2 May 05, 2020, Amendment #3 February 17, 2021, Amendment #4 March 12, 2021, Amendment #5 November 29, 2023 with respect to an offering by 0972514 BC Ltd. (the "**Developer**") of an estimated 103 cooperative interests (each a "**Share**" and collectively, the "**Shares**") in the Fircrest Resort Owners' Corporation (the "**Owner's Corporation**"), which is the owner of the resort lands, located near Lac La Hache, British Columbia, on the terms and conditions set out in this Disclosure Statement,

Name of Developer: **0972514 BC Ltd.**

Business Address: 4435 Fircrest Road

Lac La Hache

V0K 1T1

Address for Service in British Columbia: Box 1949, 102-475 Birch Avenue, 100 Mile House, B.C., V0K 2E0

The Developer will not be using a real estate brokerage to market the Shares referred to in this offering.

The Developer will use its own employees to market the Shares. The Developer's employees are not licensed under the *Real Estate Service Act* (British Columbia) nor do such employees act on behalf of the purchaser.

DISCLAIMER

THIS DISCLOSURE STATEMENT HAS BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE, BUT NEITHER THE SUPERINTENDENT, NOR ANY OTHER AUTHORITY OF THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA, HAS DETERMINED THE MERITS OF ANY STATEMENT CONTAINED IN THE DISCLOSURE STATEMENT, OR WHETHER THE DISCLOSURE STATEMENT CONTAINS A MISREPRESENTATION OR OTHERWISE FAILS TO COMPLY WITH THE REQUIREMENTS OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT*. IT IS THE RESPONSIBILITY OF THE DEVELOPER TO DISCLOSE PLAINLY ALL MATERIAL FACTS, WITHOUT MISREPRESENTATION.

RIGHT OF RECISSION

Under S. 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the Developer or the Developer's brokerage, within seven (7) days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

A purchaser may serve a notice of rescission by delivering a signed copy of the notice in person or by registered mail to:

- (a) The Developer at the address shown in the Disclosure Statement received by the purchaser;
- (b) The Developer at the address shown in the purchaser's purchase agreement;
- (c) The Developer's brokerage, if any, at the address shown in the Disclosure Statement received by the purchaser; or
- (d) The Developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.

The Developer must promptly place purchaser's deposits with a brokerage, lawyer, or notary public who must place the deposits in a trust account in a savings institution in the Province of British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and Regulations, the Developer or the Developer's trustee must promptly return the deposit to the purchaser.

1.0 THE DEVELOPER

- 1.1 Corporate Information
- 1.2 Purpose
- 1.3 Registered and Records Office
- 1.4 Mailing and Attorney for Delivery in British Columbia
- 1.5 Directors
- 1.6 Disclosure of Background and Conflicts of Interest for the Developer and the Sole Director, Officers and Principal Holders
- 1.7 No Potential Conflicts

2.0 GENERAL DESCRIPTION

- 2.1 General Description of the Resort
- 2.2 Permitted Use
- 2.3 Phasing

3.0 COOPERATIVE INFORMATION

- 3.1 Owner's Corporation
- 3.2 Form of Ownership
- 3.3 Use Agreement
- 3.4 Articles and Bylaws
- 3.5 Developer's Rights
- 3.6 Assets and Liabilities
- 3.7 Parking
- 3.8 Common Areas, Common Facilities and Common Assets
- 3.9 Furnishing and Equipment
- 3.10 Budget
- 3.11 Utilities and Services
- 3.12 Management Contracts
- 3.13 Insurance
- 3.14 Property Taxes

4.0 TITLE AND LEGAL MATTERS

- 4.1 Legal Description
- 4.2 Ownership
- 4.3 Existing Encumbrances and Legal Notations
- 4.4 Proposed Encumbrances
- 4.5 Outstanding or Contingent Litigation or Liabilities
- 4.6 Environmental Matters

5.0 CONSTRUCTION AND WARRANTIES

- 5.1 Construction Dates
- 5.2 Warranties
- 5.3 Previously Occupied Building

6.0 APPROVALS AND FINANCES

- 6.1 Resort Approval
- 6.2 Construction Financing

7.0 MISCELLANEOUS

- 7.1 Deposits
- 7.2 Purchase Agreement
- 7.3 Developer's Commitments
- 7.4 Other Material Facts

EXHIBITS

Exhibit A	Site Plan Phase 1
Exhibit B	CRD Rezoning Approval Letter
Exhibit C	Owner's Corporation Company Notice of Articles and
Exhibit D	Articles Co-Ownership Agreement
Exhibit E	Title Search
Exhibit F	Interim Budget
Exhibit G	Purchase Agreement
Exhibit H	Draft Developer's Transfer Documents
Exhibit I	Schedule of Owner's Proportionate Share

GLOSSARY OF DEFINED TERMS

In this Disclosure Statement, the following terms have the meanings set out below:

"Act" means *Real Estate Development Marketing Act* (British Columbia), S.B.C. 2004, c. 41, as may be amended or replaced from time to time;

"Articles" means the articles of incorporation of the Owner's Corporation;

"Assessments" means the special levies assessed by the Owner's Corporation, and payable by that Owner, in respect of operating, maintenance and replacement costs, reserves, fees, expenses, charges and other reasonable outlays relating to the Resort and which are more particularly described the Co-Ownership Agreement;

"Business Corporations Act" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, and the Regulations thereto, as may be amended or replaced from time to time;

"Bylaws" means the Bylaws and rules of the Resort, a copy of which is attached as a schedule to the Co-Ownership Agreement;

"Common Areas" means those portions of the Resort Lands and improvements thereon that are not included within the boundary of the Sites and that are designated by the Developer or the Owner's Corporation as common areas, which designation may be changed by the Developer or the Owner's Corporation from time to time;

"Common Assets" means the personal property owned by the Owner's Corporation acquired for the use of all the Owners as well as the fixtures, pipes, wires and other facilities used for generation, storage, collection or distribution of water, sewage, drainage, electricity, telephone, garbage collection and other utility services;

"Common Costs" means the total of the costs and expenses (without duplication) incurred by the Owner's Corporation to operate, manage, insure, repair, maintain and replace the Common Items (but excluding the Sites), including without limitation:

- (a) all costs and expenses to repair, maintain, replace and decorate the Common Items;
- (b) the Cost of Insurance;
- (c) the Tax Cost for the Common Items;
- (d) all costs and expenses for gardening and landscaping, repainting, rental of equipment, garbage removal, sanitary control or removal, snow removal and cleaning of Common Areas and Common Facilities;
- (e) wages and other amounts paid for maintenance, security and operating personnel;
- (f) all accounting and other professional fees, costs and expenses relating to the operation, management, insurance, repair, maintenance and replacement of the Common Items;

- (g) water and sewer for the Resort; and
- (h) all costs of utilities, taxes and other amounts payable in connection with the Common Areas and Common Facilities;

together with a Contingency Reserve Fund for each Year as determined by the Owner's Corporation;

"Common Facilities" means those facilities on or within the Resort Lands that are designated by the Developer or Owner's Corporation as common facilities, which designation may be changed by the Developer or Owner's Corporation from time to time, including but not limited to the roads, electrical and mechanical systems, drainage and sewer systems and waterworks primarily located in the Common Areas, as further described in section 3.8;

"Common Items" means, collectively, the Common Assets, Common Facilities and Common Areas;

"Contingency Reserve Fund" means a fund for Common Costs which occur less often than once a Year as described in subsection 3.9(1)(c);

"Co-Ownership Agreement" means an agreement in substantially the form attached hereto as Exhibit D, as such form may be amended from time to time, between the Developer, the Owner's Corporation and the Owners;

"Cost of Insurance" means the annual cost to the Owner's Corporation to take out and maintain the insurance required to be taken out and maintained by the Owner's Corporation under the terms of the Co-Ownership Agreement and such other insurance as the Owner's Corporation may deem necessary from time to time;

"Day Guest" means any person using and occupying the Resort Lands for less than 24 continuous and consecutive hours and is a person who is not Immediate Family to an Owner;

"Developer" means 0972514 BC Ltd., as described in section 1.1;

"Developer's Solicitors" means, for the purpose of this Offering, the solicitor of the Developer as the case may be;

"Encumbrances" means any security interest, mortgage, charge, pledge, hypothec, lien, encumbrance, restriction, option, adverse claim, and right of others or other encumbrance of any kind;

"Governmental Authority" means any federal, provincial, city, municipal, county, regional or local government or government authority, and includes any department, commission, bureau, board, administrative agency, or regulatory body of any of the foregoing;

"House" means the house located on the Resort;

"Immediate Family" means the spouse of an Owner, the children and grandchildren of an Owner and any spouses of any such children or grandchildren of an Owner. For the purposes of this Disclosure Statement, the Articles and the Co-Ownership Agreement, the term "spouse" shall

include a common-law spouse.

"Interim Budget" means the interim budget, a copy of which is attached hereto as Exhibit F and as more particularly described in subsection 3.9(1);

"Land Title Office" means the Kamloops, British Columbia Land Title

Office; **"Lands"** means the lands and premises comprising the Resort

Lands; **"Lender"** has the meaning given to this term as set out in section

4.3(1);

"Lender's Mortgage" has the meaning given to this term as set out in section 4.3(1);

"Manager" means the manager that may be appointed initially by the Developer, as may be continued or subsequently replaced by the Owner's Corporation, as further described in subsection 3.2;

"Mortgage Payout Amount" means the amount, calculated in accordance with the directions of the Lender, by which, on payment of such an amount by the Developer to the Lender, the Developer can cause the discharge of the Lender's Mortgage;

"Owner" means a registered owner of a Share and **"Owners"** shall mean all of the owners of the Shares;

"Owners' Corporation" means the "Fircrest Resort Owners' Corporation", incorporated as 1190304 B.C. Ltd. a company incorporated under the laws of British Columbia;

"Owner's Proportionate Share" means that fraction, the numerator of which is the aggregate number of Shares owned by an Owner and the denominator of which is the total number of RV Sites and Cabin Sites at the Resort;

"Owner's Site" means that portion of the Resort Lands identified on Schedule 'A' hereto and as an Exhibit to the Co-Ownership Agreement as the Owner's Site, which Site is for the use of the Owner, subject to the terms of the Articles and Co-Ownership Agreement;

"Property Taxes" means all taxes, levies, local area improvement charges, municipal utility rates and similar charges, rates and levies imposed by the British Columbia Surveyor of Taxes or other Governmental Authority having jurisdiction over the lands in respect of the Lands;

"Province" means the Province of British Columbia;

"Purchase Agreement" means the agreement pursuant to which a purchaser acquires from the Developer a Share, substantially in the form attached hereto as Exhibit G and as more particularly described in Section 7.2;

"Regional District" means the Cariboo Regional District in the Province;

"Resort" means the Fircrest Resort on the Resort Lands, as described in section 2.1;

"Resort Lands" means PID: 013-397-478, Parcel A (38046E and Plan B6004) of District Lot 5037, Lillooet District, Except Plans 6847, 20135 and KAP77955;

"Shares" means the issued and outstanding Class A Common Shares of the Owner's Corporation that have been allocated to a specific existing or proposed Site;

"RV Sites and Cabin Sites" means all of the RV Sites and Cabin Sites on the resort lands, and **"RV Site or Cabin Site"** has the corresponding meaning;

"Site" means any one and **"Sites"** means all, of the sites described herein as may be identified on the Site Plan, as amended from time to time;

"Site Plan" means the Site Plan attached hereto as Exhibit A;

"Strata Property Act" means the Strata Property Act (British Columbia), S.B.C. 1998, c. 43, and the Strata Property Act Regulations, as may be amended or replaced from time to time;

"Summer Season" means the period each year commencing on May 1 and ending on the day following Canadian Thanksgiving. During this time utilities services will be available to all the RV Sites and Cabin Sites. Services may not be provided outside the summer season in phase 1;

"Superintendent" means the Superintendent of Real Estate for the Province;

"Tax Cost" means the total, without duplication, of all taxes, Property Taxes, trade licenses, rates, levies, service fees and charges, duties and assessments levied or imposed on or in respect of the Lands, by any Governmental Authority;

"Visitor" means any person using and occupying the Site of an Owner or any of the Common Areas and Common Facilities and who is not Immediate Family to the Owner or a Day Guest; and

"Year" means a calendar year or such other twelve (12) month period as established by the Owner's Corporation.

1.0 THE DEVELOPER

1.1 Corporate Information

0972514 BC Ltd. (The Developer) is a company incorporated under the laws of the Province of British Columbia on June 14, 2013.

Purpose

The Developer was formed specifically for the purpose of developing the Lands. The Developer does not have any other assets other than the Shares in the Owner's Corporation, which owns the Lands.

1.2 Registered and Records Office

The address of the registered and records offices for the Developer is:

Box 1949, 102-475

Birch Avenue, 100 Mile

House, B.C. V0K 2E0

Mailing and Attorney for Delivery in British Columbia

The mailing address and the delivery address of the Developer's British Columbia attorney under the *Business Corporations Act* is:

Kenneth D. Smith

Box 1940, 102-475 100 Mile House, B.C., V0K 2E0

1.3 Directors

The names of the directors of the Developer required to sign this Disclosure Statement are Marty Fletcher and Robert Doornenbal.

1.4 Disclosure of Background and Conflicts of Interest for the Developer and the Directors, Officers and Principal Holders

- (1) Marty Fletcher has over 20 years' experience in the Provinces of British Columbia, Alberta and Saskatchewan in the residential/recreational land development industry. Such developments include remodelling of houses, condominium conversions, acreage developments and various land acquisitions and re-zonings, including recreational vehicle park conversions.
- (2) Robert Doornenbal has over 20 years experience developing businesses and specializes in marketing and project management.
- (3) Other than as set out above, to the best of the Developer's knowledge, the Developer, or any principal holder, director or officer of the Developer or principal holder, within the ten years before the date of the Developer's declaration attached to this Disclosure Statement, have not been subject to any penalties or sanctions imposed by a court of regulatory authority, relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.
- (4) To the best of the Developer's knowledge, the Developer, or any principal holder, director or officer of the Developer or principal holder, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, have not been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency and have not been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person other than as set out below.

1.5 No Potential Conflicts

To the best of the Developer's knowledge, there are no existing or potential conflicts of interest among the Developer, any manager, director, officer or principal holder of the Developer or manager, any directors and officers of the principal holders, and any person

providing goods or services to the Developer, manager or holders of the development units (the Shares) in connection with the Resort Lands which could reasonably be expected to affect a purchaser's decision to purchase a Share.

2.0 GENERAL DESCRIPTION

2.1 General Description of the Resort

The Resort is a recreational vehicle resort located approximately 60 km's southeast of Williams Lake, British Columbia, on the West side of Highway 97, The Cariboo Highway. The area of the Resort Lands that are related to this offer of Shares in the Owner's Corporation is approximately

14.4 acres and is comprised of one legal parcel. The Shares being offered in this offering relate only to RV Sites and Cabin Sites located on the Lands.

The Resort Lands are currently owned by the Owner's Corporation. The Developer incorporated the Owner's Corporation on December 14, 2019.

Pursuant to the Co-Ownership Agreement, the Shares in the Owner's Corporation will be assigned to specific Sites within the Resort. Known as a corporative interest development, the Developer will transfer to a purchaser a Share in the Owner's Corporation which is attached to a specific RV Site located within the Resort Lands, as selected by the purchaser. The Co-Ownership Agreement provides that the holder of a Share will be granted a licence to use the corresponding Site to the exclusion of other owners while all owners will benefit equally from the use of the Common Areas and Common Facilities. For example, the owner of share number 1 will have the private use of RV Site lot number 1 while sharing in the use of the Common Areas and Common Facilities of the Resort such as roadways, common buildings and park area.

The Resort is not a subdivision or development subject to the provisions of the Strata Property Act. As such, the Resort Lands are not governed by the Strata Property Act. Further, a purchaser does not acquire a direct interest in the Resort Lands, which will be owned by the Owner's Corporation. Currently, the Developer intends to develop the RV Sites and Cabin Sites on the Resort Lands as more particularly described in section 2.3.

While the Resort is not a strata, it has been structured so that it will function in a manner similar to a bare land strata development. In brief, the Resort will be structured and operate as follows:

- A. The Developer will assign to a purchaser a Share which will grant to a purchaser private use of a specific RV Site and the right to use the Common Area and the Common Facilities of the Resort.
- B. There will be one Owner's Corporation for the entire Resort.
- C. The board of directors of the Owner's Corporation will be elected by the owners of the Sites. A director must be an owner of a Site, or a nominee of a corporate owner.
- D. The Owner's Corporation, through its board of directors, will be responsible for those issues relating to the Resort that the strata council would be responsible for under a typical bare land strata situation, including maintenance of the Common Areas of the Resort, placing of insurance on the Resort, settling of budgets, collection of maintenance and Common Costs, arranging garbage collection and landscaping services, and enforcement of the Articles, the Co-Ownership Agreement and the Bylaws.

- E. The holders of the Shares will have a right to stand for election as a director of the board of directors of the Owner's Corporation and will be the parties who will be responsible for electing the board of the Owner's Corporation. They will also have a right to vote on any changes in the Articles which govern use of the Resort.
- F. Pursuant to the terms of the Co-Ownership Agreement, the Developer will retain control of the Owner's Association until a date no later than six months from the date the Developer sells the last share which relates to an RV or Cabin Site in the Development.

The Developer reserves the right to configure and reconfigure the Sites and the Common Facilities and Common Areas.

A Share in the Owner's Corporation and the licence to use and occupy the RV Sites and Cabin Sites and the Common Areas and Common Facilities will be governed by the terms of the following agreements:

- (a) the Articles of the Owner's Corporation;
- (b) the Co-Ownership Agreement, to which the Owner's Corporation shall also be made a party, substantially in the form attached hereto as Exhibit D; and
- (c) the Bylaws, substantially in the form attached as a schedule to the Co-Ownership Agreement.

The existing buildings and improvements on the Resort Lands, the layout of the Resort and the dimensions of the RV Sites and Cabin Sites and location of the Common Areas are as approximately shown on the Site Plan attached hereto as Exhibit A.

Each RV and Cabin Site will contain water and sewage connection, and connections for electricity. Each RV and Cabin Site will be serviced with a 50 amps electrical connection. Some sites are for seasonal use only.

2.2 Permitted Use

Currently there are no regional district bylaws in place that affect the Resort Lands.

2.3 Further Site Development

The Development will be completed in two parts and all completed parts become 1 Resort upon completion of all phases. As the Strata Property Act doesn't apply to the Lands the Developer is not required to file a phased plan in the Land Title Office or obtain any approval from an approving officer pursuant to section 222 of the Strata Property Act.

3.0 COOPERATIVE INFORMATION

3.1 Owner's Corporation

The Fircrest Resort Owners' Corporation is the Owner's Corporation. The Owner's Corporation is a company incorporated under the laws of British Columbia on May 2, 2017 under Incorporation Number BC 190304 which Notice of Articles and Articles is attached as an Exhibit.

3.2 Form of Ownership

The following describes the form of ownership being offered and the steps which have been taken

to structure the Owner's Corporation in a manner similar to how a condominium/strata corporation would function:

- (a) a purchaser will acquire a share in the issued and outstanding shares of the Owner's Corporation. A schedule of an owner's proportionate interest in the Owner's Corporation is attached hereto as Exhibit I;
- (b) The Owner's Corporation is a British Columbia company incorporated under the Business Corporations Act. Such legislation, or any successor legislation, the Articles of the Owner's Corporation and the Co-Ownership Agreement will govern the operation of the Owner's Corporation and the rights and obligations of its shareholders, officers and directors. The Articles and the Co-Ownership Agreement of the Owner's Corporation will require that certain significant decisions be approved by not less than a special majority of 66% of the votes cast by shareholders at a meeting of the shareholders;
- (c) The Owner's Corporation will perform similar functions to those performed by a strata corporation under the Strata Property Act. In particular, the Owner's Corporation, which will function through its board of directors, will be responsible for maintaining the Common Items, placing insurance on the Common Items, establishing budgets,
- (d) collecting maintenance and operating fees, paying the property tax on behalf of the Owners and enforcing the provisions of the Co-Ownership Agreement, the Articles and the Bylaws relating to the Resort;
- (e) Each holder of a Share is a shareholder of the Owner's Corporation. Each Share is entitled to one vote. If there is more than one person registered as the owner of a Share only one such person shall be entitled to vote. The only shareholders of the Owner's Corporation will be both the Developer (while any RV Sites and Cabin Sites remain unsold) and all the other holders of the Shares as listed from time to time on Schedule D to the Co-Ownership Agreement;
- (f) Upon the transfer of a Share, the transferring party, unless it owns more than one Share, ceases to be a shareholder of the Owner's Corporation, and the party acquiring the Share will become a shareholder; and
- (g) The developer and or the Owner's Corporation may enter into a management contract for management services and employ a Manager to fulfil this function.

By virtue of the Co-Ownership Agreement, Owners will be required to abide by and conduct themselves in accordance with the Articles, the Co-Ownership Agreement and the Bylaws passed by the Owner's Corporation from time to time. A copy of the proposed Articles, Co-Ownership Agreement and Bylaws are each attached as schedules to this Disclosure Statement or exhibits to the Co-Ownership Agreement. Purchasers should review these documents carefully. The material provisions of the Articles, the Co-Ownership Agreement and the Bylaws are described next.

3.3 Use Agreement

All purchasers (and all subsequent owners) will be required to enter into the Co-Ownership Agreement, substantially in the form attached hereto as Exhibit D. The key terms of the Co-Ownership Agreement are as follows:

- (a) specifies the attachment of Shares to specific Sites;
- (b) the basis upon which all Owners will share in the use, benefit and burden of the Common Areas and Common Facilities;
- (c) establishes a mechanism by which the Owner's Corporation may take steps against an

Owner, who is in default of his, her or its obligations under the Co-Ownership Agreement;

- (d) obligates the Owner to contribute to the Common Costs of the Resort;
- (e) obligates the Owner to comply with the Articles and Bylaws established by the Owner's Corporation from time to time; and
- (f) establishes the protocol for transferring a Share, which Owners are free to do at any time provided they are not in default of their obligations under the Co-Ownership Agreement.

An Owner may freely transfer to a third party his, her or its Share if the Owner is in good standing under the Co-Ownership Agreement. Upon ceasing to own a Share, an Owner will cease to be a member of the Owner's Corporation. An Owner who fails to pay to the Owner's Corporation any amounts due under the Co-Ownership Agreement is subject to the rights and remedies of the Owner's Corporation under the Co-Ownership Agreement, which include, but are not limited to restricting an Owner's use of their Site and enforcement proceedings being taken by the Owner's Corporation against an Owner.

3.4 Articles and Bylaws

(1) Articles

Key terms of the Articles are:

The Owners are entitled to amend the Articles in accordance with the Articles and the *Business Corporations Act*; and

- (a) Establish a management structure for the Resort by way of the Owner's Corporation.

