



THIS AGREEMENT is dated for reference April 24, 2003 and is made under the *Park Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the minister responsible for the *Park Act*

(the "Province")

AND:

R.L.C. ENTERPRIZE LTD., (Inc. No. 0367275)

(the "Permittee")

The parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 In this Agreement,

"Agreement" means this park use permit;

"Additional Fees" means the fees to be collected by the Permittee from Operating Area Users for Additional Services;

"Additional Services" means the services, other than Park Act Services, identified in the Annual Operating Plan;

"Annual Operating Plan" means

- (a) in the case of the first year of the Term, the operating plan which was approved by the Province as part of the proposal that led to the grant of this Agreement to the Permittee, and
- (b) for the remainder of the Term, the operating plan approved by the Province under Article 5,

and includes all amendments to and replacements of those plans;

"Commencement Date" means June 15, 2003;

"Disposition" includes a park use permit, resource use permit or other authorization made under the *Park Act*;

"Facilities" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Operating Area and attached to the Operating Area or intended to become a part of the Operating Area;

"Financial Security" means the security referred to in section 7.1 or 7.2, as replaced or supplemented in accordance with section 7.5;

"Gross Revenue" means the Park Act Fees and the Pass Fees collected by the Permittee under this Agreement, excluding GST;

"GST" means the goods and services tax imposed under the *Excise Tax Act* (Canada);

"Operating Area" means that part or those parts of the Parks identified in Schedule "A";

"Operating Area User" means a person in the Operating Area;

"Operating Year" means the period of time commencing on April 1st (except in the case of the first year of the Term when the period of time will commence on the Commencement Date) and terminating on March 31st in the following year;

"Operational Maintenance" means the maintenance of the Facilities that is described in Schedule "C" but does not include Preventative Maintenance;

"Park Act Fees" means the Park Act Fees (Basic) and the Park Act Fees (Increase);

"Park Act Fees (Basic)" means the fees, except for Pass Fees, imposed under the *Park Act* for Park Act Services which are in force on the Commencement Date;

"Park Act Fees (Increase)" means

- (a) any increase in the fees, except for Pass Fees, imposed under the *Park Act* during the Term which exceed the Park Act Fees (Basic);
- (b) the fees, except for Pass Fees, imposed under the *Park Act* during the Term, and
- (c) any increase in the fees referred to in paragraph (b) during the Term;

"Park Act Services" means the activities for which a fee is imposed under the *Park Act* for the use of the Facilities and services in a Park;

"Park Design Standards" means the document entitled "Park Design Guidelines & Data" which is dated 1996 and includes all amendments to and replacements of that document;

"Park Facility Standards" means the document entitled "Park Facility Standards" which is dated August 1991 and includes all amendments to and replacements of that document;

"Park Information Standards" means the document entitled "Standards for Park Information for Park Facility Operators" which is dated December 2002 and includes all amendments to and replacements of that document;

"Parking Fees" means

- (a) the fees imposed under the *Park Act* which are in force on the Commencement Date for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked,
- (b) all fees imposed under the *Park Act* during the Term for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked, and
- (c) any increase in the fees referred to in paragraphs (a) and (b) during the Term;

"Parks" means the parks, recreation areas and protected areas listed in Schedule "B";

"Pass Fees" means the Parking Fees and the Recreation Stewardship Fees collected by the Permittee under this Agreement;

"Policies" means the policies of the Province entitled

- (a) "BC Parks Conservation Program Policies" which is dated September 1997,
- (b) "BC Parks Impact Assessment Process, Part 1, Policy" which is dated April 1999,
- (c) "BC Parks Impact Assessment Process, Part 2, User Guide" which is dated April 1999, and
- (d) "Bear-People Conflict Prevention Plan" which is dated December 2002,

and includes all amendments to and replacements of those policies;

"Preventative Maintenance" means the maintenance of the Facilities described in the Three Year Business Plan but does not include Operational Maintenance;

"Preventative Maintenance Amount" means, subject to Article 5, s.17, s.21

"Recreation Services" means the Additional Services and the Park Act Services;

"Recreation Stewardship Annual Pass" means the annual pass referred to in the Regulations which permits vehicle parking in the Parks;

"Recreation Stewardship Fees" means

- (a) the fees imposed under the *Park Act* for a Recreation Stewardship Annual Pass which are in force on the Commencement Date, and
- (b) any increase in the fees referred to in paragraph (a) during the Term;

"Regulations" means the regulations made under the *Park Act*;

"Subcontractor" means the person or persons listed in section 11 of Schedule "C" and any other person approved, in writing, by the Province;

"Term" means the period of time set out in section 2.3;

"Three Year Business Plan" means

- (a) in the case of the first three years of the Term, the plan which was approved by the Province as part of the proposal that led to the grant of this Agreement to the Permittee, and
- (b) for the remainder of the Term, the plan approved by the Province under Article 5,

and includes all amendments to and replacements of those plans;

"User Guide" means the document entitled "User Guide for Condition Assessments and Instructions for the Use of Forms" which is dated November 20, 2002 and includes all amendments to and replacements of that document;

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

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

1.2 The schedules to this Agreement are as follows:

Schedule "A" – Operating Area;
Schedule "B" – Parks;
Schedule "C" – Service Standards;
Schedule "D" – Financial Matters; and
Schedule "E" – Annual Operating Plan Requirements.