(2) Bylaws

The Bylaws of the Resort will be substantially in the form attached as an Exhibit to the Co-Ownership Agreement. The Bylaws include the following terms:

- (a) Only one recreation vehicle or cabin is permitted to be located on an RV Site at any given time. However, one tent designed to accommodate not more than four persons is allowed in addition to a recreation vehicle, provided that such tent is placed near the back of the RV Site;
- (b) Owners are permitted to construct certain improvements as set out in the Bylaws to the Co-Ownership Agreement provided that they comply with the "Construction Regulation" set out in the Bylaws to the Co-Ownership Agreement and have prior approval from the Owner's Corporation in advance of commencement of construction; and
- (c) No smoking will be allowed within any enclosed Common Areas or Common Facility, or as restricted by the Owner's Corporation.
- (d) Unless and until the Regional District at some future date regulates or prohibits the construction of cabins on the RV Sites and Cabin Sites their placement on RV Sites and Cabin Sites will be permitted with the prior approval of the Owner's Corporation whose decision as to location, sizing and set-backs of such improvements in its sole discretion is mandatory.

3.5 Developer's Rights

The Developer will initially retain control of the Owner's Corporation in the manner described in section 2.1F to ensure that the Resort is managed in an orderly fashion. The Co-Ownership Agreement will permit the Developer to retain such control other than disclosed herein, the Developer does not intend to permanently retain any rights or control in relation to the Resort except for those rights and controls which arise by virtue of the Developer's ownership of any unsold Shares. The Developer may continue to market or rent out those Sites owned by it to seasonal or overnight guests until they are all sold.

3.6 Assets and Liabilities

The primary asset of the Owner's Corporation is the Lands and its only expenses relate to the day to day operation of the Resort Lands. The Developer has made adequate arrangements to ensure that a purchase of a Share will have assurance of title of the interest it has purchase, namely the Share, and the corresponding license to use the associated RV Site and Common Areas and Common Facilities of the Resort Lands, free of any Encumbrances other than any permitted Encumbrances.

3.7 Parking

Each RV Site will have parking for one motor vehicle in addition to one recreational vehicle. There will be additional visitor parking spaces for use by Owners, Day Guests and Visitors. Visitor parking is restricted to short term use by Owners, Day Guests and Visitors and the availability of the visitor parking is on a first-come basis.

3.8 Common Areas, Common Facilities and Common Assets

(1) Common Areas

Certain areas of the Resort Lands are designated by the Developer or Owner's Corporation as Common Areas. Common Areas are for the use of the Owners, Day Guests and Visitors, subject to the terms of the Co-Ownership Agreement and include road ways, washrooms, parking areas, shower, and laundry room.

(2) Common Facilities

The following Common Facilities are located generally as indicated on the Site Plan. The use of the Common Facilities is subject to the terms of the Co-Ownership Agreement:

- (a) Washrooms Building A: as shown on the site plan is approximately 600 square feet in size and contains sinks, toilets and showers in both the men's and women's.
- (b) The Developer will have a managers residence according the zoning requirements

(3) Common Items

The assets of the Resort and the Owner's Corporation include or are anticipated as including:

- (a) A water treatment system that is in full compliance with Interior Health;
- (b) Various lawn care items such as mowers, lawn tools, watering equipment; and miscellaneous small tools.

The costs to maintain and replace the Common Items are for the account of the Owner's Corporation and are paid for by the Owners as part of their Assessments. Use of Common Items, as applicable, is subject to the Co-Ownership Agreement and any licences, easements, leases, rights of way or covenants described or contemplated in this Disclosure Statement.

(4) Proposed Common Facilities

The Developer does not intend to construct any further Common Facilities. The

Furnishing and Equipment

The furniture, fixtures and equipment intended for use in any of the Common Facilities will be owned by the Owner's Corporation. The Owner's Corporation will accumulate a reserve for the repair and replacement of items of furnishings, fixtures and equipment as part of the Owner's Corporation's annual budget and the amount is solely at the discretion of the Owner's Corporation and, will be included in the Assessments, provided that the Owner's Corporation, in its discretion, may from time to time substitute, add to or remove furniture, fixtures and equipment as it deems best for aesthetic, functionality or other considerations related to the Resort. Owners cannot add, alter or make a change to the furnishings, fixtures and equipment in the Resort without the prior consent of the Owner's Corporation.

The Owner's Corporation shall maintain the Common Items and shall ensure that all Common Items are repaired and replaced when required as a result of normal wear and tear. In the event that a Common Item is damaged by an Owner or its invitee, such Owner shall be responsible for the costs of repairing such damage or replacing a Common Item that cannot be repaired. The Owner's Corporation shall notify the said Owner of such cost and that amount is due and payable forthwith following the receipt of such notice.

3.9 Budget

The cost of providing the Manager's services for the Resort and utilities such as water, electricity and sewerage to each Site will be a Common Cost. The Common Cost will be calculated by reference to an Owner's Proportionate Share other than any additional property taxes levied against a particular RV Site as a result of an owner's construction and placement of any improvements on the Owner's RV Site. All additional property taxes levied with respect to an Owner's improvements will be levied to and paid by that Owner. The cost of maintaining Common Items, Property Taxes and other Tax Costs will also be a Common Cost paid by all Owners according to each Owner's Proportionate Share. An Interim Budget is attached hereto as Exhibit F. Some components of Common Costs are determined by third parties and taxing authorities over which the Developer has no control.

(1) Budgets

The expenses payable by each Owner will be determined by an annual budgeting process as follows:

- (a) Owner's Corporation: The Interim Budget, which is attached hereto as Exhibit F, sets out the estimated Common Costs of the Owner's Corporation for the first full operating Year of the Owner's Corporation, based on current cost estimates.
- (b) The Articles provide that at the first annual general meeting of the Owner's Corporation and at each annual general meeting thereafter, the Owner's Corporation will approve a new budget for the following 12-month period. The Assessments for each such period will be calculated based on the approved budget and the Owners' Proportionate Share for each Site plus any property taxes due to an individual Owner's improvements.
- (c) In the event the budgeted amount of Common Costs exceeds the actual Common Costs, then an appropriate credit will be included in the budget for the Owner's Corporation in the ensuing Year. In the event that the budgeted amount is less than the actual Common Costs, then, unless another method of calculation for determining a Common Cost has been specified, each Owner will be charged with the Owner's

Proportionate Share of the deficit or the shortfall which will be drawn from the Owner's Corporation operating reserves, as determined by the Owner's Corporation at the annual general meeting.

- (d) A Contingency Reserve Fund will be established by the Owner's Corporation to pay for common Costs that usually occur less often than once a Year or do not usually occur. The contingency Reserve Fund will be not less than 5% of the estimated Common Costs after the first annual general meeting of the Owner's Corporation, and the annual contribution thereafter is required to be at least 10% of the Common Costs for each Year until the Contingency Reserve Fund is at least equal to 25% of the total Common Costs for the immediately preceding fiscal Year, at which time the Owner's Corporation can approve a different amount. The Developer will contribute to the common costs of running the Resort firstly from the revenue generated from the rental of all unsold RV Sites and Cabin Sites held from time to time by the Developer. At any time there is a shortfall in the amount of revenue required by the Owner's Corporation to run the resort and the rental revenue received from the Developer that shortfall will be made up from the Developer's own funds and will be paid to the Owner's Corporation on a monthly basis. The Developer will not be making any contribution to the Contingency Reserve Fund at any time.

3.10 Utilities and Services

(1) Water

The Resort is serviced by a water well located on the site. The Developer built a water treatment facility that is fully compliant with the requirements of Interior Health in 2021. The management of the resort has completed the BC Water Safety Course. Water will be available to the phase 1 RV Sites only during the Summer Season May 1 – Oct 31 and to phase 2 RV sites and the Cabin sites year-round. Phase 1 water service is subject to weather and other environmental conditions, such as unusually cold temperatures during spring or fall that may require the early temporary or permanent seasonal shut off the water to the phase 1 RV Sites. Potable water is available year-round from the Washroom building.

(2) Electricity

Electricity is supplied to the Resort by British Columbia Hydro and Power Authority and is provided to all sites.

(3) Sewerage

There are three septic systems on the property. The first is a tank a field system for the washrooms and phase1 RV sites. These settling tanks are located behind the wash house. There are two large tanks that are tank and pump located near the entrance that accommodate the cottages and phase two RV sites. All sites and cottages have septic hook ups with the exception of guest sites which are fry camp sites with no services.

(4) Natural Gas

The Resort is serviced with domestic natural gas to the washroom. There will not be gas service to the individual RV lots.

(5) Fire Protection

There is no fire protection for the Resort. There is a volunteer fire department in the Town of Lac La Hache and the firehall is located approximately 1 km away from the resort.

(6) Telephone

There is no landline service available to the Resort, however, Cell service from major Canadian providers is readily available.

(7) Access

Access to the Resort is from a public road being maintained by the Ministry of Transportation of the Province. Access to the Sites is via a common roadway maintained by the Owner's Corporation and paid for as a Common Cost.

3.11 Management Contracts

The Developer has entered into an independent contractor agreement with a management corporation that will serve as the interim Manager. Following the completion of the sale of the first Share, the obligation of employing the Manager, and all associated costs, will be transferred by the Developer to the Owner's Corporation.

3.12 Insurance

The Owners' Association on behalf of the Owners will place and maintain general liability insurance of not less than \$5,000,000 in respect of the Lands and the Common Items and all risks insurance in respect of the improvements that are within Common Areas and in respect of the Common Items. Each Owner of a Site will be required to insure for the full replacement cost of any improvements located upon such a Site. Each Owner must insure its own personal property located within the Resort. All vehicles brought onto the Resort Lands must be licensed and insured. The Owners' Corporation may require proof of insurance and as well set minimum insurance coverage for all vehicles brought onto the Resorts Land.

3.13 Property Taxes

Property taxes and other levies imposed by the British Columbia Surveyor of Taxes are levied against the Lands and will be a Common Cost paid by all Owners through the Owner's Corporation which will make the annual payment on behalf of the Owners. Owners will not be able to claim the British Columbia Home Owner Grant. Owners with improvements located on their sites that attract property taxes based on the value of those improvements will be individually responsible for the payment of the full amount of those improvement taxes so assessed.

4.0 TITLE AND LEGAL MATTERS

4.1 Legal Description

The legal description of the Lands is: Parcel A (38046E and Plan B6004) of District Lot 5037, Lillooet District, Except Plans 6847, 20135 and KAP 77955.

4.2 Ownership

The Developer is the registered and beneficial owner of the Shares being offered for sale to purchasers.

4.3 Existing Encumbrances and Legal Notations

(1) Financial Encumbrances

There are no financial encumbrances on the Resort Lands.

(2) Non-Financial Charges, Liens and Interests –

There are no Non-Financial Charges, Liens, and Interests other than those standard Cariboo Regional District and Crown covenants and Statutory Right of Way in favour of B.C. Hydro and Telus Communications.

4.4 Proposed Encumbrances

Other than set out above, no encumbrances, covenants, or liens are proposed or are anticipated to be registered or filed in respect of the Resort Lands nor are there any additional easements or rights of way in favour of any utilities, public authorities, regional district or any other applicable governmental authority or public or private utility with respect to provision of utilities to the Resort anticipated at this time.

4.5 Outstanding or Contingent Litigation or Liabilities

Except as set out above, to the knowledge of the Developer, there is no outstanding litigation in respect of the Owner's Corporation, the Resort or against the Developer.

Except to the extent disclosed in section 3.6 and incurred in the ordinary course of the operation of the Resort, the Owner's Corporation has no outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise, including under any guarantee of any debt).

4.6 Environmental Matters

To the knowledge of the Developer, there are no dangers or matter relating to flooding or with respect to condition of the soil and subsoil or other environmental matters affecting the Resort Lands. Efforts have been made to minimize changes from the natural state of the Sites, other than any necessary clearing for access, construction and servicing purposes. Each Owner will be responsible for identifying and effectively mitigating the effects of any changes made by such an Owner to the natural state, terrain and drainage within the Resort Lands.

5.0 CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

There is no construction required to the Phase 1 RV Sites and Cabin Sites.

5.2 Warranties

No warranty as to the RV Sites and Cabin Sites is given, either express or implied other than as set out herein.

6.0 APPROVALS AND FINANCES

6.1 Resort Approval

The Developer is not required to obtain from the Regional District or other governmental authority a building permit or other developmental approval for the purposes of marketing cooperative interests, by way of the Shares being offered pursuant to this Disclosure Statement, the Rezoning Application Approval is set out at Schedule B.

6.2 Construction Financing

The Developer has no construction financing commitment as all necessary improvements needed to market the sites are in place.

7.0 MISCELLANEOUS

7.1 Deposits

All deposits and other money received from a purchaser of a Share shall be held in trust with the Developer's Solicitors in the manner required by the Act until such time as a Share has been lawfully transferred by the Developer to the Purchaser and such transfer has been recorded in the Owner's Corporation's central securities register in accordance with the Purchase Agreement.

7.2 Purchase Agreement

Defined terms used in this section 7.2 which are not defined in this Disclosure Statement have the meaning ascribed to such terms in the Purchase Agreement.

Attached as Exhibit G to this Disclosure Statement is the form of Purchase Agreement which the Developer intends to use in connection with the sale of the Shares.

The Developer represents and warrants to each purchase that the Developer is the legal and beneficial owner of them. Once a share is sold, the Developer's Solicitor will receive a letter from the Lender's Solicitor confirming that each share is discharged of its financial encumbrances. Accordingly, a purchaser will have assurance of title of the interest it has purchased.

Each prospective purchaser who wishes to purchase a Share must:

- (a) complete and sign the form of Purchase Agreement contemplated in Exhibit G, after reading and reviewing this Disclosure Statement and Purchase Agreement carefully;
- (b) pay the Deposit in accordance with the terms of the Purchase Agreement; and
- (c) pay the balance of the Purchase Price on the Completion Date, for the Share in accordance with the terms of the Purchase Agreement.

7.3 Developer's Commitments

(1) Bonding Guarantee Provisions

There are no bonds or further guarantees in relation to the performance of this offering made by the Developer, except as herein disclosed in this subsection

7.4 Other Material Facts

Not applicable.

DEEMED RELIANCE

Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defenses available under section 22 of the Act.

EXHIBIT A

SITE PLAN

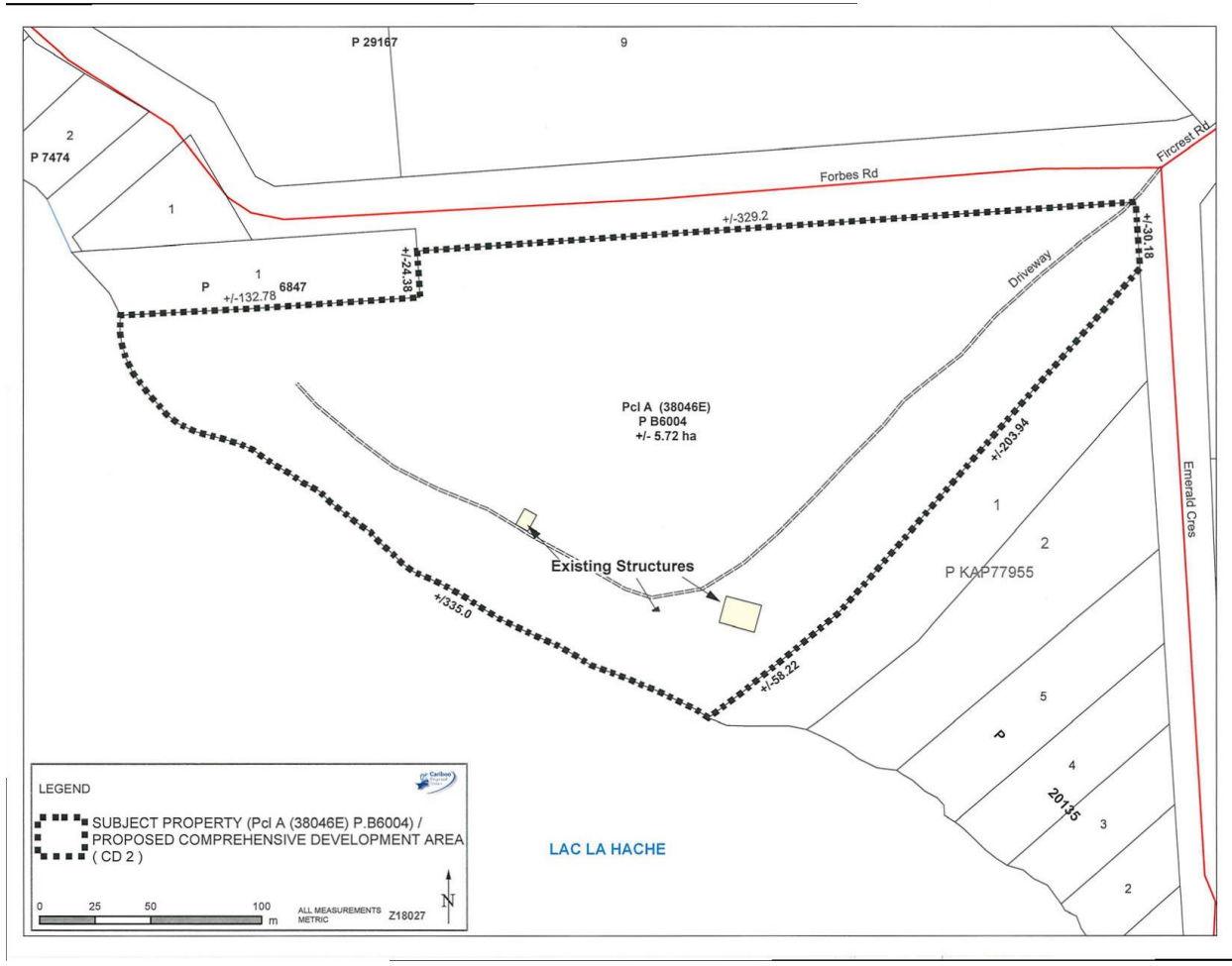


EXHIBIT B

CRD Rezoning

Approval Letter

File: 3360-20/20200027

November 23, 2020

VIA EMAIL: bob@rvsiteswest.ca

Bob Doornenbal
Fircrest Lakeside RV Resort

Dear Mr. Doornenbal:

Re: Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort – Text Amendment

Please find attached a copy of Bylaw No. 5285 which was adopted by the Board of Directors of the Cariboo Regional District on the 13th day of November, 2020.

This corrects the administrative error made in 2018 and reverts the Comprehensive Development 2 (CD 2) Zone to its original intention, without reference to a strata development.

If you have questions regarding your development currently or in the future, please contact me at 250-392-3351 or nwhitehead@cariboord.ca.

Respectfully,



Nigel Whitehead, MCIP, RPP
Manager of Planning Services

NW:gh

Attachment



CARIBOO REGIONAL DISTRICT

BYLAW NO. 5285

A bylaw of the Cariboo Regional District, in the Province of British Columbia, to amend Bylaw No. 3501, being the "South Cariboo Area Zoning Bylaw No. 3501, 1999".

WHEREAS the *Local Government Act* authorizes the Regional Board to amend a Zoning bylaw after a public hearing and upon the affirmative vote of the Directors.

WHEREAS an application has been received to rezone property.

NOW, THEREFORE, the Board of Directors of the Cariboo Regional District, duly assembled, enacts as follows:

1. CITATION

This bylaw may be cited for all purposes as the "South Cariboo Area Zoning Amendment Bylaw No. 5285, 2020".

2. AMENDMENT

Schedule "A" of South Cariboo Area Zoning Bylaw No. 3501 of the Cariboo Regional District is amended by:

- i) deleting Section 5.24 and all subsections in their entirety; and
- ii) inserting Section 5.24 with the following text:

5.24 COMPREHENSIVE DEVELOPMENT 2 (CD 2) ZONE –FIR CREST RESORT

Purpose: Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort

The intent of the Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort is to permit a campground and development that allows for the shared ownership of recreational sites where each site is designed and used to accommodate recreational vehicles or cabins. In combination with the zoning regulations, the recreation sites will be further regulated by the property owners,

will be responsibility of the ownership and managed by on site management. The Traveler's Campground can accommodate camping units, such as: tents, recreational vehicles, or motor homes for the traveling public in the common area and will also be managed by on site management. In addition, the common area is to allow for the operation of Limited Service Commercial activities. As part of the operation of the property, the zoning regulations permit the permanent housing of management, as well as the temporary housing of staff.

5.24.1 Permitted Uses

- (1) In the Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort the following uses of land, buildings or structures and no other uses are permitted:
 - (a) Resort Cabins;
 - (b) Resort Recreational Vehicle Sites; and
 - (c) Traveler's Campground.

- (2) If a principal use of the land has been established in the Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort, the following secondary uses of land, buildings, or structures are permitted:
 - (a) Accessory Dwelling Unit;
 - (b) Buildings and Structures ancillary to the permitted principal and secondary uses;
 - (c) Home Occupation within an Accessory Dwelling Unit, a Resort Recreation Vehicle or a Resort Cabin;
 - (d) Limited Service Commercial; and
 - (e) Marina and Float Plane Base.

5.24.2 Zone provisions

(a.) Areas

- (1) The minimum area for the common area shall be 50% of the parcel area.
- (2) The minimum area for a Resort Recreational Vehicle Site shall be 200 square metres (2,200 square feet) provided the site is served by an approved community water system and an approved community sewer system.
- (3) The minimum area for a Resort Cabin Site shall be 280 square metres (3,000 square feet) provided the site is served by an approved community water system and an approved community sewer system.
- (4) The maximum floor area for an Accessory Dwelling Unit on the common area is 150 square metres (1,600 square feet).
- (5) The maximum floor area for a Resort Cabin shall be 75 square metres (800 square feet) with a maximum of 47 square metres (500 square feet) on the main floor.
- (6) The maximum area for any Ancillary Building on a Resort Recreational Vehicle or Resort Cabin Site shall be 5 square metres (50 square feet).
- (7) The maximum area for any Ancillary Building on the common area shall be 100 square metres (1,100 square feet).
- (8) The combined area of Limited Service Commercial uses shall not be more 400 square metres (4,305 square feet).

(b.) Density

- (1) Not more than one recreational vehicle is permitted per Resort Recreational Vehicle Site and the maximum number of Resort Recreational Vehicle Sites shall be 88.

(c.) Height

- (1) In the Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort the maximum height for a Resort Cabin, Accessory Dwelling Unit, and Ancillary Buildings and Structures is 6.1 metres (20 feet).

(d.) Setbacks

- (1) In a Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort the minimum required setbacks shall be as follows:
 - (a) For Resort Recreational Vehicles, the minimum required setback for the furthest extension shall be 0.9 metres (3 feet) from Site Line.
 - (b) For Resort Recreational Vehicle Decks, the minimum required side yard setback shall be 0.9 metres (3 feet) from a Site Line. Resort Recreational Vehicle Decks are not permitted within either front or rear yards.
 - (c) For Resort Recreational Vehicle Sites abutting a residentially zoned property, the minimum required setback between the Site Line and the Parcel Line is 4.5 metres (15 feet).
 - (d) For Resort Cabins, the minimum required side yard setback shall be 3.0 metres (10 feet) from a Site Line.
 - (e) For Resort Cabins, the minimum required front and rear yard setback shall be 4.5 metres (15 feet) from a Parcel or Site Line.
 - (f) For Ancillary Buildings on Resort Cabin Sites and Resort Recreational Vehicle Sites, the minimum required setback shall be 0.9 metres (3 feet) from a Site Line.
 - (g) For Accessory Dwelling Units or Ancillary Buildings or Structures other than a fence on the common area the minimum required setback shall be 7 metres (23 feet) from a Parcel Line.

(e.) Parking

Off-street parking spaces shall be provided in accordance with the provisions of Section 4.20 of this bylaw.

(f.) Landscaping and Screening

- (1) In a Comprehensive Development 2 (CD 2) Zone – Fir Crest Resort, the minimum required landscaping and screening shall be as follows:
 - a) Notwithstanding the landscaping and screening provisions contained within these regulations, no landscaping or screening shall be grown, placed, caused or allowed to be grown or placed so as to impede the visibility of any traffic safety device or traffic sight line.
 - b) Existing landscaping or natural vegetation should be conserved unless removal is necessary to efficiently accommodate the proposed development. Where practical, vegetation should be relocated on site.

- c) A garbage collection area, an open storage area, or an outdoor service area, including any loading and vehicular service area, which is visible from an adjacent site in a residential district or from a highway, shall be fenced and/or screened and be effective from the ground to a height of 1.8 metres (6 feet).
- d) A fence or opaque landscape screen with a minimum height of 1.8 metres (6 feet) is to be installed where Resort Recreational Vehicle Site and Resort Cabin Site development will abut residential development.

Definitions

For the purposes of this zoning district and no other, the following definitions apply:

“Common Area” means an area of the parcel used for any purpose other than a Resort Recreational Vehicle Site or Resort Cabin Site.

“Limited Service Commercial” means commercial activities that are subsidiary to the operation of the resort and intended to meet the limited service commercial needs of the resident population of the resort. Examples include, but are not limited to; laundry facilities, confectionary, equipment sales and rentals (canoes, boats, water skis, fishing equipment, and firewood), and restaurant.

“Parcel” means the legal boundaries encompassing the property with the following legal address: PID: 013-397-478, Parcel A, DL 5037, Lillooet District, Except Plans 6847, 20135 and KAP77955.

“Parcel Line” means the legal boundary of the Parcel.

“Site Line” means the boundary of a Resort Recreation Vehicle Site or Resort Cabin Site.

“Resort Cabin” means one or more rooms with self-contained sleeping, living, and sanitary facilities containing not more than one set of cooking facilities, used or intended for use as a temporary residence for property owners or the traveling public.

“Resort Cabin Site” means an area of the parcel used for the accommodation of property owners or the traveling public in Resort Cabins.

“Resort Recreational Vehicle” means a recreational vehicle, such as; trailers, campers, motor homes, or park models used for the accommodation of property owners or the traveling public.

“Resort Recreational Vehicle Deck” means a platform with the top of the floor no more than 0.6 m (2 feet) above landscape grade without a roof or walls. The platform must not be attached to the Resort Recreational Vehicle and can be a maximum area of 15 square metres (160 square feet).

“Resort Recreational Vehicle Site” means an area of the parcel used for the accommodation of property owners or the traveling public in Resort Recreation Vehicles.

“Traveler's Campground” means the portion of the common area within the parcel used for the transient accommodation of travelers in tents or Resort Recreational Vehicles.

READ A FIRST TIME THIS 11th DAY OF September, 2020.

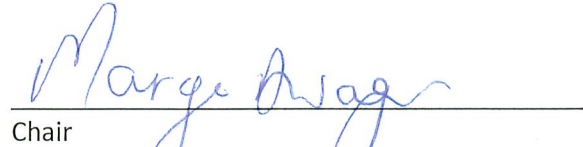
READ A SECOND TIME THIS 11th DAY OF September, 2020.

READ A THIRD TIME THIS 2nd DAY OF October, 2020.

APPROVED UNDER THE "TRANSPORTATION ACT" THIS 14 DAY OF October, 2020.



ADOPTED THIS ^{13th}_A DAY OF NOVEMBER, 2020.



Chair



Manager of Corporate Services

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 5285, cited as the "South Cariboo Area Zoning Amendment Bylaw No. 5285, 2020", as adopted by the Cariboo Regional District Board on the day of NOVEMBER, 2020. ^{13th}



Manager of Corporate Services

EXHIBIT C

Owner's Association Company Notice of Articles and Articles



CERTIFIED COPY
Of a Document filed with the Province of
British Columbia Registrar of Companies

Notice of Articles
BUSINESS CORPORATIONS ACT


CAROL PREST

This Notice of Articles was issued by the Registrar on: December 14, 2018 01:42 PM Pacific Time

Incorporation Number: BC1190304

Recognition Date and Time: Incorporated on December 14, 2018 01:42 PM Pacific Time

NOTICE OF ARTICLES

Name of Company:

1190304 B.C. LTD.

REGISTERED OFFICE INFORMATION

Mailing Address:

BOX 819
201-438 BIRCH AVENUE
100 MILE HOUSE BC V0K 2E0
CANADA

Delivery Address:

BOX 819
201-438 BIRCH AVENUE
100 MILE HOUSE BC V0K 2E0
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

BOX 819
201-438 BIRCH AVENUE
100 MILE HOUSE BC V0K 2E0
CANADA

Delivery Address:

BOX 819
201-438 BIRCH AVENUE
100 MILE HOUSE BC V0K 2E0
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Fletcher, Marty

Mailing Address:

SUITE 2428
246 STEWART GREEN SW
CALGARY AB T3H 3C8
CANADA

Delivery Address:

SUITE 2428
246 STEWART GREEN SW
CALGARY AB T3H 3C8
CANADA

Last Name, First Name, Middle Name:

Breen, Donna Marie

Mailing Address:

1411B-8TH AVE. S.E.
CALGARY AB T2G 0N1
CANADA

Delivery Address:

1411B-8TH AVE. S.E.
CALGARY AB T2G 0N1
CANADA

AUTHORIZED SHARE STRUCTURE

1. No Maximum	Class A Commons Shares	Without Par Value
		Without Special Rights or Restrictions attached

Schedule "B"

The Company has as its articles the following articles:

ARTICLES

OF

1190304 B.C. LTD.
(the "Company")

Incorporation No.: BC _____

PART 1 - INTERPRETATION

Definitions

1.1 Without limiting Article 1.2, in these articles, unless the context requires otherwise:

"adjourned meeting" means the meeting to which a meeting is adjourned under Article 8.6 or 8.10;

"board" and "directors" mean the directors or sole director of the Company for the time being;

"Business Corporations Act" means the *Business Corporations Act*, S.B.C. 2002, c.57, as amended, and includes its regulations;

"Interpretation Act" means the *Interpretation Act*, R.S.B.C. 1996, c. 238, as amended;

"trustee", in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

***Business Corporations Act* definitions apply**

1.2 The definitions in the *Business Corporations Act* apply to these articles,

***Interpretation Act* applies**

1.3 The *Interpretation Act* applies to the interpretation of these articles as if these articles were an enactment.

Conflict in definitions

1.4 If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these articles.

Conflict between articles and legislation

1.5 If there is a conflict between these articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2 - SHARES AND SHARE CERTIFICATES

Form of share certificate

2.1 Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

Right to share certificate

2.2 Each shareholder is entitled, without charge, to one certificate representing the share or shares of each class or series of shares held by the shareholder.

Sending of share certificate

2.3 Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

Replacement of worn out or defaced certificate

2.4 If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit,

- (a) order the certificate to be cancelled, and
- (b) issue a replacement share certificate.

Replacement of lost, stolen or destroyed certificate

2.5 If a share certificate is lost, stolen or destroyed, a replacement share certificate must be issued to the person entitled to that certificate if the directors receive

- (a) proof satisfactory to them that the certificate is lost, stolen or destroyed, and
- (b) any indemnity the directors consider adequate.

Splitting share certificates

2.6 If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name 2 or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

Directors authorized to issue shares

3.1 The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

Company need not recognize unregistered interests

3.2 Except as required by law or these articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

PART 4 - SHARE TRANSFERS

Recording or registering transfer

4.1 A transfer of a share of the Company must not be recorded or registered

- (a) unless a duly signed instrument of transfer in respect of the share has been received by the Company and the certificate representing the share to be transferred has been surrendered and cancelled, or
- (b) if no certificate has been issued by the Company in respect of the share, unless a duly signed instrument of transfer in respect of the share has been received by the Company.

Form of instrument of transfer

4.2 The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

Signing of instrument of transfer

4.3 If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer,

- (a) in the name of the person named as transferee in that instrument of transfer, or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

Transfer fee

4.4 There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors.

PART 5 - PURCHASE OF SHARES

Company authorized to purchase shares

5.1 Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

PART 6 - BORROWING POWERS

Powers of directors

6.1 The directors may from time to time on behalf of the Company

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate,
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person,
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person, and
- (d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future undertaking of the Company.

PART 7 - GENERAL MEETINGS

Annual general meetings

7.1 Unless an annual general meeting is deferred or waived in accordance with section 182 (2) (a) or (c) of the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

When annual general meeting is deemed to have been held

7.2 If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under section 182 (2) (b) of the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date selected, under section 182 (3) of the *Business Corporations Act*, in the unanimous resolution.

Calling of shareholder meetings

7.3 The directors may, whenever they think fit, call a meeting of shareholders.

Special business

7.4 If a general meeting is to consider special business within the meaning of Article 8.1, the notice of meeting must

- (a) state the general nature of the special business, and

- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders
 - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified by the notice, and
 - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

PART 8 - PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

Special business

8.1 At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
 - (i) business relating to the conduct of, or voting at, the meeting;
 - (ii) consideration of any financial statements of the Company presented to the meeting;
 - (iii) consideration of any reports of the directors or auditor;
 - (iv) the setting or changing of the number of directors;
 - (v) the election or appointment of directors;
 - (vi) the appointment of an auditor;
 - (vii) the setting of the remuneration of an auditor;
 - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution.

Quorum

8.2 Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is 2 persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 1/20 of the issued shares entitled to be voted at the meeting.

8.3 If there is only one shareholder entitled to vote at a meeting of shareholders,

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

Other persons may attend

8.4 The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

Requirement of quorum

8.5 No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting.

Lack of quorum

8.6 If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present,

- (a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved, and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

Lack of quorum at succeeding meeting

8.7 If, at the meeting to which the first meeting referred to in Article 8.6 was adjourned, a quorum is not present within 1/2 hour from the time set for the holding of the meeting, the persons present and being, or representing by proxy, shareholders entitled to attend and vote at the meeting constitute a quorum.

Chair

8.8 The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any;
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

Alternate chair

8.9 If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

Adjournments

8.10 The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice of adjourned meeting

8.11 It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

Motion need not be seconded

8.12 No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

Manner of taking a poll

8.13 Subject to Article 8.14, if a poll is duly demanded at a meeting of shareholders,

(a) the poll must be taken

(i) at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and

(ii) in the manner, at the time and at the place that the chair of the meeting directs,

(b) the result of the poll is deemed to be a resolution of and passed at the meeting at which the poll is demanded, and

(c) the demand for the poll may be withdrawn.

Demand for a poll on adjournment

8.14 A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

Demand for a poll not to prevent continuation of meeting

8.15 The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Poll not available in respect of election of chair

8.16 No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

Casting of votes on poll

8.17 On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

Chair must resolve dispute

8.18 In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

Chair has no second vote

8.19 In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair maybe entitled as a shareholder.

Declaration of result

8.20 The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

PART 9 - VOTES OF SHAREHOLDERS

Voting rights

9.1 Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 9.3,

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote, and
- (b) on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

Trustee of shareholder may vote

9.2 A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or the directors, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

Votes by joint shareholders

9.3 If there are joint shareholders registered in respect of any share,

- (a) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it, or
- (b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

Trustees as joint shareholders

9.4 Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 9.3, deemed to be joint shareholders.

Representative of a corporate shareholder

9.5 If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and,

- (a) for that purpose, the instrument appointing a representative must:
 - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least 2 business days before the day set for the holding of the meeting, or
 - (ii) be provided, at the meeting, to the chair of the meeting, and
- (b) if a representative is appointed under this Article,
 - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and
 - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Proxy provisions do not apply to all companies

9.6 Articles 9.7 to 9.13 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company.

Appointment of proxy holder

9.7 Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

Alternate proxy holders

9.8 A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

When proxy holder need not be shareholder

9.9 A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 9.5,

- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting, or
- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

Form of proxy

9.10 A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

(Name of Company)

The undersigned, being a shareholder of the above named Company, hereby appoints _____ or, failing that person _____, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the ____ day of _____, _____ and at any adjournment of that meeting.

Signed this ____ day of _____, _____.

Signature of shareholder

Provision of proxies

9.11 A proxy for a meeting of shareholders must

- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, 2 business days, before the day set for the holding of the meeting, or
- (b) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting.

Revocation of proxies

9.12 Subject to Article 9.13, every proxy may be revoked by an instrument in writing that is

- (a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used, or
- (b) provided at the meeting to the chair of the meeting.

Revocation of proxies must be signed

9.13 An instrument referred to in Article 9.12 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee;
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 9.5.

Validity of proxy votes

9.14 A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used, or
- (b) by the chair of the meeting, before the vote is taken.

Production of evidence of authority to vote

9.15 The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 10 - ELECTION AND REMOVAL OF DIRECTORS

Number of directors

10.1 The Company must have a board of directors consisting of

- (a) subject to paragraph (b), the number of directors that is equal to the number of the Company's first directors, or
- (b) the number of directors set by ordinary resolution of the shareholders.

Change in number of directors

10.2 If the number of directors is changed by the shareholders under Article 10.1 (b),

- (a) the change is effective whether or not previous notice of the resolution was given and
- (b) the shareholders may elect, or appoint by ordinary resolution, the directors needed to fill any vacancies in the board of directors that result from that change.

Election of directors

10.3 At every annual general meeting,

- (a) the shareholders entitled to vote at the annual general meeting for the election or appointment of directors must elect a board of directors consisting of the number of directors for the time being required under these articles, and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or reappointment.

Failure to elect or appoint directors

10.4 If the Company fails to hold an annual general meeting in accordance with the *Business Corporations Act* or fails, at an annual general meeting, to elect or appoint any directors, the directors then in office continue to hold office until the earlier of

- (a) the date on which the failure is remedied, and
- (b) the date on which they otherwise cease to hold office under the *Business Corporations Act* or these articles.

Additional directors

10.5 Despite Articles 10.1 and 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article must not at any time exceed

- (a) 1/3 of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office, or
- (b) in any other case, 1/3 of the number of the current directors who were elected or appointed as directors other than under this Article.

Directors' acts valid despite vacancy

10.6 An act or proceeding of the directors is not invalid merely because fewer than the number of directors required by Article 10.1 are in office.

PART 11 - PROCEEDINGS OF DIRECTORS

Meetings of directors

11.1 The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place, at the time and on the notice, if any, that the board may by resolution from time to time determine.

Chair of meetings

11.2 Meetings of directors are to be chaired by

- (a) the chair of the board, if any,
- (b) in the absence of the chair of the board, the president, if any, if the president is a director, or
- (c) any other director chosen by the directors if
 - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting,
 - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting, or
 - (iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

Voting at meetings

11.3 Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

Who may call extraordinary meetings

11.4 A director may, and the secretary, if any, on request of a director must, call a meeting of the board at any time.

Notice of extraordinary meetings

11.5 Subject to Articles 11.6 and 11.7, if a meeting of the board is called under Article 11.4, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors:

- (a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose,
- (b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose, or
- (c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

When notice not required

11.6 It is not necessary to give notice of a meeting of the directors to a director if

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed, or
- (b) the director has filed a waiver under Article 11.8.

Meeting valid despite failure to give notice

11.7 The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

Waiver of notice of meetings

11.8 Any director may file with the Company a document signed by the director waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

Effect of waiver

11.9 After a director files a waiver under Article 11.8 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

Quorum

11.10 The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

If only one director

11.11 If there is only one director, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

PART 12 - COMMITTEES OF DIRECTORS

Appointment of committees

12.1 The directors may, by resolution,

- (a) appoint one or more committees consisting of the director or directors that they consider appropriate,
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except
 - (i) the power to fill vacancies in the board,
 - (ii) the power to change the membership of, or fill vacancies in, any committee of the board, and
 - (iii) the power to appoint or remove officers appointed by the board, and
- (c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

Obligations of committee

12.2 Any committee formed under Article 12.1, in the exercise of the powers delegated to it, must

- (a) conform to any rules that may from time to time be imposed on it by the directors, and
- (b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

Powers of board

12.3 The board may, at any time,

- (a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding,
- (b) terminate the appointment of, or change the membership of, a committee, and
- (c) fill vacancies in a committee.

Committee meetings

12.4 Subject to Article 12.2 (a),

- (a) the members of a directors' committee may meet and adjourn as they think proper,
- (b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after

the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting,

- (c) a majority of the members of a directors' committee constitutes a quorum of the committee, and
- (d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

PART 13 - OFFICERS

Appointment of officers

13.1 The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary, and none of the individuals appointed as officers need be a member of the board.

Functions, duties and powers of officers

13.2 The board may, for each officer,

- (a) determine the functions and duties the officer is to perform,
- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit, and
- (c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

Remuneration

13.3 All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

PART 14 - DISCLOSURE OF INTEREST OF DIRECTORS

Other office of director

14.1 A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

No disqualification

14.2 No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

Professional services by director or officer

14.3 Subject to compliance with the provisions of the *Business Corporations Act*, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

Accountability

14.4 A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

PART 15 - INDEMNIFICATION

Indemnification of directors

15.1 The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the *Business Corporations Act*.

Deemed contract

15.2 Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 15.1.

PART 16 - DIVIDENDS

Declaration of dividends

16.1 Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

No notice required

16.2 The directors need not give notice to any shareholder of any declaration under Article 16.1.

Directors may determine when dividend payable

16.3 Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

Dividends to be paid in accordance with number of shares

16.4 Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

Manner of paying dividend

16.5 A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

Dividend bears no interest

16.6 No dividend bears interest against the Company.

Fractional dividends

16.7 If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

Payment of dividends

16.8 Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed

- (a) subject to paragraphs (b) and (c), to the address of the shareholder,
- (b) subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares, or
- (c) to the person and to the address as the shareholder or joint shareholders may direct in writing.

Receipt by joint shareholders

16.9 If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

Declaration/payment of dividends to one class to the exclusion of others

16.10 Subject to the special rights and restrictions attached to the shares, dividends may be declared and paid at any time on any class or classes of shares of the Company to the exclusion of any other class or classes of shares. Without in any manner limiting the generality of the foregoing, no dividends may be paid on any class of shares if such dividend would result in the Company having insufficient assets to pay the aggregate Redemption Price of any then issued and outstanding shares of the Company carrying a right of redemption at the option of the holder of such shares. (Rev. 05-12)

PART 17 - ACCOUNTING RECORDS

Recording of financial affairs

- 17.1 The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

PART 18 - EXECUTION OF INSTRUMENTS UNDER SEAL

Who may attest seal

- 18.1 The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of
- (a) any 2 directors,
 - (b) any officer, together with any director,
 - (c) if the Company only has one director, that director, or
 - (d) any one or more directors or officers or persons as may be determined by resolution of the directors.

Sealing copies

- 18.2 For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 18.1, may be attested by the signature of any director or officer.

(REV. 05-12)

PART 19 - NOTICES

Notice to joint shareholders

- 19.1 A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder whose name stands first on the central securities register in respect of the share.

Notice to trustees

- 19.2 If a person becomes entitled to a share as a result of the death, bankruptcy or incapacity of a shareholder, the Company may provide a notice, statement, report or other record to that person by
- (a) mailing the record, addressed to that person
 - (i) by name, by the title of representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and
 - (ii) at the address, if any, supplied to the Company for that purpose by the person claiming to be so entitled, or

- (b) if an address referred to in paragraph (a) (ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

PART 20 - RESTRICTION ON SHARE TRANSFER

Application

20.1 Article 20.2 does not apply to the Company if and for so long as it is a public company or a preexisting reporting company.

Consent required for transfer

20.2 No shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Dated as of December, 2018


Signature of Incorporator/s

For Marty Fletcher, President.

EXHIBIT D
Co-Owner's Agreement

**FIRCREST CO-OWNERSHIP AGREEMENT AND
LICENSE**

BETWEEN

0972514 BC Ltd.

AND

1190304 B.C. LTD. DBA

FIRCREST RESORT OWNERS' CORPORATION

AND

«Purchaser»

ARTICLE 1	DEFINITIONS
1.1	Definitions
ARTICLE2	GRANT
2.1	Owner's Site
ARTICLE3	FINANCES
3.1	Financial Management
3.2	Contribution Formula
3.3	Direct Expenses
3.4	Common Costs
3.5	Payment and Adjustments of Common Costs
3.6	Payment for Irregular Periods
3.7	Place of Payment
3.8	Special Levies
3.9	Contingency Reserve Fund Contributions
3.10	Financial Statements
3.11	Status Certificate
3.12	Certificate of Full Payment
ARTICLE4	PROPERTY
4.1	Repair and Maintenance
4.2	Repair and Maintenance of Common Items
4.3	Major Renovations/Repair
4.4	Developer's Rights
ARTICLE 5	RIGHTS OF OWNERS
5.1	Owner's Rights
ARTICLE6	OWNER'S OBLIGATIONS
6.1	Owner's Duties
6.2	Indemnity
6.3	Corporate Owner
ARTICLE 7	NUISANCE
7.1	Obligation not to Cause a Nuisance
7.2	Noise
7.3	Termination of Nuisance

ARTICLE 8	WASTE
8.1	Obligation not to Cause Waste
ARTICLE 9	RUBBISH
9.1	Obligations Relating to Refuse
ARTICLE 10	COMPLIANCE WITH LAWS
10.1	Obligation to Comply with Applicable Laws
ARTICLE 11	ENVIRONMENT
11.1	General Obligations to Comply with Environmental Legislation
11.2	Hazardous Substances
11.3	Report of Release
11.4	Removal of Hazardous Substances
11.5	Increased Risks
11.6	Inspection
11.7	Title to Hazardous Substances
11.8	Additional Rights
11.9	Environmental Indemnity
ARTICLE 12	TRANSFER OF AN OWNER'S INTEREST
12.1	Procedure
ARTICLE 13	OWNERS' ASSOCIATION
13.1	Creation
13.2	Duties of Owners' Association
13.3	Funding of Owners' Association
13.4	Access
13.5	Right to Suspend/Disconnect Services
13.6	Breach
13.7	Delegation
13.8	Corporate Governance/Directors
ARTICLE 14	OWNERS' POWERS
14.1	Powers
14.2	Duties
ARTICLE 15	OWNERS' MEETINGS
15.1	Meetings

ARTICLE 16 OWNERS' ASSOCIATION AND DEVELOPER'S CONTROL

- 16.1 Voting Trust Agreement
- 16.2 First Directors of the Owners' Association
- 16.3 Powers
- 16.4 Phases

ARTICLE 17 OWNERS' ASSOCIATION DEFAULT REMEDIES

- 17.1 Events of Default
- 17.2 Rights and Remedies Upon Default
- 17.3 Interest
- 17.4 Non-Waiver

ARTICLE 18 ADDITIONAL PHASES AND SITE PLAN

- 18.1 Additional Phases

ARTICLE 19 GENERAL PROVISIONS

- 19.1 Limited Rights
- 19.2 Legend on Share Certificates
- 19.3 Entire Agreement
- 19.4 Amendment
- 19.5 Waivers
- 19.6 Enurement
- 19.7 Arbitration
- 19.8 Severability
- 19.9 Time
- 19.10 Notice
- 19.11 Further Documents and Assurances
- 19.12 Events Beyond A Party's Reasonable Control
- 19.13 The Laws of British Columbia
- 19.14 Payments
- 19.15 Execution in Counterparts
- 19.16 Headings
- 19.17 Independent Legal Advice
- 19.18 Gender, Number and Other Terms
- 19.19 No Contra Preferentum
- 19.20 Conflict

SCHEDULES

- Schedule A Bylaws
- Schedule B Site Plan
- Schedule C The Owners and Site Numbers
- Schedule D Voting Trust Agreement

CO-OWNERSHIP AGREEMENT

THIS AGREEMENT is dated «Closing_Date»

BETWEEN:

0972514 BC Ltd., having an office at 1411B 8th Avenue SE, Calgary,
AB, T2G 0N1

(the "**Developer**")

AND:

**1190304 B.C. Ltd. DBA FIRCREST RESORT
OWNERS' CORPORATION,** a British Columbia
company, having an office at 1411B 8th Avenue SE,
Calgary, AB, T2G 0N1

(the "**Owners' Association**")

AND:

«**Purchaser**»

«Purchasers_Address»
(the "**Owners**")

WHEREAS:

The Developers, Owners' Association and the Owners wish to set out their respective rights and obligations as parties to this Agreement and shareholders in the Owners' Association and to provide for a mechanism for the use and management of the Resort Lands, as defined herein, and the activities carried out thereon.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree with each other as follows:

1.0 DEFINITIONS

Definitions

In this Agreement, the following terms have the meanings set out below:

- (a) "**Assessments**" means the costs and levies assessed by the Owners' Association to an Owner, and payable by that Owner in respect of operating, maintenance and replacement costs, reserves, fees, expenses, charges and other reasonable outlays relating to the Resort, pursuant to this Agreement;

a copy of which is attached as Exhibit C to the Disclosure Statement;

- (b) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, and the Regulations thereto, as may be amended or replaced from time to time;
- (c) "**Bylaws**" means those rules and regulations passed from time to time by the Owners' Association governing the use, enjoyment, safety and cleanliness of the Resort (including the Common Items and the Sites). A copy of the current Bylaws is attached hereto as Schedule A;
- (d) "**Common Areas**" means those portions of the Resort Lands and improvements thereon that are not included within the boundary of the Sites and that are designated by the Developer or the Owners' Association as common areas, which designation may be changed by the Developer or the Owners' Association from time to time;
- (e) "**Common Assets**" means the personal property owned by the Owners' Association acquired for the use of all the Owners as well as the fixtures, pipes, wires and other facilities used for generation, storage, collection or distribution of water, sewage, drainage, electricity, telephone, garbage collection and other utility services;
- (f) "**Common Costs**" means the total of the costs and expenses (without duplication) incurred by the Owners' Association to operate, manage, insure, repair, maintain and replace the Common Items (but excluding the Sites), including without limitation:
- (i) all costs and expenses to repair, maintain, replace and decorate the Common Items;
 - (ii) the Cost of Insurance;
 - (iii) the Tax Cost for the Common Items;
 - (iv) all costs and expenses for gardening and landscaping, line painting and repainting, rental of equipment, garbage removal, sanitary control or removal, snow removal and cleaning of Common Areas and the Common Facilities;
 - (v) wages and other amounts paid for maintenance, security and operating personnel;
 - (vi) all accounting and other professional fees, costs and expenses relating to the operation, management, insurance, repair, maintenance and replacement of the Common Items;
 - (vii) water and sewer for the Resort; and

- (viii) all costs of utilities, taxes and other amounts payable in connection with the Common Areas and the Common Facilities, together with a Contingency Reserve Fund for each Year as determined by the Owners Association.
- (g) "**Common Facilities**" means those facilities within the Resort that are designated by the Developer or Owners' Association as common facilities, which designation may be changed by the Owners' Association from time to time, including but not limited to the roads, electrical and mechanical systems, drainage and sewer systems, waterworks and fire prevention systems primarily located in the Common Areas;
- (h) "**Common Items**" means, collectively, the Common Assets, Common Facilities and Common Areas;
- (i) "**Contingency Reserve Fund**" means a fund for Common Costs which occur less often than once a year, as described in Section 3.9 of this Agreement;
- (j) Left Blank
- (k) "**Cost of Insurance**" means the annual cost to the Owners' Association to take out and maintain the insurance required to be taken out and maintained by the Owners' Association under the terms of this Agreement and such other insurance as the Owners' Association shall deem necessary from time to time;
- (l) "**Court**" means the Supreme Court of British Columbia, except for monetary matters falling within the jurisdiction of the Small Claims Division of the Provincial Court in which case it shall mean the Provincial Court;
- (m) "**Day Guest**" means any person using and occupying the Site of an Owner or any of the Common Areas or Common Facilities for less than 24 continuous consecutive hours, and is a person who is not Immediate Family to the Owner;
- (n) "**Developer**" means 0972514 BC Ltd.;
- (o) "**Encumbrances**" means any security interest, mortgage, charge, pledge, hypothec, lien, encumbrance, restriction, option, adverse claim, right of others or other encumbrance of any kind;
- (p) "**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 are developed;
- (q) "**Environmental Laws**" means any laws relating, in whole or in part, to the protection and enhancement of the Environment, occupational safety, product liability, public health, public safety, and transportation of dangerous goods;
- (r) "**Environmental Management Act**" means the *Environmental Management Act* [SBC 2003] c. 53 and any regulations made pursuant to it, as amended or replaced from time to time;

- (s) **Event of Default**" means any of the events of default described in Section 17.1 of this Agreement;
- (t) **"Governmental Authority"** means any federal, provincial, city, municipal, county, regional, or local government or government authority, and includes any department, commission, bureau, board, administrative agency, or regulatory body of any of the foregoing;
- (u) **"Hazardous Substance"** means:
 - (i) any pollutants, wastes, special wastes or other such substances, including, without limitation, any flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls, chlorofluorocarbons, hydro chlorofluorocarbons, urea formaldehyde foam insulation, radon gas, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous waste, toxic substances (as that term is used in the *Environmental Management Act*) or related materials, nutrients and petroleum and petroleum products, and any substance declared to be hazardous or toxic under any Environmental Laws; and
 - (ii) any substances, whether or not defined as hazardous, toxic, or a threat to public health or the Environment under any Environmental Laws, that the Developer or Owners' Association reasonably deem to be hazardous;
- (v) **"House"** means the house located on the Resort Lands;
- (w) **"Immediate Family"** means the spouse of an Owner, the children and grandchildren of the Owner and any spouses of any such children or grandchildren of the Owner. For the purposes of this Agreement and the Bylaws the term **"spouse"** shall include a common-law spouse;
- (x) **"Lands"** means the lands and premises comprising the Resort Lands;
- (y) **"Licence"** means the licence forming part of the Owner's Interest to use and occupy the RV Site corresponding to the Share registered in the name of the Owner as recorded in the Site Register, unless terminated as herein provided, together with the right in common with the other Owners, the Developer, the Owners' Association and their respective employees, agents, contractors and other invitees to the non-exclusive use of the Common Items, subject to the terms and conditions contained in this Agreement;
- (z) **"Manager"** means the manager appointed initially by the Developer and any subsequent manager appointed by the Owners' Association from time to time;
- (aa) **"Operating Budget"** means the budget passed by the Owners at the annual general meeting to pay for those Common Costs occurring at least once a year or more often;
- (bb) **"Ordinary Resolution"** means a resolution passed at a general meeting of the Owners' Association, by a simple majority of the votes cast by the Owners entitled to vote thereon under this Agreement, present at a general meeting in person or by proxy and

not abstaining;

- (cc) **"Owner"** means the registered owner of a Share, and **"Owners"** shall mean all of the owners of the Shares from time to time as shown on Schedule D to this Agreement, as amended from time to time;
- (dd) **"Owners' Association"** means "Fircrest Resort Owners' Corporation" (and any successor thereto), being a company incorporated under the laws of British Columbia, of which all the Owners are shareholders and which is given the authority pursuant to Article 16 of this Agreement to manage the Resort Lands and Common Items on behalf of the Owners;
- (ee) **"Owner's Interest"** means, together, the Share and the Licence acquired by each Owner from the Developer or as a result of a transfer from a previous owner;
- (ff) **"Owner's Proportionate Share"** means that fraction, the numerator of which is the aggregate number of Shares owned by an Owner and the denominator of which is the total number of Shares allocated to the RV Site within one or more completed phase of the Resort;
- (gg) **"Owner's Site"** means that portion of the Resort Lands identified on Schedule D of this Agreement as the Owner's Site for the use of the Owner, subject to the terms of this Agreement;
- (hh) **"Parties"** means the parties set out on Schedule 'D' to this Agreement as amended from time to time;
- (ii) **"Permitted Transferee"** of an Owner means:
 - (i) in the case of an Owner who is a natural person:
 - (A) a corporation all of the outstanding shares of which are beneficially owned and controlled by such Owner; and
 - (B) a trust of which the Owner is the sole trustee and all of the beneficiaries of which are the Owner, the Owner's spouse and/or any lineal descendants of the Owner; and
 - (ii) in the case of an Owner that is a legal person, any affiliate of the Owner, as that term is defined in the *Business Corporations Act*;
- jj) **"Phase 1 RV Sites"** means the RV Sites numbered 1 to 30 as shown on the Site Plan;
- (kk) **"Phase 2 RV Sites"** means the RV Sites numbered 31 to 104 as shown on the Site Plan;

- (ll) Left Blank

- (mm) Left Blank

- (nn) Left Blank
- (oo) "**Property Taxes**" means all taxes, levies, local area improvement charges, municipal utility rates and similar charges, rates and levies imposed by the British Columbia Surveyor of Taxes or other Governmental Authority having jurisdiction over the Resort Lands in respect of the Resort Lands;
- (pp) "**Release**" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping;
- (qq) "**Resort**" means the Fircrest RV Resort located on the Resort Lands;
- (rr) "**Resort Lands**" means Parcel A (38046E and Plan B6004) of District Lot 5037, Lillooet District, Except Plans 6847, 20135 and KAP77955;
- (ss) "**RV Sites**" means the RV Sites and Cabin sites located or proposed as being located upon the Lands as shown on the Site Plan or as shown on an amended Site Plan, and "RV Site" has the corresponding meaning;
- (tt) "**Shares**" means the issued and outstanding Class A Shares of the Owner's Association which have been allocated to a specific existing or proposed Site;
- (uu) "**Site Register**" means the register maintained by the Owners' Association within which a record of the attachment of specific RV Sites to specific shares will be maintained along with the registered owners of such shares. The Site Register must be kept at the Owners' Associations Registered and Records Office;
- (vv) "**Site**" means any one, and "**Sites**" means all, of the existing or proposed sites described herein as may be identified on the Site Plan, as amended from time to time;
- (ww) "**Site Plan**" means the site plan attached hereto as Schedule B;
- (xx) "**Special Levy**" means an assessment pursuant to Section 3.8 of this Agreement, approved by the Owners at a general meeting by way of a Special Resolution to which all Owners must contribute their Owner's Proportionate Share of the Special Levy;
- (yy) "**Special Resolution**" means:
- (i) a resolution passed at a general meeting of the Owners' Association under the following circumstances:
 - (A) notice of the meeting specifying the intention to propose the resolution as a special resolution is sent to all Owners holding shares that carry the right to vote at general meetings at least the prescribed number of days before the meeting;
 - (B) a 66% majority of the votes cast by Owners voting shares that carry the right to vote at general meetings is cast in favour of the resolution;

- (C) the majority of votes cast in favour of the resolution constitutes at least a special majority, or
- (ii) a resolution passed and being consented to in writing by all of the Owners holding shares that carry the right to vote at general meetings;
- (zz) "**Summer Season**" means the period each year commencing on April 1 and ending on the day following Canadian Thanksgiving;
- (aaa) "**Tax Cost**" means the total, without duplication, of all taxes, Property Taxes, trade licenses, rates, levies, service fees and charges, duties and assessments levied or imposed on or in respect of the Common Areas and Common Facilities and, or the Resort Lands, by any competent authority, including without limitation any utilities, services fees or charges;
- (bbb) "**Unanimous Resolution**" means a resolution passed by all of the Owners;
- (ccc) "**Visitor**" means any person using and occupying the Site of an Owner or any of the Common Areas and Common Facilities and who is not Immediate Family to the Owner or a Day Guest;
- (ddd) "**Voting Trust Agreement**" means an agreement between an Owner and the voting trustee(s) appointed under such an Agreement as provided for in Section 16.1, the form of which is attached as Schedule E; and
- (eee) "**Year**" means a calendar year or such other twelve (12) month period as established by the Owners' Association.

2.0 GRANT

2.1 Owner's Site

The Owners' Association hereby acknowledges that, by acquiring the Owner's Interest, each Owner assumed the Licence corresponding to the Owner's Share from the Developer, and the parties agree that such Licence is subject to the terms and conditions contained in this Agreement.

3.0 FINANCES

3.3 Financial Management

The Owners' Association shall:

- (1) establish and manage a Contingency Reserve Fund;
- (2) prepare and present for approval at each annual general meeting an Operating Budget for the following Year;
- (3) administer the Operating Budget;

- (4) notify each Owner of their required contribution to the Operating Budget, Contingency Reserve Fund and any Special Levy; and
- (5) collect from the Owners their contributions to the Operating Budget, Contingency Reserve Fund and any Special Levy in the manner provided for in this Agreement.

3.4 Contribution Formula

Subject to Sections 3.3 and 3.4, each Owner covenants and agrees to pay to the Owners' Association, in lawful money of Canada, without any claim, setoff, compensation or deduction whatsoever, the Owner's Proportionate Share of the Operating Budget, Contingency Reserve Fund and any Special Levy, all of which shall be payable pursuant to the terms of this Agreement, together with such value added, sales, goods and services or other taxes, if any, that may be payable in respect of such payments (including without limitation taxes pursuant to the *Excise Tax Act*, R.S.C. 1985, C.E.-13, or any other federal or provincial enactment that may be applicable to such payments). Any purported set off, withholding or deduction of any such payment by an Owner shall be deemed to be a breach of this Agreement, and entitle the Owners' Association, at its option, to exercise any right or remedy available to it pursuant to this Agreement or at law. The Owner will have no right to a refund of, and the Owners' Association will not be liable to the Owner for refunding, any sums in the event of the termination of this Agreement.

3.5 Direct Expenses

Each Owner shall be responsible for the costs of repair, maintenance and upkeep of their Site and any property taxes levied against an improvement on their Site.

3.6 Common Costs

The Common Costs for each Year shall be estimated by the Owners' Association and communicated to each Owner. The Owners' Association shall have the right at any time during any Year to adjust the budget for the Common Costs for such Year or to allocate specific Common Costs, in whole or in part, to an Owner based on a determination by the Owners' Association that an Owner is solely or partially responsible for such costs, in which event the amount payable by the Owner as the Owner's Proportionate Share of the Common Costs shall be adjusted accordingly. The Owners' Association reserves the right to estimate, bill, re estimate and collect Common Costs to the extent required by the Owners' Association.

3.7 Pavment and Adjustments of Common Costs

An Owner will pay to the Owners' Association the Owner's Proportionate Share, or such other amount calculated under this Agreement, of the estimated Common Costs for each Year on a monthly basis in advance during each Year. Within a reasonable time period following the end of each Year, the Owners' Association will advise the Owner in writing of the actual amount of the Common Costs for the Year and the actual amount required to be paid as the Owner's Proportionate Share of the Common Costs for the Year. In the event that the actual Common Costs for such Year are less than the Common Costs that had been

estimated by the Owners' Association, the overpayment by the Owner shall be applied to the Common Costs payable to the Owners' Association for the next Year. In the event the actual Common Costs for such Year are greater than the Common Costs that had been estimated by the Owners' Association, the Owners' Association shall have the right to either include the amounts of the Common Costs for the upcoming Year or assess the Owner for the shortfall, and the Owner shall pay to the Owners' Association such additional amounts at the time or times required by the Owners' Association.

3.8 Payment for Irregular Periods

All amounts shall be deemed to accrue from day to day and, if for any reason it shall become necessary to calculate any sums for irregular periods of less than one year or one month, as the case may be, an appropriate pro rata adjustment shall be made on a daily basis in order to compute such amounts for such irregular period.

3.9 Place of Payment

All payments required to be made to the Owners' Association pursuant to this Agreement shall be made at the address of the Owners' Association referred to in Section 19.10 unless otherwise directed by the Owners' Association. At the request of the Owners' Association, the Owner shall establish an automatic pre authorized payment plan that will be used to make payments due under this Agreement.

3.10 Special Levies

- (1) In order to pay for Common Costs not payable from the Operating Budget or the Contingency Reserve Fund, or to raise monies in addition to those two funds, the Owners' may, by Special Resolution, approve a Special Levy which shall be payable by all Owners in accordance with Section 3.1.
- (2) The resolution approving the Special Levy must state the following:
 - (a) the purpose(s) for which the funds are to be used;
 - (b) the date or dates when the Special Levy is due and payable; and
 - (c) what is to happen to any funds not used for the purpose(s) of the Special Levy.

3.11 Contingency Reserve Fund Contributions

- (1) The annual contribution to the Contingency Reserve Fund by the Owners shall be determined at the annual general meeting in accordance with this section unless changed by way of a Unanimous Resolution.
- (2) The contribution of each Owner toward the Contingency Reserve Fund shall be calculated as follows:
 - (a) A Contingency Reserve Fund will be established by the Owners' Association to pay for Common Costs that usually occur less often than once a Year or do not usually

occur. The Contingency Reserve Fund will be not less than 5% of the estimated Common Costs after the first annual general meeting of the Owners' Association, and the annual contribution thereafter is required to be at least 10% of the total contribution to the funds for Common Costs for each Year until the Contingency Reserve Fund is at least equal to 25% of the total annual budget contribution to the fund for Common Costs for the immediately preceding fiscal Year, at which time the Owners' Association can approve a different amount. The Developer, while required to pay its share of the Common Costs of the unsold Shared Interests owned by the Developer, will not be making the minimum or any contribution to the Contingency Reserve Fund of 5% of the estimated Common Costs.

- (3) The Owners' Association shall hold in trust, in an interest bearing account, the Contingency Reserve Fund on behalf of the Owners.
- (4) The Owners' Association may spend money from the Contingency Reserve Fund without the approval of the Owners in order to enforce its rights and obligations under this Agreement.
- (5) Expenditures from the Contingency Reserve Fund (other than those authorized elsewhere in this Agreement) must be approved by the Owners by way of a Special Resolution unless the expenditure is required, in the reasonable opinion of the board of directors of the Owners' Association, to meet an emergency.

3.12 Financial Statements

The Owners' Association shall prepare financial statements for each Year, arrange for a review engagement of the same by a qualified accountant, distribute the same to the Owners and keep on record such financial statements for each Year.

3.13 Status Certificate

- (1) The Owners' Association shall, at the request of an Owner or his, her or its authorized agent, provide, at the Owner's expense and within 30 days of such request, a certificate setting out the following:
 - (a) the amount of that Owner's Proportionate Share of the Operating Budget and the Contingency Reserve Fund for the current Year;
 - (b) any amount owing to the Owners' Association by the Owner;
 - (c) the amount, if any, by which the Common Costs for the current Year are expected to exceed the Operating Budget for the fiscal year;
 - (d) the amount of the Contingency Reserve Fund;
 - (e) any amendments to this Agreement;
 - (f) any notices that have been given for a Special Resolution that has not been voted on;

- (g) any Court proceedings by or against the Owners or the Owners' Association, of which it is aware; and
- (h) any Special Levy, the amount of which the Owner is required to pay.

3.14 Certificate of Full Payment

- (1) The Owners' Association, on the written application of an Owner to the Owners' Association, but no more than once in any Year, except as required for a bona fide sale of an Owner's Share, shall, within 14 days of the Owners' Association's receipt of the written application, issue a certificate indicating what monies, if any, are owing to it by the Owner.
- (2) In preparing the certificate, the Owners' Association may include arrears in contributions to the Operating Budget, Contingency Reserve Fund or any Special Levy and fines for breaches of this Agreement, the Bylaws, any other sums owed hereunder by that Owner and unsatisfied judgments against the Owner.

4. PROPERTY

4.1 Repair and Maintenance

- (1) Subject to the terms of this part, the Owners' Association must repair and maintain the Common Items.
- (2) An Owner shall repair and maintain their Site and any improvements thereon and shall do so in accordance with the Bylaws.

4.2 Repair and Maintenance of Common Items

- (1) The Owners' Association shall ensure that all the Common Items are in good repair, good working condition and are safe for use by the Owners and others.
- (2) The Owners' Association may replace any of the Common Items or portions thereof if the replacement is reasonable taking into consideration the cost of repairing the item. Where the same exceeds the depreciated value of the item or market value at the time of the replacement (whichever is greater) than replacement is deemed to be reasonable.
- (3) If an item requires replacement then the Owners' Association shall use commercially reasonable efforts to sell the item being replaced for market value at the time of the replacement. The proceeds of the sale of the item shall be placed into the Contingency Reserve Fund.
- (4) Subject to Section 4.3, the Owners' Association may use the Contingency Reserve Fund or it may propose the passage of a Special Levy to pay for the cost of such a replacement.

4.3 Major Renovation/Repair

If the renovations, repairs, refurbishment, or replacement of a Common Item exceeds

\$5,000 or has reached a cumulative total of \$15,000 for the Year, then the Owners' Association must obtain the approval of the Owners by Special Resolution to continue expenditures from the Contingency Reserve Fund or attempt to pass a Special Levy to raise additional monies, unless the Owners' Association, acting reasonably, deems such an action to be necessary to meet an emergency.

4.4 Developer's Rights

The Owners agree that the Developer has the exclusive right to use, enjoy and occupy the Lands, provided that Owners shall have quiet enjoyment of their Site, subject to the terms of this Agreement. The Developer reserves the right, from time to time and for as many times as necessary, to exclude, by way of this right, Owners from accessing the portions of the Lands, so as to permit the orderly development of the Phase 2 RV Sites.

5. RIGHTS OF OWNERS

5.1 Owner's Rights

Each Owner shall have the following rights:

- (1) The exclusive right to use, enjoy and occupy their Site subject to the terms and conditions of this Agreement, provided that no Owner or any other person shall be permitted to occupy a Site in such a manner as to be domiciled on a Site or to make a Site a fixed and permanent home.
- (2) Each Owner acknowledges that water service to the RV Sites is available only during the Summer Season, provided that such service is subject to weather conditions, such as unusually cold temperatures that may require the early temporary or permanent shut off of the water to the RV Sites during the Summer Season.
- (3) The right to rent their Site to a third party provided that the following criteria are met:
 - (a) An Owner who wishes to rent their Site must apply in writing to the Owners' Association for permission to do so; and
 - (b) An Owner granted such permission shall be responsible for and shall indemnify and save harmless the other Owners and the Owners' Association from all claims, charges, costs and expenses incurred by that third party or any person who is an invitee of that third party.
 - (c) RV Sites not including Cabin Sites are a minimum 3 day rental and the Cabin Sites are a minimum 7 day rental
- (4) Notwithstanding subsection 5.1(3), the Developer may rent any Site owned by it without obtaining the prior permission of the Owners' Association.

6. OWNER'S OBLIGATIONS

6.1 Owner's Duties

- (1) An Owner shall:
 - (a) not use the Resort Lands, the Common Items or their Site in a manner that will

unreasonably interfere with the use and enjoyment of the same by other Owners, occupants or Day Guests;

- (b) not allow their Site to be used in a manner that will cause a nuisance or hazard to any other occupier of the Resort Lands or allow it to become unsanitary or an environmental hazard to the Resort Lands and hereby indemnifies all other Owners for damage and loss caused as a result of such use;
- (c) comply strictly with this Agreement including any Bylaws made pursuant to it;
- (d) promptly pay all monies due under this Agreement;
- (e) not use the Resort Lands or their Site for any illegal or unauthorized purpose;
- (f) permit the Owners' Association and its authorized agent(s) access to their Site at reasonable times with 48 hours' notice or, in the event of an emergency, at any time and without notice;
- (g) not build or permit to be built on a Site, any building or structure except in accordance with the Bylaws and with permission of the Co-Owner's Association;
- (h) be a shareholder in good standing of the Owners' Association; and
- (i) not enter upon any other Owner's Site unless invited by such owner or is otherwise authorized to do so pursuant to this Agreement or the Bylaws.

6.2 Indemnity

Each Owner, based on that Owner's Proportionate Share, shall indemnify and save harmless the Owners' Association and its directors and officers from all claims and judgments against them pertaining to the Resort Lands for acts done in good faith.

6.3 Corporate Owner

Where a corporation is an Owner (the "**Corporate Owner**"), its principals (being the shareholders, directors and officers), hereby covenant and agree to use their best efforts to ensure that the Corporate Owner performs all of its obligations hereunder and they hereby shall, by becoming a party to this Agreement, either by signing below or by executing a joinder instrument, on a joint and several basis, covenant and agree to fully perform any obligation of the Corporate Owner in the event that such Corporate Owner fails to perform the same.

7. NUISANCE

7.1 Obligation Not to Cause a Nuisance

An Owner will not cause, permit or suffer any nuisance in, on or about their Site or on the Resort.

7.2 Noise

Without limiting Section 7.1, an Owner will not permit any persons within the Site nor will it permit itself or any invitee of the Owner, to cause any noise, disturbance or disruption to other Owners, or their invitees, whether from the Site or the Common Areas or the Common Facilities.

7.3 Termination of Nuisance

Without limiting Sections 7.1 and 7.2, an Owner will, upon written notice from the Owners' Association or the Manager, abate any nuisance arising directly or indirectly out of the use or occupation of their Site or the Resort by the Owner, by any family member, Day Guest, Visitor, contractor, agent or invitee of the Owner or by any other person.

8. WASTE

8.1 Obligation Not to Cause Waste

The Owner of a Site will not cause, permit or suffer the commission of any waste on their Site or on the Resort.

9. RUBBISH

9.1 Obligations Relating to Refuse

Without limiting Article 7 or Article 8, an Owner will not cause, permit or suffer any refuse, rubbish or debris to be placed or left in, on or about their Site or the Resort, and will take all necessary precautions to protect their Site and the Resort against fire.

10. COMPLIANCE WITH LAWS

10.1 Obligation to Comply with Applicable Laws

Each Owner will, at its expense, observe and perform all of its obligations under, and all matters and things necessary or expedient to be observed or performed by it, by virtue of any applicable law, statute, bylaw, ordinance, regulation or lawful requirement of the federal, provincial or municipal government or authority or any public utility company lawfully acting under statutory power.

11. ENVIRONMENT

11.1 General Obligations to Comply with Environmental Legislation

Without limiting the generality of Article 10 (Compliance with Laws), an Owner will at all times use and occupy their Site and the Resort in strict compliance with all applicable Environmental Laws.

11.2 Hazardous Substances

An Owner will not use or permit or suffer the use of their Site to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances except in strict compliance with Environmental Laws and with the prior written consent of the Owners' Association, which consent may be unreasonably and arbitrarily withheld. An Owner will not use or permit or suffer the use of their Site to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances except in strict compliance with Environmental Laws and with the prior written consent of the Owners' Association, which consent may be unreasonably and arbitrarily withheld. No person will have any fireworks unless under permit, and no stand-alone heaters are to be left unattended in RV at any time.

11.3 Report of Release

Upon the Release of Hazardous Substances, or discovery of a Release of Hazardous Substances, by an Owner in, on or under their Site, the Owner will:

- (1) immediately deliver written notice to the Owners' Association or Manager and any appropriate Governmental Authority of the occurrence of the Release and details relating to the Release including, without limitation, the time of the Release, the estimated amount of Hazardous Substances which were released, and remedial action taken prior to the delivery of the notice, the remedial action which the Owner intends to take in order to contain or rectify the Release and any persons observed who appeared to have caused or who were in the vicinity of the Release;
- (2) at its own expense, immediately take all remedial action necessary, in compliance with all Environmental Laws, to fully rectify the effects of the Release;
- (3) provide the Owners' Association with an independent audit, satisfactory to the Owners' Association, of its activities under paragraph 11J(b) and the state of their Site after such activities compared with the state of their Site prior to the Release; and
- (4) do such further activities as the Owners' Association may reasonably require, based on the audit referred to in paragraph 11.3(c), to rectify the Release.

11.4 Removal of Hazardous Substances

If requested by the Owners' Association or any Governmental Authority, the Owner will at its own expense remove from their Site any Hazardous Substances which are or have been located, stored or incorporated in, on or under their Site. Prior to any sale or transfer of a Share, the Owner will at its own expense remove from their Site any Hazardous Substances which are or have been located, stored or incorporated in, on or under their Site.

11.5 Increased Risks

An Owner will not carry out any operations or activities or construct any alterations or improvements which materially increase the risk of liability to the Owners' Association (whether direct or indirect) as a result of the application of Environmental Laws (as determined by the Owners' Association acting reasonably).

11.6 Inspection

The Owners' Association may, at any time, inspect an Owner's Site in order to assess the

existence of any Hazardous Substances and to conduct an environmental site assessment, environmental audit or any other testing or investigations which the Owners' Association deems reasonably necessary in order to ascertain the compliance of the Owner's operation on their Site with Environmental Laws and to determine the extent of any contamination of their Site due to the presence of any Hazardous Substances in, on or under their Site. The reasonable costs to the Owners' Association of conducting any of the foregoing will be deemed to be payable by the Owner upon the Owners' Association delivering notice of its costs.

11.7 Title to Hazardous Substances

Each Owner acknowledges and agrees that, notwithstanding any rule of law to the contrary, any Hazardous Substances, which are located, stored or incorporated in, on or under their Site remain the sole and exclusive property of such an Owner and will not become the property of the other Owners of the Resort Lands regardless of any degree of affixation of the Hazardous Substances to the Site. This section will survive the expiration or earlier termination of this Agreement.

11.8 Additional Rights

Without limiting Article 11, upon:

- (1) the breach by an Owner of any provision contained in this Article; or
- (2) the Owners' Association becoming aware of a breach by an Owner of Environmental Laws with respect to their Site or the presence of any Hazardous Substances on, in or under their Site which is not present in strict compliance with Environmental Laws and which raise a material risk of liability to the Owners' Association or other Owners of the Resort Lands, as determined by the Owners' Association,

such event will constitute a default for the purposes of Section 17.1 of this Agreement.

11.9 Environmental Indemnity

Each Owner hereby agrees to indemnify and save harmless the Owners' Association and the Owners from and against all claims, demands, actions, suits or other proceedings, judgments, damages, penalties, fines, costs, liabilities and losses (including any diminution in the market value of the Resort Lands, based on the highest and best use of the Resort Lands, as opposed to the uses permitted by this Agreement), sums paid in settlement of any claims, reasonable legal, consultant and expert fees or any costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any authority which arise during or after an Owner's interest in the Resort Lands and are in any way based upon, arise out of or are connected with:

- (1) the presence or suspected presence of Hazardous Substances in, on or under their Site or in the soil, groundwater or surface water in, on, under or near their Site as a result of the actions or omissions of the Owner; or

(2) the Release of any Hazardous Substances in, on or under their Site by or at the direction of the Owner,

unless the presence of the Hazardous Substances is solely attributable to the negligence or wilful misconduct of the Owners' Association. This indemnity will survive the expiration or earlier termination of this Agreement.

12. TRANSFER OF AN OWNER'S INTEREST

12.1 Procedure

- (1) If an Owner is not in default under this Agreement, then that Owner may transfer, sell, assign or otherwise dispose of his, her or its Owner's Interest subject to:
 - (a) providing the Owners' Association with 21 days prior notice of the impending transfer of the Owner's Interest, except where such transfer is to a Permitted Transferee, in which case the Owner must provide the Owners' Association not less than 5 days prior notice;
 - (b) the transferor Owner and the transferee Owner executing an assignment and assumption agreement with respect to the Licence and this Agreement in the form prescribed by the Owners' Association (the "**Assumption Agreement**") and delivering the executed Assumption Agreement to the Owners' Association prior to the transfer; and
 - (c) the transferor Owner transferring its Share in the Owners' Association and the transferee owner becoming a shareholder thereof.
- (2) If for any reason a transferee Owner does acquire title to a Share but has not executed the Assumption Agreement, then the transferor Owner will remain bound by this Agreement, and all of his, her or its obligations under this Agreement shall continue until such time as the transferee Owner executes the Assumption Agreement and delivers same to the Owners' Association. Thereafter, and subject to an express provision in this Agreement to the contrary, the transferor Owner will be released from any liabilities or obligations under this Agreement which arise after the completion of the sale to the transferee.
- (3) A transferee Owner who does not execute the Assumption Agreement shall not become a shareholder of the Owners' Association or be entitled to use the Common Facilities.
- (4) On the sale of his, her or its Owner's Interest, an Owner shall not have a claim either against the Contingency Reserve Fund or for a refund of contributions to the Operating Budget or a Special Levy.

13. OWNERS' ASSOCIATION

13.1 Creation

An Owner will become a shareholder of the Owners' Association upon the Owners' Association receiving fully executed copies of the Assumption Agreement and instrument

of transfer in respect of the Share. When all Shares for the Resort Lands have been issued, such number of issued Shares shall equal the number of voting Owners in the Owners' Association, and each Owner shall have one vote for each share held in the Owners' Association.

13.2 Duties of Owners' Association

The Owners' Association covenants and agrees with each Owner to control, manage and administer the Common Items for the benefit of all Owners. Specific obligations of the Owners' Association are contained in its Bylaws, a copy of which is attached to this Agreement as Schedule A. The rights and obligations of the Owners' Association shall be subject and subordinate to an Owner's rights under this Agreement.

13.3 Funding of Owners' Association

Each Owner acknowledges that the operations of the Owners' Association will be paid for by the Association. Each Owner covenants and agrees to pay all Assessments made by the Owners' Association when due. Such Assessments shall bear interest as provided for in this Agreement if not paid when due and shall afford the Owners' Association with all remedies available to them pursuant to this Agreement.

13.4 Access

The Owners' Association, and its agents, employees and contractors, shall have the right to enter upon the Sites and the Common Areas and Common Facilities to enable it to carry out its duties and responsibilities in connection with the Common Areas and Common Facilities.

13.5 Right to Suspend/Disconnect Services

Without limiting any right or remedy of the Owners' Association, if an Owner fails to pay an Assessment when due, the Owners' Association may, without notice, temporarily suspend or permanently disconnect that Owner's Site from any one or more service or utility that passes on, over, under or through any Common Area or Common Facility, to that Owner's Site, including, without limitation, the provision of water, sewer, electricity or other service.

13.6 Breach

A breach or default by the Owners' Association of any obligation under this Agreement shall not give an Owner any right to avoid its obligations under this Agreement.

13.7 Delegation

The Owners' Association may, from time to time, delegate to the Manager or other person appointed by the Owners' Association all or any part of the Owners' Association's rights and obligations hereunder, including, without limitation, the right to grant approvals or consents, and may change such delegation from time to time.

13.8 Corporate Governance/Directors

Subject to Article 16, the Owners' Association shall have the number of directors set by Ordinary Resolution of the Owners from time to time. Only Owners, if individuals, and nominees of Owners, if Corporate Owners, shall be eligible to be elected directors of the Owners' Association.

14. OWNERS' POWERS

14.1 Powers

- (1) Until the Expiry Date (as defined in Section 16.1), the powers of the Owners are subject to the Voting Trust Agreement provided for in Section 16.1 below.
- (2) The Owners may, by Ordinary Resolution, recommend and advise the Owners' Association in the exercise of its powers and performance of its duties, except in the collection of monies owing under this Agreement.
- (3) The Owners may, by Special Resolution:
 - (a) borrow money jointly (with or without security) required by the Owners or the Owners' Association in the performance of their respective duties or the operation of the Resort Lands and the Common Items;
 - (b) secure the repayment of money borrowed jointly by them in relation to the Resort Lands and the payment of interest, by a security agreement over unpaid contributions, whether levied or not, provided that no Owner shall be obligated to give a personal guarantee or other security including a mortgage; and
 - (c) amend the **Articles** of the Owners' Association as further provided for and in accordance with the most current version of the **Articles** and the *Business Corporations Act*.

14.2 Duties

- (1) The Owners' Association shall only be authorized to carry out and exercise the duties, powers and rights set out in this Agreement and the **Articles**. The Owners irrevocably authorize and empower the Owners' Association to act as the agent and attorney in fact of the Owners to carry out such duties, powers and rights and to enforce the provisions of this Agreement against the Owners.
- (2) In addition to those duties set out elsewhere in this Agreement or under the **Articles**, and subject to any restrictions contained therein, the Owners' Association shall:
 - (a) obtain and maintain full replacement value insurance on the Common Items (including any buildings and structures situate thereon) and third party liability insurance of at least 5 million dollars;
 - (b) collect and receive all contributions by Owners toward the Operating Budget, the Contingency Reserve Fund and any Special Levy, deposit same with a savings institution and manage those deposits;
 - (c) pay the Common Costs as they become due;
 - (d) present at the annual general meeting a summary of all insurance policies in place;
 - (e) enforce the Bylaws in accordance with Article 17 herein;
 - (f) send to all Owners unaudited annual balance sheets and financial statements prepared in accordance with Section 3.10;
 - (g) keep, in one location, or in the possession of a designated person, and make available for inspection on request of an Owner or a person authorized by him or her:
 - (i) a copy of this Agreement and any amendments to it and assignments thereof;
 - (ii) a copy of all agreements to which the Owners' Association (as agent) and/or the Owners themselves are a party, including without limiting the generality of the foregoing, contracts, insurance policies, insurance trustee agreements, deeds, agreements for sale, leases, licenses, easements or rights of way;
 - (iii) a copy of the Site Register, setting out the Site number, associated Share the name of the Owner(s) and the mailing address of the Owner(s);
 - (iv) all annual budgets approved by the Owners;
 - (v) proper books of accounts in respect of all sums of money received and expended by it, noting also the nature of each transaction; and
 - (vi) copies of all financial statements;

- (h) be responsible for the implementation of all decisions made pursuant to Article 15 and Section 16.3 of this Agreement;
- (i) ensure (to the best of its abilities) that:
 - (vii) the Resort Lands (including the Common Items) are managed and operated for the benefit of all Owners;
 - (viii) the Common Items are properly repaired and maintained year round;
 - (ix) sewer, water, electrical services, garbage pickup and any other services the Owners decide should be provided are provided to the Resort Lands and each Site; and
 - (x) the Owners have access by automobile to their Sites.
- (3) The Owners' Association may charge a reasonable fee for the photocopying and delivery of copies of any documents to an Owner or his, her or its authorized agent.
- (4) All acts done in good faith by the Owners' Association, its officers and directors are, notwithstanding it is afterwards discovered that there was some defect in the appointment or continuance in office of an officer or director of the Owners' Association, as valid as if the officer or director had been duly appointed or had duly continued in office.
- (5) An officer or director of the Owners' Association who acts honestly and in good faith shall not be liable to the Owners or the Owners' Association and its shareholders for any act or omission of that officer or director.

15. OWNERS' ASSOCIATION MEETINGS

15.1 Meetings

- (1) General meetings of the Owners' Association will be held at the time and place, in accordance with the **Articles**, that the Directors decide.
- (2) An annual general meeting shall be held once each year and not more than 15 months shall elapse between one annual general meeting and the next.

16. OWNERS' ASSOCIATION AND DEVELOPER'S CONTROL

16.1 Voting Trust Agreement

Each Owner hereby covenants and agrees to execute a voting trust agreement in the form attached in Schedule E to this Agreement (the "**Voting Trust Agreement**") and to abide by the terms and conditions of the Voting Trust Agreement. The Voting Trust Agreement shall remain in full force and effect until not later than six months from the date (the "Expiry Date") of the Developer giving written notice to the Owner's Association of substantial completion and sale of all of the sites in the last phase of the Resort.

The Voting Trust Agreements shall automatically expire on the Expiry Date and the Owners shall thereafter vote their Shares in their sole discretion, in accordance with the **Articles** and the *Business Corporations Act*. For greater certainty, the Developer or its nominee shall, as of the Expiry Date, exercise voting rights only with respect to any Shares owned by the Developer.

16.2 First Directors of the Owners' Association

Subject to Section 16.1, the Owners shall cause the voting trustee(s) appointed under the Voting Trust Agreements to elect the Developer's nominee(s) to act as director(s) of the Owners' Association and such director(s) shall hold office for a term not exceeding three years. Thereafter, the director(s) of the Owners' Association shall be elected by the Owners at each annual general meeting in accordance with the procedure set out in the **Articles**.

16.3 Powers

- (1) The Owners' Association, on behalf of the Owners (in addition to those powers given to it elsewhere in this Agreement) may:
 - (a) If authorized by Special Resolution or elsewhere in this Agreement, purchase, lease or otherwise acquire new personal property for use by the Owners in connection with their enjoyment of the Resort Lands and the Common Facilities;
 - (b) borrow money required for the performance of its duties or the exercise of its powers;
 - (c) employ for and on behalf of the Owners and itself, such agents and employees it deems proper for the control, management and administration of the Common Items and the Resort Lands (the cost of which is to be included in the Operating Budget);
 - (d) enter into contracts on behalf of the Owners which pertain to its duties hereunder; and
 - (e) carry on other business activities ancillary to the operation of the Resort Lands (which are of benefit to the Owners).
- (2) Except where otherwise stated in this Agreement, all matters concerning the daily management and operation of the Resort Lands and the Common Items will be decided by the Owners' Association through its board of directors.

17. OWNERS' ASSOCIATION DEFAULT REMEDIES

17.1 Events of Default

It shall be an Event of Default under this Agreement if an Owner (for purposes of this Article 17, a "**Defaulting Owner**"):

- (1) fails to pay any sum required to be paid by the Defaulting Owner when due under this Agreement, whether demanded or not or purports to set off, withhold or deduct any amount due;
- (2) fails to perform or observe any other term, agreement, condition, covenant, warranty or proviso of this Agreement (including without limitation the Schedules hereto and the Bylaws), whether demanded or not; or
- (3) fails to pay any Assessment when due to the Owners' Association, whether demanded or not.

17.2 Rights and Remedies Upon Default

Upon the happening of an Event of Default, the Owners' Association shall have the following rights and remedies, which shall be in addition to those rights and remedies established under the Bylaws and this Agreement, and the Owners' Association shall have discretion as to which right or remedy to rely upon:

(1) **Lawsuits**

The Owners' Association may recover from a Defaulting Owner, on behalf of all the Owners, in a Court, any sum of money owing pursuant to this Agreement. The Owners' Association is hereby irrevocably authorized to act as agent of the other Owners for that purpose. Should the Owners' Association be successful in the prosecution of the action or the defence of an action brought against it by a Defaulting Owner, it shall be entitled to be reimbursed by that Owner for its legal costs on a solicitor and own client basis. The Owners' Association may spend monies from the Contingency Reserve Fund with the approval of the Owners to prosecute or defend such an action.

(2) **Forced Sale of Owner's Interest**

- (a) The Owners' Association may (without further authorization), at any time there are monies owed pursuant to this Agreement, for which a demand for payment has been made pursuant to this paragraph 17.2(2)(b), take steps to sell and assign the Owner's Interest of the Defaulting Owner to a third party purchaser.
- (b) Before the Owners' Association may take any steps to sell the Owner's Interest of a Defaulting Owner to a third party purchaser, it must give the Defaulting Owner written notice of its intention to do so and shall provide the Defaulting Owner 21 days to pay any monies owing to the Owners' Association, failing which it may proceed at once to offer the Owner's Interest for sale to a third party purchaser. (in the case of fines, paragraph 17.2(3)(c) shall have first been complied with).
- (c) The parties agree that the Owners' Association shall be entitled to its legal costs on a solicitor and own client basis.
- (d) Upon the sale of the Owner's Interest, the net sale proceeds after paying to the Owners' Association the debt due will be remitted to the Defaulting Owner. The directors shall

not be liable for any loss suffered by the Defaulting Owner as a result of the directors acting as the agent for the Defaulting Owner in selling the Owner's Interest.

- (e) Each Owner hereby covenants and agrees to execute any instruments, documents and certificates and to undertake any acts as may be requested by the Owners' Association or its solicitors to validly transfer title to such Owner's Interest upon the occurrence of an Event of Default to which the provisions of this Section 17.2(2) apply. In the event that a Defaulting Owner does not deliver to the Owners' Association or its solicitors the instruments, documents or certificates required to be delivered in connection with any sale described in this Section 17.2(2), such Defaulting Owner hereby irrevocably constitutes and appoints any director, officer or employee of the Owners' Association as his, her or its true and lawful attorney to execute, for and in the name of, and on behalf of such Defaulting Owner, all such instruments, documents or certificates as may be necessary to effect the purchase and sale of the defaulting Owner's Interest. Such appointment and power of attorney, being coupled with an interest, shall not be revocable by a Defaulting Owner nor terminated by the insolvency, bankruptcy, death, incapacity or dissolution of such Defaulting Owner, or otherwise by operation of law. The Defaulting Owner hereby ratifies and confirms and agrees to ratify and confirm all that such attorney may lawfully do or cause to be done pursuant to such power of attorney.

(3) Fines

- (a) The Owners' Association may:
 - (i) subject to paragraph 17.2(3)(c), impose fines in the amounts and at the frequency set out in the Bylaws against an Owner for any breach or continuing breach of this Agreement or the Bylaws by that Owner, their Immediate Family, Day Guest or any other person using or occupying their Site or the Common Items with the knowledge of the Owner;
 - (ii) deprive an Owner of rights or privileges in relation to the use of all or some of the Common Items (such rights to be restored immediately upon cure of the breach and payment of any fines and legal costs); and
 - (iii) in the case of an Event of Default which constitutes a default under the Bylaws, impose any fines or penalties as set out in the Bylaws;
 - (iv) the Owners' Association may, but shall not be obliged to, itself observe and perform any covenant or agreement in respect of which an Owner has made default and for such purpose may enter onto their Site without liability to the Defaulting Owner, provided that such performance by the Owners' Association shall not in any way relieve the Defaulting Owner from its obligations and liabilities with respect to the performance of the covenant or agreement;
 - (v) the Owners' Association shall have the right to collect from a Defaulting Owner any and all costs and expenses incurred by the Owners' Association in enforcing the covenants and agreements set out in this Agreement and in performing the

covenants and agreements of the Owner set out in this Agreement, including without limitation legal fees as between solicitor and his or her own client, together with interest thereon at the rate set out in Section 17.3 from the date that the costs and expenses are incurred to the date the same are paid by the Defaulting Owner; and

- (vi) the Owners' Association shall be entitled to such other rights and remedies as may be available to it pursuant to this Agreement, at law or in equity, including without limitation rights of distress, the right to claim damages against a defaulting Owner and the right to seek and obtain injunctive or other equitable relief upon the happening of an Event of Default.
- (vii) Each Owner agrees to pay to the Owners' Association on demand, any amounts levied in accordance with paragraph 17.2(3)(a).
- (ix) Before levying a fine against an Owner, the Owners' Association shall advise the Owner of the particulars of the allegations against him and the intention of the Owners' Association to impose a fine, and provide the Owner a period of 14 days within which to provide a written reply or to request a hearing before the Owners' Association's board of directors. A hearing must be held within 30 days and may be done by telephone conference call.

17.3 Interest

Any money payable under this Agreement which is not paid by an Owner when due shall bear interest until paid at a rate of 3% per annum above the prime commercial lending rate for demand loans from time to time designated by the main branch of the Owners' Association's bank or credit union, compounded semi-annually not in advance. A certificate issued by the manager of the said bank or credit union shall be conclusive evidence of the rate of interest in effect from time to time.

17.4 Non-Waiver

No condoning, excusing or overlooking by the Owners' Association or an Owner of any default, breach or non-observance by the other in respect of any covenant, proviso or condition herein contained shall operate as a waiver of the Owners' Association's or an Owner's rights hereunder in respect of any continuing or subsequent default, breach or non-observance or so as to defeat or affect in any way the rights of the Owners' Association or an Owner in respect of any continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Owners' Association or an Owner, save only express waivers in writing.

18 ADDITIONAL PHASES AND SITE PLAN

18.1 Additional Phases

The Developer intends to develop and market the current and planned future RV Sites over multiple phases. The Phase 1 RV Sites and Phase 2 RV Sites are shown on

the Site Plan.

The Owners agree that the Developer may, with notice to the Owners but without the consent of the Owners, amend this Agreement and the Site Plan as required to reflect the inclusion of new Sites, provided that an Owner's RV Site will not be altered nor shall any Owner's quiet enjoyment of their Site be interfered with. The Common Areas and the Common Facilities of the prior phase shall be extended to include Common Areas and Common Facilities within such additional phase, and the Owners of the Sites in the additional phase shall have the same rights to use the Common Items as held by Owners of Sites in the prior phase.

19. GENERAL PROVISIONS

19.1 Limited Rights

This Agreement does not create any interest registerable at any Land Title Office in British Columbia (including that of a tenancy) in the Resort Lands and no subdivision of the Resort Lands shall have been effected or deemed to be effected by this Agreement. Nor does this Agreement create a partnership or other similar relationship amongst and between the Owners.

19.2 Legend on Share Certificates

All share certificates issued by the Owners' Association (including existing certificates) shall have typed or otherwise written thereon the following legend:

"The shares represented by this certificate are subject to the provisions of an agreement dated _____ among the shareholders of the Company, which agreement contains restrictions on the right of the holder hereof to sell, exchange, transfer, assign, gift, pledge, encumber, hypothecate or otherwise alienate the shares represented hereby and notice of those restrictions is hereby given."

19.3 Entire Agreement

This Agreement and the Schedules hereto are the entire agreement and understanding among the parties hereto and supersede all prior agreements (whether oral or written), pertaining to the subject matter hereof. This Agreement may be amended and assigned in accordance with the provisions hereof and such amendments and revisions shall constitute part of the Agreement.

19.4 Amendment

This Agreement (other than an assignment of rights hereunder in accordance with Article 12) may only be amended by Special Resolution of the Owners (as at the time such resolution is passed) at a property constituted meeting of the Owners' Association. Upon passage of such

resolution, all Owners shall be deemed to have agreed to the amendment.

19.5 **Waivers**

Any waiver of a term, provision or condition of this Agreement must be in writing and signed by all the Owners (as at the time of the waiver) to be effective. The waiver must state the particular provision or provisions being waived. No waiver of any one or more provisions shall be deemed to be a further continuing waiver of such terms, provisions or condition or any other term, provision or condition unless the waiver specifically so states. Neither the Owners' Association nor any director or officer thereof may waive compliance with a term, provision or condition of this Agreement.

19.6 **Enurement**

This Agreement shall enure to the benefit of and be binding upon each of the parties hereto and their respective executors, administrators, heirs, successors and permitted assigns.

19.7 **Arbitration**

Provided that a Court action pertaining to the interpretation of this Agreement or the determination of rights hereunder has not been commenced, an Owner may refer the dispute to arbitration pursuant to the terms of the *Commercial Arbitration Act*, R.S.B.C. 1996 c. 55. This section shall not apply to any matter or dispute arising under or in connection with Article 17 or Section 19.5 of this Agreement.

19.8 **Severability**

Should any part of this Agreement be declared or held to be invalid for any reason, such invalidity shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect and be construed as if this Agreement does not contain the invalid provision.

19.9 **Time**

Time shall be of the essence of this Agreement and the transactions contemplated in this Agreement.

19.10 **Notice**

Any communication must be in writing and either:

1. personally delivered;
2. sent by prepaid, registered mail; or
3. sent by facsimile, e-mail or functionally equivalent electronic means of communication, charges (if any) prepaid, and confirmed by prepaid registered mail.

Any communication may be sent to an Owner at the address set out in the Site Register or at any other address as the Owner may from time to time advise the Owners' Association by written communication given in accordance with this section. Any notice to be given hereunder to the Owners' Association shall be sufficiently given if delivered or sent by regular mail, postage prepaid to the Owners' Association's address set out in this Agreement or to its Registered Office. Any communication may be sent to an Owner at the facsimile number or email address provided by the Owner from time to time. Any communication may be sent to the Owners' Association at the facsimile number or email address provided to the Owners by the Owners' Association from time to time. Any communication delivered to the party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that party's address, provided that if that day is not a Business Day then the communication will be deemed to have been given and received on the next Business Day. Any communication transmitted by facsimile or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient)), the communication will be deemed to have been received on the next Business Day. Any communication given by registered mail will be deemed to have been received on the fifth Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every communication must be effected by personal delivery, or by facsimile, e-mail or functionally equivalent electronic means.

19.11 Further Documents and Assurances

The Owners from time to time agree to provide such other documents and assurances as may be reasonably required to give full effect to the intent and meaning of this Agreement.

19.12 Events Beyond a Party's Reasonable Control

No party hereto shall be obligated to carry out a duty hereunder if doing so has been rendered impossible by events beyond that party's control including, without limiting the generality of the foregoing, war, riot, strikes and labour disruptions, unanticipated regulatory delays and acts of God, but excluding a lack of monies and events which could have reasonably been foreseen by that party. All times herein provided for shall be extended by the period necessary to cure a default resulting from such events and the party affected shall use all reasonable means to do so promptly.

19.13 The Laws of British Columbia

This Agreement shall be construed in accordance with the laws of the Province of British Columbia.

19.14 Payments

All payments herein shall be made by way of cash, cheque, bank draft or e-transfer in Canadian currency.

19.15 **Execution in Counterparts**

This Agreement and any amendments and assignments may be executed in two or more counterparts and/or by facsimile each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

19.16 **Headings**

Headings are inserted for convenience of reference only and shall not be considered in the interpretation of this Agreement.

19.17 **Independent Legal Advice**

Each of the parties hereto acknowledge having received or been given the opportunity to receive independent legal advice, including tax advice, with respect to the subject matter of this Agreement

19.18 **Gender, Number and Other Terms**

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include both genders, "or" is not exclusive and "including" is not limiting, whether or not non-limiting language (such as "without limitation") is used with reference thereto.

19.19 **No Contra Preferentum**

The language in all parts of this Agreement will in all cases be construed as a whole and neither for nor strictly against any of the parties to this Agreement.

19.20 **Conflict**

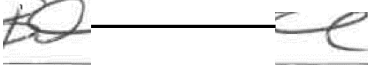
If there is a conflict between the terms of this Agreement and the terms of the **Articles** or Bylaws, the terms of this Agreement shall prevail.

IN WITNESS WHEREOF the parties have executed this Agreement.

THE DEVELOPER

0972514 BC Ltd.

Per:



Authorized Signatory

THE OWNERS' ASSOCIATION

**FIRCREST RESORT OWNERS'
CORPORATION**

Per:



Authorized Signatory

Owner's Signature Page

Signed Sealed and Delivered this ____ day of ____, 2020 in)
the Presence of:)

Witness Signature)

Name:)

Occupation:)

Owner Signature
«Purchaser»)

Owner Signature
«Purchaser»)

EXHIBIT E

TITLE SEARCH

TITLE SEARCH PRINT

2020-07-31, 09:48:57

File Reference:

Requestor: Kenneth Smith

Declared Value \$1500000

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN******Land Title District**

Land Title Office

KAMLOOPS

KAMLOOPS

Title Number

From Title Number

CA8160178

CA3195394

Application Received

2020-04-28

Application Entered

2020-05-12

Registered Owner in Fee Simple

Registered Owner/Mailing Address:

1190304 B.C. LTD., INC.NO. BC1190304
BOX 819, 201-438 BIRCH AVENUE
100 MILE HOUSE, BC
V0K 2E0**Taxation Authority**

Cariboo Assessment Area

Description of Land

Parcel Identifier:

013-397-478

Legal Description:

PARCEL A (38046E AND PLAN B6004) OF DISTRICT LOT 5037 LILLOOET DISTRICT
EXCEPT PLANS 6847, 20135 AND KAP77955**Legal Notations**HERETO IS ANNEXED EASEMENT 38047E OVER: (1) DL. 149 LILLOOET DISTRICT
EXCEPT PLAN 29784 (2) LOT 1 PLAN 8396 (3) DL. 352 LILLOOET DISTRICT
EXCEPT PLANS 8371, 8396, 18760, 20712, 20960, 21544, 23533, 23534
AND 30963. (SEE ALSO KG5470)**Charges, Liens and Interests**

Nature:

COVENANT

Registration Number:

KX3105

Registration Date and Time:

2005-01-11 10:46

Registered Owner:

CARIBOO REGIONAL DISTRICT

Remarks:

INTER ALIA

TITLE SEARCH PRINT

2020-07-31, 09:48:57
Requestor: Kenneth Smith

File Reference:

Declared Value \$1500000

Nature: COVENANT
Registration Number: KX3106
Registration Date and Time: 2005-01-11 10:46
Registered Owner: CARIBOO REGIONAL DISTRICT
Remarks: INTER ALIA

Nature: COVENANT
Registration Number: KX47880
Registration Date and Time: 2005-04-22 14:55
Registered Owner: THE CROWN IN RIGHT OF BRITISH COLUMBIA
CARIBOO REGIONAL DISTRICT
Remarks: INTER ALIA

Nature: COVENANT
Registration Number: CA3078039
Registration Date and Time: 2013-04-15 15:07
Registered Owner: CARIBOO REGIONAL DISTRICT

Nature: COVENANT
Registration Number: CA3078041
Registration Date and Time: 2013-04-15 15:07
Registered Owner: CARIBOO REGIONAL DISTRICT

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA8160176
Registration Date and Time: 2020-04-28 13:12
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA8160177
Registration Date and Time: 2020-04-28 13:12
Registered Owner: TELUS COMMUNICATIONS INC.
INCORPORATION NO. BC1101218

Duplicate Infeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

EXHIBIT F
INTERIM BUDGET

Interim Budget

FIRCREST RV RESORT

Expenses:

Item	Funds Required (\$)
Legal and Accounting	2,500
Office Expenses	500
Cleaning Supplies	2,000
Waste Management	3,000
Insurance	6,000
Property Taxes	12,000
Hydro	24,000
Miscellaneous	5,000
Water Filtration Equipment/Repairs	2,400
Equipment and Repairs	20,000
Site Management	36,000
Fortis	6,000
TOTAL	119,400

Number of Sites: 103

Expenditures divided by Sites for total Annual Fees per Site: \$1159.22

Annual Fees divided by 12 months for Monthly Fee: \$96.60

Annual Assessment is based on Owner's proportionate share of the operation budget.

EXHIBIT G
PURCHASE AGREEMENT

SCHEDULE A

**0972514 B.C. LTD.
PURCHASE AGREEMENT**

This Agreement is in respect of the purchase of one Class A share (the “**Share**”) in the 1190304 B.C. Ltd DBA Fircrest Resort Owners’ Corporation (Inc. No. BC1190304) (the “**Owners’ Association**”), which Share entitles the holder of to the exclusive use of the RV Site Number _____ (the “**RV Site**”) located within the Resort Lands owned by the Owners’ Association and legally described as:

Parcel Identifier 013-397-478
Parcel A (38046E and Plan B6004) of District Lot 5037, Lillooet District, Except Plans 6847, 20135 and KAP77955

(the “**Resort Lands**”).

The **Seller:** **0972514 B.C. LTD.**

The **Seller’s**
Solicitors:

The Solicitor for the Developer then Acting, as the case may be (the “**Seller’s**
Solicitors”), of 102-475 Birch Avenue, 100 Mile House, B.C., V0K 2E0

Attention:
Conveyancer:
Telephone:
Fax:

The **Buyer:**
(Full Name)

Address:

Occupation:

Telephone:

Home: _____ Bus.: _____

Facsimile:*

_____ Email* _____

Country of

Residence:

_____ S.I.N.: _____

Initials

Initials

**A facsimile number or email address for the Buyer is required.*

A. The **Buyer** agrees to purchase from the **Seller**, and the **Seller** agrees to sell to the **Buyer**, the Share attached to the RV Site, as set out in the Site Registry maintained by the Owners' Association (the "**Purchased Interest**") on the terms and conditions set out in Schedules A to E and any addendums attached hereto, all of which form part of this Agreement and subject to the terms of the Co-Ownership Agreement in respect of the Shareholders of the Owners' Association (the "**Co-Ownership Agreement**"), a copy of which is attached as an Exhibit to the Disclosure Statement, as defined herein.

B. The Purchase Price payable by the **Buyer** to the **Seller** for the Purchased Interest shall be _____ Dollars \$ _____ (the "**Purchase Price**" excluding Goods and Services Tax ("GST")). The Purchase Price is payable by the **Buyer** to the **Seller** as follows:

BY AN INITIAL DEPOSIT (the "**Initial Deposit**") due upon the **Buyer's** execution of this Agreement in the amount of:

\$ 2,000.00

THE BALANCE of the Purchase Price (the "**Balance of the Purchase Price**") payable by the **Buyer** to the **Seller's** Solicitors on the **Escrow Funding Date**, pursuant to Section 4 of Appendix A to this Agreement:

\$ _____

Applicable GST

\$ _____

TOTAL:

\$ _____

D. The **Buyer** acknowledges receipt of the Disclosure Statement in respect of the Resort Lands and the Purchased Interest dated December 12, 2018, as amended by Amendment #1 filed April 20th, 2020 and Amendment #2 filed May 05, 2020, Amendment #3 filed February 17, 2021 and Amendment #4 filed March 12, 2021 as may be amended or replaced from time to time, (the "**Disclosure Statement**") in accordance with Section 1 of Appendix A to this Agreement.

E. The **Seller** will use its own employees and not a real estate brokerage to market the Purchase Interest or the other purchased interests included in the offering set out in the Disclosure Statement. The **Seller's** employees are neither licensed under the *Real Estate Service Act* (British Columbia) nor do such employees act on behalf of the **Buyer**.

Initials

Initials

Upon acceptance by the **Seller** of the **Buyer**'s offer there shall be a binding agreement of purchase and sale on the terms and conditions herein contained, including, without limitation, the attached Appendices A to E.

DATED this _____ day of _____, 20__.

Witness **Buyer** (seal)

Witness **Buyer** (seal)

[IF A CORPORATE BUYER]

(insert name)

Per: _____
Authorized Signatory

DATED this _____ day of _____, 20__.

FIRCREST RESORT

Per:

Authorized Signatory

Initials

Initials

Schedule A

TERMS

The following **terms** shall apply to this Agreement:

1. **Deposit:** The Purchase Price for the Purchased Interest will be paid by the **Buyer** to the **Seller** as follows:

- (a) by payment of the Deposit by the **Buyer** to the Seller's Solicitor in trust upon the **Buyer's** execution of this Agreement;
- (b) by payment of the Balance of the Purchase Price, on the **Completion Date** in accordance with Section 4 of this Agreement or on _____.

The Deposit will be held in a non-interest bearing trust account of the **Seller's** Solicitors.

Execution of this Agreement shall constitute written direction and authority of the **Seller**, the **Seller's** Solicitors and the **Buyer** to pay the Deposit and the Balance of the Purchase Price as set forth herein without further written direction or authorization of the **Buyer** or **Seller**.

2. **Conditions Precedent:** The obligation of the parties to complete the sale and purchase of the Purchased Interest on the **Completion Date** is subject to and conditional upon the conditions precedent set out in Appendix B, if any, attached hereto being satisfied, or waived by the **Buyer**, within the time specified in Appendix B to this Agreement.

3. **Escrow Funding Date and Completion Date:**

The Buyer will deliver to the Seller's Solicitors the Balance of the Purchase Price, at the Buyer's expense by way of bank or British Columbia Credit Union draft of solicitor's or notary public's certified trust cheque, to the Seller's Solicitors, as trustee under the Act, on the Completion Date ("the Completion Date") being the date that is agreed to between the Seller and the Buyer for payment of the balance of the Purchase Price.

Forthwith on the Completion Date, the Seller's Solicitor shall confirm the Purchaser's Solicitor that it has received a letter for the Solicitor for the Lender that all encumbrances have been released from the Share. The Buyer's Solicitor may require an undertaking from the Seller's Solicitor to do so.

On the Completion Date the Solicitor for the Seller will deliver to the Purchaser's Solicitor all of the documents held in trust by the Seller's Solicitor evidencing the Purchased Interest of the Purchaser.

4. **Seller's Closing Conditions:** The **Seller's** obligation to transfer to the **Buyer** the Purchased Interest that is the subject of this Agreement is subject to and conditional upon:

Initials

Initials

- (a) the **Seller's** Solicitors having received from all of the **Buyers** under each of the purchase agreements:
 - (1) the balance of the purchase price on or before the **Completion Date**; and
 - (2) duly executed closing documents pursuant to the terms of each purchase agreement,(together, the "**Seller's Closing Conditions**").

In the event that the **Seller** has not satisfied any of the foregoing **Seller's Closing Conditions**, the **Seller** may:

- (i) delay the **Completion Date** as may be required from time to time; or
- (ii) terminate this Agreement and repay to the **Buyer** the Deposit together with the Balance of the Purchase Price, as applicable, without interest, whereupon the **Buyer** shall have no further rights as against the **Seller**, and the **Seller** will be released from any further obligations to the **Buyer**.

5. **Possession and Adjustments:** The **Buyer** will have vacant possession of the RV Site associated with the Share, on the **Completion Date**. Subject to the **Buyer's** right to withdraw from the Purchase Agreement as set out above the **Buyer** will assume its share of all taxes, rates, assessments and other Common Costs, as described in the Disclosure Statement, from and including the **Completion Date** and all adjustments will be made as of the **Completion Date**.

6. **Waiver.** The **Sellers Closing Conditions** set forth in Section 4 are for the **Seller's** sole benefit and may be waived in whole or in part, unilaterally by the **Seller** at the **Seller's** election, and if the **Sellers Closing Conditions** are not satisfied or waived and written notice of satisfaction or waiver is not given by the **Seller** to the **Buyer** within the time herein provided, then the **Seller's** obligation to sell to the **Buyer** the Purchased Interest will be at an end.

7. **Closing Documents and Pre-Completion Funding Requirements:** The **Buyer's** solicitors or notary public will prepare:

- (a) Instrument of Transfer (re the Share) (the "**Transfer**");
- (b) **Seller's** statement of adjustments;
- (c) Two copies of the Co-Ownership Agreement;
- (d) Two copies of the Voting Trust Agreement (the "**Voting Trust Agreement**"), a copy of which is attached as an Exhibit to the Co-Ownership Agreement;
- (e) Two copies of the Power of Attorney, a copy of which is attached as a Schedule to the Voting Trust Agreement; and

Initials

Initials

(f) the **Buyer's** Direction, in the form attached hereto as Appendix E,

(collectively, the "**Closing Documents**"), in the form prescribed by the **Seller's** Solicitors. The **Buyer** shall deliver the Closing Documents, duly executed by the **Buyer**, to the **Seller's** Solicitors at least five (5) Business Days prior to the **Completion Date**. The **Seller** will not be required to execute or deliver any other agreements, transfer documents, certificates, statutory declarations, resolutions or assurances whatsoever. The **Seller** hereby confirms that it is not a non-resident of Canada for the purposes of Section 116 of the *Income Tax Act* (Canada). Following the **Buyer's** delivery to the **Seller's** Solicitors of the Closing Documents, an authorized signatory for the **Seller** will execute and hold in trust until the Completion Date then deliver to the **Buyer's** solicitors or notary public, the **Seller's** statement of adjustments, the Co-Ownership Agreement and the Voting Trust Agreement. The **Seller's** Solicitor shall record in the Central Securities Register of the Owners' Association the details of the Transfer and forthwith provide written confirmation of the same to the **Buyer's** lawyer or notary public and thereafter the **Seller's** solicitors may release to the **Seller** the Deposit and Balance of the Purchase Price.

8. **Concurrent Requirements:** It is a condition of this Agreement that all requirements of Section 7 are concurrent requirements and it is specifically agreed that nothing will be completed on the **Completion Date** until everything required to be paid, executed, and delivered on the **Completion Date** has been so paid, executed and delivered. The transaction will, however, complete in the following order:

- (a) payment by the **Buyer** to the **Seller's** Solicitors of the Balance of the Purchase Price on the **Completion Date**;
- (b) execution by the **Buyer** of the Closing Documents;
- (c) delivery of the Closing Documents to the **Seller's** Solicitors;
- (d) recording of the Transfer in the Owners' Association's Central Securities Register; and
- (e) release by the **Seller's** Solicitors to the **Seller** of the Deposit and the Balance of the Purchase Price.

The **Seller's** Solicitors will pay and discharge the **Lender's Encumbrance** forthwith following the **Completion Date** on the undertaking to pay out and discharge the **Lender's Encumbrance** as attached hereto as Appendix C.

9. **Time:** Time shall be of the essence of this Agreement. If the Deposit or Balance of the Purchase Price is not paid in accordance with this Agreement, the **Seller** may cancel this Agreement and in such event all funds previously paid shall be returned to the **Buyer** or the **Buyer** Solicitor.

10. **Costs:** The **Buyer** will pay all taxes, costs and expenses in connection with the completion of the sale and purchase of the Purchased Interest other than the costs of the **Seller** incurred in clearing title to the Purchased Interest of any financial encumbrances and recording the transfer of the Share in the Central Securities Register of the Owners' Association.

Initials

Initials

11. **Risk:** The Purchased Interest will be and remain at the **Seller's** risk until the Transfer is recorded in the Owners' Association's Central Securities Register, and thereafter at the risk of the **Buyer**.

12. **Assignment.** The **Buyer** may not directly or indirectly assign the **Buyer's** interest in this Agreement or direct the **Seller** to transfer title to the Purchased Interest to any third party without the written consent of the **Seller** and unless the **Buyer** gives the **Seller** and the **Seller's** Solicitors not less than 10 days' written notice of such assignment. Such assignment will not release or discharge the **Buyer** from any of the **Buyer's** duties or obligations under this Agreement. In the event of any assignment of this Agreement, the **Buyer** will pay to the **Seller** an assignment fee of \$1,500 concurrently with the **Buyer's** written request to the **Seller** for the **Seller's** consent to any such assignment, unless such assignment is to a spouse, child, grandchild, parent, grandparent or sibling of the **Buyer** or a company owned or controlled by the **Buyer** on closing. Notwithstanding that the Deposit has been fully paid, the **Buyer** may not advertise or solicit offers from the public through any media nor list the Purchased Interest on the Multiple Listing Service with respect to resale of the **Buyer's** Purchased Interest prior to the Completion Date without the prior written consent of the **Seller**, which consent may be refused by the **Seller** in the **Seller's** sole discretion. The **Buyer** acknowledges and agrees that this Agreement creates contractual rights only between the **Buyer** and the **Seller** and does not create an interest in the Resort Lands and the **Buyer** acknowledges and agrees that he or she shall not under any circumstances be entitled or become entitled to register any charge, encumbrance or notice against the title to the Resort Lands or the Purchased Interest in respect of or pertaining to this Agreement, including without limitation, a certificate of pending litigation.

13. **Miscellaneous Agreements:** This Agreement is the entire agreement between the parties and there are no representations, warranties, conditions or collateral agreements, express or implied, whether made by the **Seller**, any agent, employee or representative of the **Seller** or any other person including without limitation, arising out of any marketing material including sales brochures, models, representations, view sets, showroom displays, photographs, illustrations or renderings provided to the **Buyer** or made available for his view other than those contained herein or in the Disclosure Statement. The representations and warranties contained herein will survive completion and the conveyance of the Purchased Interest to the **Buyer** for a period of one year thereafter. This Agreement will be governed by and construed in accordance with the laws of British Columbia. If the **Buyer** is comprised of more than one person, the covenants and obligations of all parties comprising the **Buyer** shall be joint and several.

14. **Major Outside Event:** The parties agree that if (i) any act of God, accident or other event beyond the reasonable control of the **Seller**, (ii) any condition discovered within Fircrest Resort or in the vicinity of Fircrest Resort, including, without limitation, any soil or environmental condition, or (iii) any action or step taken by any applicable governmental or regulatory authority, renders it impossible or not reasonably feasible or economical for the **Seller** to perform its obligations under this Agreement, then the **Seller** may terminate this Agreement upon written notice to the **Buyer**, upon which the **Seller** will return to the **Buyer** all funds paid hereunder by the **Buyer**.

Initials

Initials

15. **Receipt for Disclosure Statement:** The **Buyer** acknowledges that the **Buyer** has received a copy of and has been given an opportunity to read the Disclosure Statement including Amendment #1 filed April 20, 2020 and Amendment #2 filed May 05, 2020, and any amendments thereto to date and that this Agreement constitutes a receipt in respect thereof. The **Buyer** has also had the opportunity to ask questions of and receive answers from the **Seller** or its agent concerning the Resort and to obtain such additional information necessary to verify the accuracy of the information contained in the Disclosure Statement in order for the **Buyer** to evaluate the merits and risks of the purchase of the Purchased Interest.

16. **Notices:** Any communication must be in writing and either:

- (a) personally delivered;
- (b) sent by prepaid, registered mail; or
- (c) sent by facsimile, e-mail or functionally equivalent electronic means of communication, charges (if any) prepaid confirmed by prepaid registered mail.

Any communication must be sent to the intended recipient at its address, facsimile number or email address shown on the first page of this Agreement or at any other address as any party may from time to time advise the other by communication given in accordance with Section 16. Any communication delivered to the party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that party's address, provided that if that day is not a Business Day then the communication will be deemed to have been given and received on the next Business Day. Any communication transmitted by facsimile or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient)), the communication will be deemed to have been received on the next Business Day. Any communication given by registered mail will be deemed to have been received on the fifth Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every communication must be effected by personal delivery, or by facsimile, e-mail or functionally equivalent electronic means.

17. **Counterparts:** This Agreement may be executed in counterparts and may be evidenced by facsimile reproduction.

18. **Co-Ownership Agreement:** The **Buyer** covenants and agrees to enter into the Co-Ownership Agreement in the form attached as an Exhibit to the Disclosure Statement. Failure to do so in accordance with the terms set out in this Agreement will constitute a default under this Agreement which will entitle the **Seller** to terminate this Agreement, and return all funds previously paid by the **Buyer** to the **Buyer**.

19. **Goods and Services Tax:** The **Seller** confirms that it will be registered with Canada Revenue Agency or any successor therefor ("**CRA**") in compliance with Part IX of the Excise Tax Act (Canada) relating to the collection of GST on the Completion Date. The Purchase Price does

Initials

Initials

not include GST and the **Buyer** confirms that it will be responsible for any GST payable with respect to the subject transaction, will account directly to CRA with respect thereto and will confirm its GST registration number to the **Seller** on the Completion Date by providing a signed certificate in the customary form or, if the **Buyer** is not registered for GST purposes, will pay the GST payable in respect of the subject transaction to the **Seller** on the Completion Date.

20. **Personal Information:** In the event the **Seller** at a later date elects to employ the services of a brokerage agent to market the interests being sold by the **Seller**. The **Seller** and the **Buyer** hereby consent to the collection, use and disclosure by the **Seller** and any brokerage agent, brokerage salesperson, employee or representative of the **Seller**, the real estate boards of which those agents or salespersons are members, and if the Purchased Interest is listed on the Multiple Listing Service, the real estate board that operates that Multiple Listing Service, of personal information about the **Seller** and the **Buyer**:

- (a) for all purposes consistent with the transaction contemplated herein;
- (b) if the Purchased Interest is listed on a Multiple Listing Service, for the purpose of compilation, retention and publication by the real estate board that operates the Multiple Listing Service and other real estate boards of any statistics including historical Multiple Listing Service data for use by persons authorized to use the Multiple Listing Service of that real estate board and other real estate boards; and
- (c) for enforcing codes of professional conduct and ethics for members of real estate boards.

Initials

Initials

SCHEDULE B

BUYER'S CONDITIONS

The obligation of the **Buyer** to complete the purchase of the Purchased Interest on the Completion Date is subject to and conditional upon the following conditions precedent (the "**Buyer's Conditions**") being satisfied or waived not later than 5:00 p.m. (Vancouver time) on the eighth (8th) day after the **Seller's** acceptance of this Agreement:

- (a) the **Buyer** being satisfied in its sole discretion with any due diligence searches and investigations which it may have carried out with respect to the Purchased Interest or the Lands, including the **Buyer's** review of the Disclosure Statement and its amendments; and

(b) _____

(insert any other **Buyer's** Conditions or, if none, draw a line through subsection (b)).

The **Buyer's** Conditions are for the sole benefit of the **Buyer** and may be unilaterally waived in writing in whole or in part by the **Buyer** at any time up to and including the time specified above. If the **Buyer** fails to notify the **Seller** in writing of the satisfaction or waiver of all of the **Buyer's** Conditions by the time specified above, this Agreement will be null and void. In such event, the trustee is hereby irrevocably directed by the **Seller** and the **Buyer** to forthwith repay the Deposit and accrued interest, in full, to the **Buyer** without deduction save for the sum of One Dollar (\$1.00) (which will be retained by the **Seller** in any event as consideration for the **Seller** agreeing to not revoke or withdraw this Agreement prior to the time specified above), and thereafter neither party will have any further obligations to the other under this Agreement.

Initials

Initials

SCHEDULE C

**SAMPLE SELLER'S SOLICITOR'S UNDERTAKINGS
TO BUYER'S SOLICITORS OR NOTARY PUBLIC**

“We as the **Sellers** solicitors acknowledge that the net sale proceeds due to the **Seller** pursuant to the enclosed approved **Seller's** Statement of Adjustments will be made available to us upon our undertakings to you as follows:

- (a) to forthwith pay to Aquino Belavy & Associates Ltd. David Robert Penner (the “**Lenders**”) an amount sufficient to pay out and discharge the the Share representing Lot _____ (the “**Lender's Encumbrance**”) as it relates to the Share, as defined in the Purchase Agreement, in accordance with the directions provided to us by the Lenders;
- (b) to obtain by such legal means as may be reasonably necessary a letter from the Seller's Solicitor that such encumbrance has been released as against the Share.

Initials

Initials

SCHEDULE D

PERMITTED ENCUMBRANCES

The Resort Lands are subject to the following Permitted Encumbrances:

Existing Encumbrances and Legal Notations

- (1) The subsisting exceptions or reservations or other rights contained or reserved to the Crown in the original grant from the Crown.
- (2) Current utility and Regional District covenants and rights of way.

Proposed Encumbrances

No encumbrances, covenants, or liens are proposed to be registered or filed in respect of the Resort Lands, and it is not anticipated that any easements and rights of way in favour of and which may be required by utilities, public authorities, regional district or any other applicable government authority or public or private utility with respect to provision of utilities to the Resort will be required as described in the Disclosure Statement.

Initials

Initials

SCHEDULE E

BUYER'S DIRECTION

TO: Solicitors for the Developer

RE: Sale by Fircrest Resort Ltd. (the "Seller")

to _____ (the "Buyer") of a share (the
"Share") in the Fircrest Resort Owners' Corporation associated with RV Site

No. _____

Completion Date: _____, 20____

We hereby irrevocably authorize and instruct you to disburse the Deposit and the Balance of the Purchase Price of the above sale in the amount agreed to in the approved **Seller's** statement of adjustments to the **Seller** following your office's written confirmation to us that the Share has been transferred from the **Seller** to the **Buyer** in accordance with the terms of the Purchase Agreement between the **Seller** and the **Buyer**.

Initials

Initials

EXHIBIT H

Left Blank

EXHIBIT I

SCHEDULE OF OWNER'S PROPORTIONATE INTEREST

Share Class	Number in Authorized Share Structure	Number Issued and Outstanding	Number of Votes per Share	Proportionate Interest in Owners' Association on winding up
A	103	103	1	.97%

SCHEDULE A

BYLAWS

FIRCREST RESORT OWNERS' CORPORATION

(The "Owners' Association")

BYLAWS

Introduction

The following Bylaws (the "Bylaws") are the Bylaws of the Owners' Association. These Bylaws shall remain valid until such time as they are rescinded, revised, added to or otherwise modified by the Owners' Association.

Definitions

In these Bylaws, any words and phrases beginning with a capital letter, that are not defined in these Bylaws, shall have the same meanings as defined in the Fircrest Resort Owners' Corporation Articles (the "Articles"), and as defined in the Co-Ownership Agreement.

DUTIES OF OWNERS

1. An Owner shall:
 - a. permit the Owners' Association and its agents, at all reasonable times when given notice, except in cases of emergency, to enter his or her Site for the purpose of site inspection, and for the purpose of: maintaining, repairing or renewing pipes, wires, cables and ducts existing above, on or below the Site, and capable of being used in connection with the enjoyment of any other Site or common property, or for the purpose of maintaining, repairing or renewing Common Areas, Common Facilities or other assets of the Owners' Association, or for the purpose of ensuring the Bylaws are being observed;
 - b. permit, at any given time, only one recreation vehicle, or cabin as permitted from time to time by any applicable Cariboo Regional District Zoning to be located on an RV Site, but is allowed in addition, one tent designed to accommodate not more than four persons on the RV Site, provided that such tent is placed near the back of the RV Site or as approved by the Owners' Association;
 - c. place all garbage and other waste material in the receptacles provided in the Resort;
 - d. ensure that their recreation vehicle has a sewer connection which seals tightly to the sewer service connection provided on each RV Site;
 - e. repair and maintain his or her Site, including the mowing and fertilizing of green areas within his or her Site;
 - f. use and enjoy the Common Areas, Common Facilities or other assets of the Owners' Association in a manner that will not unreasonably interfere with the use

and enjoyment by other Owners, their families or Visitors, Day Guests, occupants, agents, servants, licensees or invitees;

- g. itself (or ensure that a Visitor or Day Guest) be responsible for the conduct of their children on the Resort premises, and that their young children be accompanied by an adult when using the Common Facilities, Common Areas, and amenities of the Resort;
- h. notify the Owners' Association not less than 21 days prior to any change of ownership or other dealing in connection with his or her Site, and must obtain written confirmation from the Owners' Association prior to the change of ownership of his or her Site, confirming that no amounts are owing by him or her to the Owners' Association in respect of his or her Site;
- i. comply strictly with these Bylaws, and all other bylaws of the Owners' Association, and with rules and regulations adopted from time to time;
- J. permit all landscaping and maintenance of landscaped areas surrounding the Site to be carried out by contractors employed by the Owners' Association, and the Owner will not himself trim, cut or in any way alter or interfere with such landscaping;
- k. register all Visitors, Day Guests and other occupants with the Manager upon arrival, with overnight guests additionally filling out the registration form provided by the Owners' Association;
- I. have campfires only in designated fire or barbeque pits which must be first approved by the Owners' Association, who will take into account, without limitation, their size, appearance and location;
- m. observe quiet hours from 11:00 p.m. to 7:00 a.m., with any noise producing equipment, such as generators, televisions, radios, tape or CD players, to be restricted in their time and operation for the mutual comfort and pleasure of all Owners, Visitors or Day Guests so as to never constitute a nuisance to other users of the Resort;
- n. ensure that, for emergency purposes, his or her Site number is highly visible from the road at all times;
- o. when necessary, bring complaints to the attention of the Manager of the Owners' Association;
- p. all terrain or Off Highway Vehicles (OHV) are allowed within the resort solely for transportation, not pleasure, between the resort office or entrance to the resort and the owners' site.

- q. comply with all applicable laws, including, but not limited to, the *Motor Vehicle Act* (British Columbia) which is in full force and effect for all roads and parking areas within the Resort; and
- r. itself or ensure a Visitor or Day Guest of the Resort leaves all Common Areas, Common Facilities and Common Items in a clean and sanitary state after their use.

DUTIES OF FIRCREST RESORT OWNERS' CORPORATION

2 . The Owners' Association shall:

- a. control, manage and administer the Common Areas, Common Facilities and other Common Items of the Owners' Association for the benefit of all Owners;
- b. encourage recycling, and will provide recycling bins in various locations throughout the Resort;
- c. keep in a state of good and serviceable repair and properly maintain the fixtures and fittings, including the recreational facilities, if any, and other apparatus and equipment used in connection with the Common Areas, Common Facilities and other Common Items of the Owners' Association;
- d. maintain all Common Areas, both internal and external, including, but not limited to, lawns, gardens and parking areas;
- e. maintain and repair, including replacement where reasonably necessary, pipes, wires, cables, chutes and ducts for the time being existing in the Resort and capable of being used in connection with the enjoyment of more than one Site, Common Areas or Common Facilities;
- f. on the written request of an Owner of a Share, produce to him or her, or a person authorized in writing by him or her, the insurance policies effected by the Owners' Association and the receipts for the last premiums;
- g. collect and receive all Maintenance Payments paid by the Owners and deposit the same with a financial institution;
- h. pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to, or for the benefit of, the Owners' Association;
- J. observe and perform the Articles and enforce the terms and conditions of the Co-Ownership Agreement; and

- k. comply with these Bylaws, and all applicable laws.

POWERS OF FIRCREST RESORT OWNERS' CORPORATION

3. The Owners' Association may:

- a. purchase, hire or otherwise acquire personal property for use by Owners in connection with their enjoyment of Common Areas, Common Facilities or other Common Items of the Owners' Association;
- b. borrow money required by it in the performance of its duties or the exercise of its powers;
- c. secure the repayment of money borrowed by it, and the payment of interest, by negotiable instrument or mortgage of unpaid contributions, whether levied or not, or mortgage of any property vested in it, or by combination of those means;
- d. invest as it may determine in separate accounts money in the fund for administrative expenses, or in the Contingency Reserve Fund;
- e. make an agreement with an Owner or occupier of a Site for the provision of amenities or services by it to the Site or the Owner or occupier;
- f. grant an Owner the right to exclusive use and enjoyment of all or part of the Common Areas or Common Facilities, or special privileges for them, the grant to be on terms established by the Owners' Association;
- g. make rules and regulations it considers necessary or desirable from time to time in relation to the enjoyment, safety and cleanliness of the Common Areas, Common Facilities or other Common Items, or other assets of the Owners' Association;
- h. do all things necessary for the enforcement of the Articles, the Bylaws and the Co-Ownership Agreement and the Fircrest Resort Owner's Handbook and for the control, management and administration of the Common Areas, Common Facilities, Common Items or other assets of the Owners' Association, generally, including removing privileges in the use of certain facilities, or fixing and collecting fines for contravention of the Bylaws, or the rules or regulations set out in the Fircrest Resort Owner's Handbook;
- I. prohibit, at any time, the building of fires when weather or other conditions are considered unsuitable and represent a fire hazard;
- J. determine the levy for the Contingency Reserve Fund, which shall not be less than 5% of the total annual budget, until the reserve reaches an amount that the Owners' Association considers sufficient having regard to the type of buildings and other Common Items that are part of the Resort, and thereafter raise further

amounts for replacements of funds from time to time and over a period of time as

the Owners' Association thinks fit;

- k. join any organization serving the interests of Owners' Associations and assess the membership fee in the organization as part of the common expenses;
- l. prohibit the consumption of alcohol in its entirety on any Common Areas and Common facilities within the Resort;
- m. limit, in order to prevent over-use of the Resort, the number of Visitors or Day Guests visiting on any individual Site; and
- n. require Owners, Visitors and Day Guests to remove unruly, loud and/or misbehaving animals from the Resort and to detain roaming pets, and may, if necessary, remove such animals from the Resort without notice.

DIRECTORS

- 4. a. The powers and duties of the Owners' Association shall, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the directors of the Owners' Association.
- b. The Developer shall exercise the powers and duties of the directors until the directors are elected by the Owners.

FINES/INFRACTIONS

5.

- a. An infraction or violation of these Bylaws, or any rules and regulations established under them on the part of an Owner, his or her employees, agents, invitees or tenants may be corrected, remedied or cured by the Owners' Association. Any costs or expense so incurred by the Owners' Association shall be charged to that Owner and shall be added to and become a part of the assessment of that Owner for the month next following the date on which the costs or expenses are incurred, but not necessarily paid by the Owners' Association, and shall become due and payable on the date of payment of the monthly assessment.
- b. The Owners' Association may recover from an Owner by an action for debt in a court of competent jurisdiction, money which the Owners' Association is required to expend as a result of an act or omission by the Owner, his or her employees, agents, invitees or tenants, or an infraction or violation of these Bylaws or any rules or regulations established under them:

- i. Following a letter of warning, and unless otherwise stated in the bylaws, the fine for a violation of the bylaws or any rules and regulations established by the directors or committee of the Owners' Association is \$100.00 per violation;
- ii. Outstanding fines for violations are payable for each month the fine is outstanding and will increase in proportion of the following schedule:

Month	Fine	Total Due
1	\$100.00	\$100.00
2	\$200.00	\$300.00
3	\$300.00	\$600.00

- iii. Fines for the 2nd and subsequent violations of the same bylaw or rule by the same person are cumulative and as follows (to a maximum of \$2,000.00/month):

2nd violation

\$ 250.00

3rd violation

\$500.00

4th violation

\$1,000.00

5th violation

\$2,000.00

- iv. Any fines levied by the Owners' Association for an infraction or violation of these Bylaws or any rules and regulations established under them on the part of an Owner, the Owner's employees, agents invitees or tenants:
 - i. must be charged to the Owner; and
 - ii. must be added to and become a part of the assessment of that Owner for the month next following the date on which the infraction occurred and become due and payable on the date of payment of the monthly assessment;
- v. The Owners' Association may recover from an Owner, by an action for debt in any court of competent jurisdiction, any sum of money which the Owners' Association is required to expend as a result of any act or omission by the Owner, their employees, agents invitees, or tenants, which violates these Bylaws, and these shall be added to any amount found due, all costs of such action including costs as between solicitor and client.

PROHIBITIONS

6. An Owner shall not:

- a. use his or her Site for any purpose which may be illegal or injurious to the reputation of the Resort;
- b. make undue noise in or about any Site, the Common Areas or Common Facilities;
- c. itself (or permit a Visitor or Day Guest) to indulge in loud or boisterous conduct that interferes with the enjoyment of other Owners, Visitors and Day Guests of the Resort;
- d. enter or interfere with another Owner's Site unless permitted by such Owner;
- e. subject employees, contractors or agents of the Developer or the Owners' Association to an Owner's individual direction or control;
- f. itself (or permit a Visitor or Day Guest) to sell goods or services within the Resort without the prior approval of the Owners' Association;
- g. itself (or permit a Visitor or Day Guest) to post anything, including a sign such as a "For Sale" sign, on any Resort bulletin board or elsewhere within the Resort without first obtaining permission from the Owners' Association;
- h. use his or her Site, or permit the same to be used, in a manner or for a purpose that will cause a nuisance or hazard to any occupier of a unit, whether an Owner or not, or that is in contravention of any law applicable to the Site, or that will result in any unusual or objectionable noise or odour to emanate from the Site, or that is inconsistent with the intent of these Bylaws;
- I. itself (or permit a Visitor or Day Guest) to dry clothes outside or make use of clothes lines, except for the unobtrusive drying of bathing suits and towels;
- j. itself (or permit a Visitor or Day Guest) to gather or cut wood or other vegetation within or in the immediate vicinity of the Resort;
- k. allow the consumption of alcohol by any person under 19 years of age, or allow irresponsible consumption of alcohol of any person 19 years of age and older;
- l. itself (or permit a Visitor or Day Guest) to ride a bicycle after dusk, unless the bicycle is equipped with a light and reflectors;
- m. itself (or permit a Visitor or Day Guest) to travel above the speed limit, which is 10 **km** per hour, or allow itself or a Day Guest to park, in any circumstances, anywhere other than the designated parking areas;
- n. itself (or permit a Visitor or Day Guest) to make any major repairs or adjustments to motor vehicles on the Resort premises;
- o. itself, or permit a Visitor or Day Guest, to park boat trailers or other utility trailers

anywhere other than in designated storage areas, in any circumstances except when owner is absent from the site;

- p. itself (or permit a Visitor or Day Guest) to allow pets (including cats) outside or off of a leash, at all times (including night) and must dispose of all pet waste immediately to a garbage receptacle, in or outside of the Resort;
- q. itself (or permit a Visitor or Day Guest) to use the Common Areas or Common Facilities for private parties without authorization in advance from the Owners' Association accompanied by the applicable user fee, potentially accompanied by a refundable deposit; or
- r. itself (or permit a Visitor or Day Guest) to smoke, vape or consume cannabis in or around the Common Areas or Common Facilities, except as designated by the Owners' Association
- s. Cannabis or cannabis seedlings cannot be grown anywhere on the property including inside RV's or Cabins.

DAY GUEST PROHIBITION

- 7. In addition to other applicable provisions within these Bylaws or other applicable laws, a Day Guest shall not use the facilities of the Resort unless accompanied by the Owner or registered Visitor, and, in any circumstances and at any time, the number of Day Guests is limited to a maximum of 4 persons per Owner or registered Visitor, unless prior approval is given by the Owners' Association.

RECREATION, COMMON FACILITIES AND EQUIPMENT

- 8. Common Areas, Common Facilities and Common Items are for the sole use of Owners, Visitors and Day Guests of the Resort.

PROMOTION

- 9. During the time that the Developer owns one or more Shares, the Developer shall have the right to maintain one or more Sites or the House Site as display Sites, and to carry out sales functions as the Developer considers necessary, including placing and maintaining exterior signage and access to Common Areas and Common Facilities, to enable to the Developer to sell Shares attached to Sites in the Resort.

MAINTENANCE PAYMENTS

- 10.
 - a. Monthly maintenance payments are due and payable on or before the first day of each month. Maintenance fees not received by the 10th of the month in question may be subject to a fine of \$50.00 for each month or portion thereof that a maintenance payment is late;

- b. When arrears aggregate three monthly maintenance payments a may be placed on the Site involved at the Owner's expense for the total monies due, including all legal and other expense

DISTURBANCE OF OTHERS

11.

- a. No unreasonable amount of noise shall be made in or about the Site or on the Common Areas or Common Facilities which, in the opinion of the Owners' Association, interferes with the enjoyment by others of other Sites or the Common Areas or Common Facilities.
- b. An Owner shall not operate his or her barbeque, smoker or firepit in a manner which, in the opinion of the Owners' Association, interferes with another Owner's enjoyment of his or her Site.
- c. Cycling on Common Areas or Common Facilities other than the roadways and designated trails is prohibited.
- d. Carpentry or similar alterations shall be limited to the hours between 8:00 a.m. and 8:00 p.m., Monday through Saturday inclusive.

HAZARDS

12.

- a. Fire hazards must be minimized. No item shall be brought onto or stored on a Site or the Common Areas or Common Facilities which will in any way increase or tend to increase the risk of fire or the rate of fire insurance or any other insurance policy held by the Owners' Association, or which will invalidate any insurance policy.

CLEANLINESS

13.

- a. All household's refuse and recycling material shall be secured in suitable plastic bags or recycling containers and taken to the common garbage or recycling containers.
- b. Any waste material other than ordinary household refuse and normally collected recycling materials shall be removed by the individual Owner or occupant of the Site.
- c. There shall be no smoking, vaping or consumption of cannabis within the Common Areas or Common Facilities, except as designated by the Owners' Association.

- d. No garbage, residue from barbecues, or other material shall be permitted to accumulate on decks, on or beneath the surface boards of decks or on any improvements on a Site.

DAMAGE TO PROPERTY

14.

- a. Where the Owners' Association is required to enter a Site for the purpose of maintaining, repairing, or renewing pipes, wires, cables, and ducts for the time being existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or the Common Areas or Common Facilities, the Owners' Association and its agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the Site occasioned by such works and restore the Site to its former condition, leaving the Site clean and free from debris.
- b. An Owner or occupant shall not cause damage to trees, plants, bushes, flowers or lawns and shall not place chairs, tables or other objects on lawns or grounds so as to damage them or prevent growth.
- c. Tree removal must be pre-approved by the Co-Owner's Association and conducted by a professional tree removal service with the appropriate insurance; any removal of trees without prior authorization will be assessed a penalty of \$5,000.00
- d. the transferor owner paying a \$1000.00 application fee to the Owner's Association to cover the cost of legal fees and associated transfer costs.

MOVING AND RESALE

15.

- a. It will be the express responsibility of the Owner to ensure that all moves in or out of the Resort by the Owner conform to the regulations as established by the Owners' Association from time to time.
- b. No advertising for the resale or rental of a Site shall be permitted within the boundaries of the Resort without the prior consent of the Owners' Association.
- c. The Owners' Association shall provide for a central resale directory board (the "Directory"), and shall ensure that individual resale signage is restricted to notification in such Directory.

CONSTRUCTION OF DECKS, SHEDS, GAZEBOS AND PRIVACY SCREENING

- 16. Owners are permitted to construct the above items provided that they comply with the "Construction Regulation" set out by the Owners' Association, as attached hereto as "Appendix A", provided that Owners have first obtained the approval from the Owners' Association prior to the commencement of construction of any such improvement.
- 17. Setbacks to adjoining site and roadways must be adhered to as set out in the "Construction Regulation".
- 18. Materials used and colouring (stains) must be adhered to as set out in the "Construction

Regulations" and or the Fircrest Resort Owners' Handbook.

DEFINITIONS

19. The following terms shall have the meanings set forth below:
- a. "Developer" means 0972514 BC Ltd., a corporation incorporated under the laws of British Columbia
 - b. "Directory" means the central resale directory board to be provided by the Owners' Association, and to be located on the Resort Lands;
 - c. "Maintenance Payments" means an Owner's contribution to Common Costs pursuant to the Articles, as defined in the Co-Ownership Agreement;
 - d. "Owner" means the holder of a Share in the Fircrest Resort Owners' Corporation;
 - e. "Owners' Association" means the "Fircrest Resort Owners' Corporation";
 - f. "Share" means the Share Interest, as defined in the Co-Ownership Agreement;
 - g. "Site" means that portion of the Resort Lands identified as a site in the Site Plan;
 - h. "Unit" means an individual residence on a Site.
 - i. "Visitor" means any person, once registered pursuant to section 1(k) of these Bylaws, using and occupying the Site of an Owner or any of the Common Areas and Common Facilities and who is not Immediate Family to the Owner or a Day Guest.

Appendix A Construction Regulations

Site owners are permitted to add structures to their Site such as decks, patios, gazebos, tool sheds, trellises, provided that they are professionally constructed and conform to the regulations set out in this Construction Regulations. **IT IS STRONGLY RECOMMENDED THAT PROFESSIONAL CARPENTERS BE RETAINED WHEN CONSTRUCTING ANY OF THE ABOVE STRUCTURES.** The Manager will provide the names of local carpenters.

Requirements are:

- All site alterations, construction, landscape designs, and placements of decks, patios and gazebos are subject to approval by the Owners' Association
- All structures shall be constructed with or wrapped in wood.
- All lumber is to be stained using Cloverdale Paint Weather One 06680 N color ST013 Rustic Brown
 - Hardware such as hinges, railing, pickets, and other metal materials that are exposed are to be black in colour.
 - Eave troughs, if used, must be a dark brown colour.
 - Solar lighting for post caps, marking walkways is encouraged as opposed to incandescent or florescent lighting.
 - Skirting of RV's shall be of a similar material and color as the unit being skirted or of deck materials and color.
 - Roofing materials for sheds, covered deck area and gazebos must be either Cedar Shake Shingles or Asphalt Shingles, fiberglass, aluminum and be Antique Brown or Sienna Blend (Rusty Brown)
 - Patios are defined by the CRD as anything that is ground level. Decks are defined as anything that any portion of is above ground level

Specific Examples:

- (1) Decks (defined as anything that protrude above ground :
 - (a) The size of the deck constructed is subject to approval by the Owner's Association or its designated representative and sizing must be pre-approved.
 - (b) The area over the deck can be roofed in or have trellis installed providing the area enclosed is not more than 50% of the total deck area.
 - (c) Roofed over deck areas can be screened but not glassed in.
 - (d) Spindles for deck railing must either be wood (2"x2") material similar to the decking or black metal spindles.
 - (e) Skirting for decks (if required) must be materials similar to decking and stained as per approved stain

EXAMPLES OF DECKING:

Deck using 2" by 2" wood spindles and skirting



Deck Using Iron Spindles



(2) “Permanent” Gazebos:

- (a) Can be either stand alone or be incorporated as part of the deck.
- (b) Maximum size as a stand-alone is 12’ x 14’. Maximum size on a deck is 50% of total deck area
- (c) As with decks the gazebos cannot encroach closer than .9 meters or 3 feet of the adjoining property lines.
- (d) Gazebos can be screened in but not glassed in. They can be constructed of wood or metal but must be brown
- (e) Roof materials must be either Cedar Shake Shingles or Asphalt Shingles, fiberglass, aluminum and be Antique Brown or Sienna Blend (Rusty Brown)
- (f) Base of stand alone gazebos must be ground level as with a patio

(3) Tool /Storage Sheds:

- (a) Tool or storage sheds cannot exceed 50 sq. Ft. in floor area.
- (b) Tool or storage sheds cannot encroach closer than .9 meters or 3 feet of the adjoining property lines.
- (c) Trim boards, fascia and soffits must be either natural stained wood or painted / stained dark brown.
- (d) Eave troughs, if used, must be a dark brown color.
- (e) Roof materials must be either Cedar Shake Shingles or Asphalt Shingles, fiberglass, aluminum and be Antique Brown or Sienna Blend (Rusty Brown)
- (f) hinges and other door hardware must be black in color.



(4) Fences and Privacy Screening:

Fences are not permitted. However, privacy screening may be erected on the deck areas. Neighbour friendly perimeter markers to identify lot lines are permitted upon approval of the Owners Association.

Sample perimeter markers



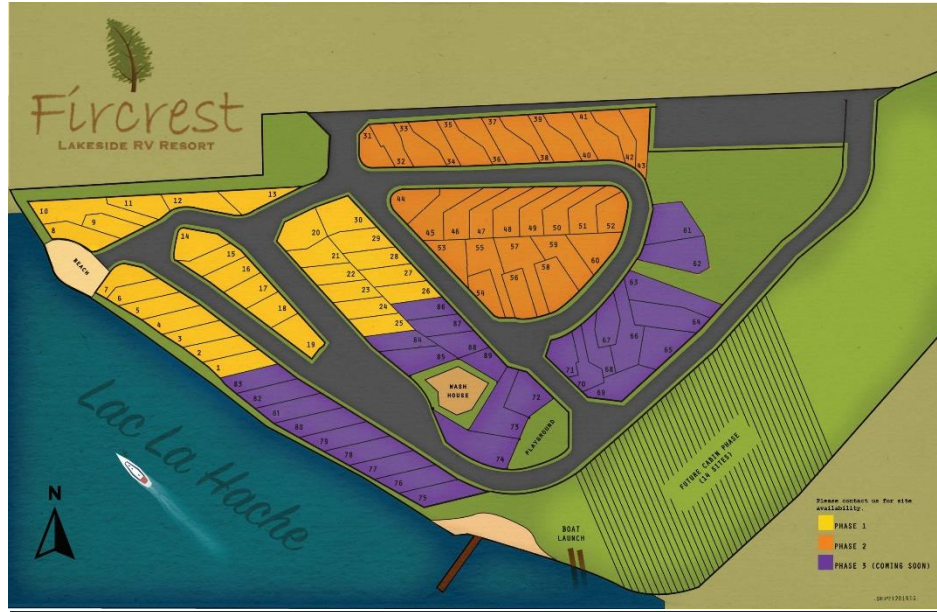
(5) Landscaping

Landscaping can include flower beds, gardens and designs that will not infringe on the view and enjoyment of other sites.

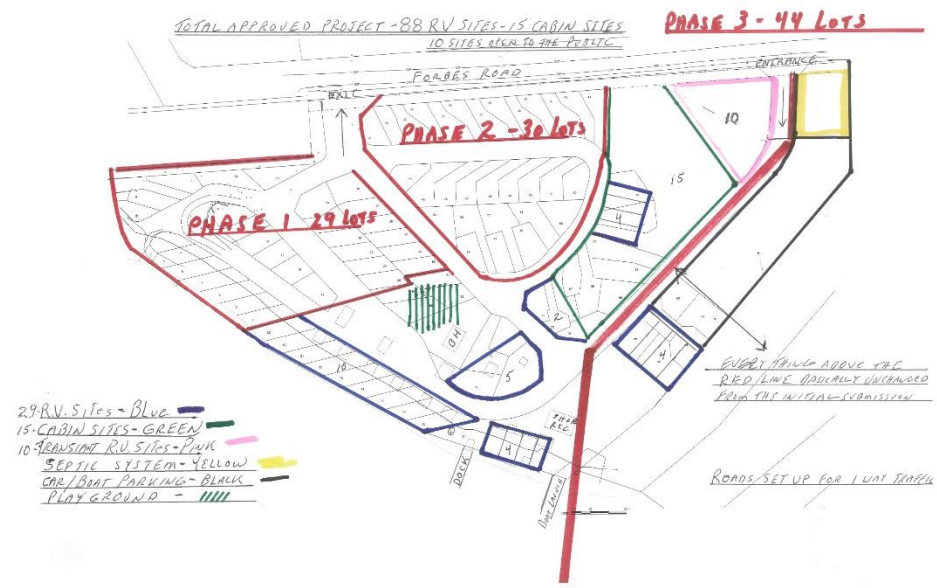
SCHEDULE B

SITE PLAN

Original Site Plan



Revised Site Plan (subject to change)



SCHEDULEB

SITE PLAN



Fircrest
LAKESIDE RESORT



SITE MAP



PHASE 1

PHASE 2

COTTAGE

SOLD

PENDING

For illustrative purposes only.
Site Map may not be to scale.

SCHEDULE C

THE OWNERS AND SITE NUMBERS

Site No.

Name(s) of Owner(s)

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

16.

17.

18.

19.

20.

21.

22.

23.

24.

25.

26.

27.

28.

29.

30.

31.

32.

33.

34.

35.

36.

37.

38.

39.

40.

41.

42.

43.

44.

45.

46.

47.

48.

49.

50.

51.

52.

53.

54.

55.

56.

57.

58.

59.

60.

61.

62.

63.

64.

65.

66.

67.

68.

69.

70.

71.

72.

73.

74.

75.

76.

77.

78.

79.

80.

81.

82.

83.

84.

85.

86.

87.

88.

89.

90.

91.

92.

93.

94.

95.

96.

97.

98.

99.

100.

101.

102.

103.

SCHEDULE D

VOTING TRUST AGREEMENT

VOTING TRUST AGREEMENT

TIDS AGREEMENT made as of «Closing Date»

BETWEEN:

0972514 B.C. Ltd., having an office at 1411B 8th Avenue
SE, Calgary Alberta, T2G 0N1.

(the "**Developer**")

AND:

«Purchaser»
«Purchasers_Address»

(the "**Owner**")

WHEREAS:

- A. The Owner is the registered and beneficial owner of one or more shares (the "**Shares**") in the capital of 1190304 B.C. Ltd. DBA Fircrest Resort Owners' Corporation (the "**Owners' Association**").
- B. Pursuant to section 16.1 of an agreement (the "**Co-Ownership Agreement**") dated as of «Closing Date», between the Owner, the Developer, the Owners' Association and the parties listed in Schedule "C" of the Co-Ownership Agreement, such list being amended from time to time, the Owner has agreed to execute this Agreement and to abide by the terms and conditions set out herein.

NOW THEREFORE in consideration of the foregoing and of the mutual covenants and agreements herein contained, the parties agree as follows:

Article 1 **VOTING TRUST**

1.1 Power of Attorney

Robert Doornenbal or a person whom the Developer may designate (the "**Voting Trustee**") being the director of the Developer will from time to time issue or cause to be issued to the Owner directions in writing in respect of the Shares with respect to voting such Shares, in such a form, containing such terms and conditions as may be determined by the Developer, and the Owner will or will cause to be voted such Shares in accordance with said direction. Without limiting the generality of the foregoing, the Owner will deliver to the Voting Trustee an irrevocable power of attorney (the "**Power of Attorney**") in the form annexed hereto as Appendix "A" on the date hereof. The Power of Attorney shall authorize the Voting Trustee, as attorney thereunder, to deal with all Shares owned by the Owner in the manner set out therein, including, without limitation, in accordance with the terms of any written direction from the Voting Trustee to the Owner.

1.2 Voting of Shares

The Voting Trustee shall be entitled to deliver to the chairman of any meeting of shareholders of the Owners' Association, a proxy or proxies executed by the Voting Trustee voting the Shares pursuant to the Power of Attorney. If the Voting Trustee delivers a proxy or proxies executed in accordance with the Power of Attorney before the commencement of any such meeting, such proxy shall revoke any proxies otherwise executed and delivered by or on behalf of the Owner, or any other registered holder of the Shares in respect of such meeting. The Voting Trustee shall be further entitled to execute on behalf of the Owner pursuant to the Power of Attorney, any resolution or other instrument in writing to be executed by the voting shareholders of the Owners' Association, including but not limited to any instrument respecting the sale or other transfer of the Shares, provided that the Power of Attorney shall not extend to amendments of this Agreement or to the Power of Attorney.

Article 2 GENERAL CONTRACT PROVISIONS

2.1 Term of Agreement

This Agreement shall take effect on the date hereof and shall remain in full force and effect until such time as the earliest of either:

- (a) the Expiry Date, as defined in section 16.1 of the Co-Ownership Agreement; or
- (b) this Agreement being terminated by written agreement executed and delivered by each of the parties hereto; or
- (c) the dissolution or bankruptcy of the Owners' Association or the making by the Owners' Association of an assignment in bankruptcy.

2.2 Amendments

This Agreement may be amended at any time by written instrument executed and delivered by each of the parties hereto.

2.3 Notice

All notices, requests, demands or other communications required or permitted to be given by one party to another hereunder shall be given in writing by facsimile transmission, personal delivery or by registered mail, postage prepaid, addressed to such other party or delivered to such other party as follows:

- (a) «Purchaser», «Purchasers_Address»
- (b) Developer: 0972514 B.C. Ltd.
102-475 Birch Avenue, 100 Mile House, B.C., V0K, 2E0

or at such other address of which notice is given in writing from time to time and such notices,

requests, demands or other communications shall be deemed to have been received when delivered, or, if sent by facsimile, on the same day on which such notice was sent, or, if mailed, on the fourth business day after the mailing thereof; provided that if any such notice, request, demand or other communications shall have been mailed and if regular mail service shall be interrupted by strikes or other irregularities on or before the fourth business day after the mailing thereof, such notices, requests, demands or other communications shall be deemed to have been received on the fourth business day following the resumption of normal mail service.

2.4 Other Documents

The parties hereto shall sign such further and other documents, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their votes and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement throughout the term of this Agreement.

2.5 Time of the Essence

Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.

2.6 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

2.7 Entire Agreement

This Agreement and the terms hereof shall constitute the entire agreement between the parties hereto with respect to all of the matters herein and its execution has not been induced by, nor do any of the parties hereto rely upon or regard as material, any representations or writings whatsoever not incorporated herein and made a part hereof.

2.8 Severability

If any article, section or portion of any section of this Agreement is determined to be unenforceable or invalid for any reason whatsoever, that unenforceability or invalidity shall not affect the enforceability or validity of the remaining portions of this Agreement and such unenforceable or invalid article, section or portion thereof shall be deemed to be severed from the remainder of this Agreement.

2.9 Gender

The necessary grammatical changes required to make the provisions of this Agreement apply to either corporations or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

POWER OF ATTORNEY

DATED as of «Closing_Date»

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS the undersigned (the “**Owner**”) entered into a voting trust agreement (the “**Voting Trust**”) dated as of the date hereof with 0972514 BC Ltd. (the “**Developer**”), pursuant to section 16.1 of a co-ownership agreement (the “**Co-Ownership Agreement**”) between the Owner, the Developer, Fircrest Resort Owners’ Corporation (the “**Owners’ Association**”) and the parties listed in Schedule “D” of the Co Ownership Agreement, such list being amended from time to time; and

AND WHEREAS under the Voting Trust, the Owner agreed to deliver a power of attorney to enable the Voting Trustee (as hereinafter defined) to execute the voting rights attached to all securities in the capital of the Owners’ Association currently owned by the Owner or which the Owner may from time to time own (collectively, the “**Shares**”).

NOW THEREFORE, in consideration of the premises and other valuable consideration, the Owner does hereby constitute and appoint Robert Doornenbal, (the “**Voting Trustee**”) as the true and lawful attorney for the Owner, and in the name, place and stead of the Owner, to (i) to deal with the Shares in accordance with the terms of the Owners’ Association’s articles, bylaws and the Co-Ownership Agreement, and any written direction from the Developer or the Voting Trustee to the Owner relating to the Shares, (ii) to vote the Shares at and to execute and deliver any and all proxies relating to any meeting of shareholders of the Owners’ Association, or any adjournments thereof, and (iii) to execute on behalf of the Owner, any resolution or other instrument in writing to be executed by the voting shareholders of the Owners’ Association (except any amendment to the Voting Trust or this power of attorney), with respect to the Shares. The provisions of this power of attorney relating to the Shares shall apply, *mutatis mutandis*, to any shares or securities into which the Shares may be converted, exchanged, changed, reclassified, re-designated, subdivided or consolidated, any shares or securities which entitle the holder thereof to vote at any meeting of shareholders of the Owners’ Association which may be distributed on the Shares as a stock dividend or otherwise and any shares or securities of the Owners’ Association or of any successor corporation which may be received on or in respect of the Shares on a reorganization, amalgamation, consolidation or merger, statutory or otherwise.

This power of attorney shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia.

This power of attorney is granted to the Voting Trustee and, being coupled with an interest, shall not be revocable by the Owner for any reason prior to the termination of the Voting Trust.

Any proxy executed by the Voting Trustee and delivered pursuant hereto relating to any matter or meeting of shareholders or any adjournments thereof shall revoke any proxy otherwise executed

and delivered by or on behalf of the Owner with respect to such meeting or any adjournments thereof, regardless of the respective dates thereof.

IN WITNESS WHEREOF the undersigned has executed this power of attorney as of the date first written above.

_____)	_____
Witness)	«Purchaser»
_____)	_____
Witness)	«Purchaser»
_____)	_____
Witness)	«Purchaser»