ARTICLE 2 - GRANT OF RIGHTS AND TERM

2.1 On the terms and conditions of this Agreement, we grant you a park use permit to occupy the Operating Area only for the purposes of

- (a) offering the Recreation Services to Operating Area Users;
- (b) operating and maintaining the Facilities;
- (c) collecting and retaining the Additional Fees;
- (d) collecting and either retaining or remitting the Park Act Fees (Basic) to us in accordance with Schedule "D";
- (e) collecting and remitting the Park Act Fees (Increase) and the Pass Fees to us in accordance with Schedule "D";
- (f) offering Recreation Stewardship Annual Passes for sale to Operating Area Users;
- (g) permitting Operating Area Users who are exempt from the payment of Park Act Fees and Pass Fees under the *Park Act* (and the other persons described in section 2 of Schedule "C") to use the Operating Area free of charge; and
- (h) controlling the Operating Area to ensure its safe and orderly use by Operating Area Users including the right to
 - (i) regulate and prohibit the entry, movement and activities of Operating Area Users,
 - (ii) evict Operating Area Users, and
 - (iii) make arrangements with the police force having jurisdiction over the Operating Area to regulate public safety and conduct.

2.2 In addition to the rights granted to you under section 2.1, you may advertise the Recreation Services offered by you under this Agreement provided such advertising complies with the Park Information Standards.

- 2.3 The term of this Agreement commences on the Commencement Date and terminates on October 31, 2013, or such earlier date provided for in this Agreement.
- 2.4 If we decide to permit the offering of services, other than Recreation Services, in the Operating Area we will offer you the first right to offer such services to Operating Area Users as Additional Services and, if you accept our offer, we will approve the offering of those Additional Services in the Annual Operating Plan for the next Operating Year.

ARTICLE 3 - FINANCIAL MATTERS

- 3.1 You will remit the Park Act Fees and the Pass Fees to us in accordance with Schedule "D" and we will pay to you the amounts set out in Schedule "D" at the times set out in that schedule.
- 3.2 You must keep books and records with respect to your operations under this Agreement and enter in them, among other things, all transactions pertaining to Gross Revenue and we may inspect and take copies of and cause an audit to be taken by an independent auditor of such books and records.
- 3.3 In the event that an audit taken under section 3.2 reveals that the amount paid or credited to us under this Agreement was less than that required under this Agreement you must immediately pay to us the cost of that audit together with the outstanding amount.
- 3.4 You are registered for GST purposes (GST registration number s.17, s.21 and you will, in accordance with the *Excise Tax Act* (Canada), account to the Receiver General (Canada) for the GST collected by you under this Agreement.

ARTICLE 4 - COVENANTS

- 4.1 You must
- (a) pay, when due,
 - (i) all money payable by you to us under this Agreement to us at the address set out in Article 11,
 - (ii) all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any competent governmental authority which relate to the Operating Area, the Facilities, or both of them, and your operations under this Agreement and which you are liable to pay, and
 - (iii) all charges for electricity, gas, water, sewer, fuel oil, telephone and other utilities supplied to the Operating Area;

- (b) deliver to us immediately upon demand, receipts or other evidence of the payment of all money required to be paid by you under this Agreement;
- (c) observe, abide by and comply with
 - (i) all laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Parks and the Facilities, or their use and occupation, and your operations under this Agreement,
 - (ii) the provisions of this Agreement,
 - (iii) the provisions of the Park Design Standards, the Park Facility Standards, the Park Information Standards, the Policies, the User Guide and the documents entitled "Discover Camping™ Reservation Service, Guidelines for Park Facility Operators, 2002" and "Facility Management System User Manual" as they affect the Parks and the Facilities, or their use and occupation, and your operations under this Agreement, and
 - (iv) all of your obligations set out in the schedules to this Agreement;
- (d) at your expense, keep the Operating Area and the Facilities in a safe, clean and sanitary condition and, at our written request, make the Operating Area and the Facilities safe, clean and sanitary;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Operating Area or do anything on the Operating Area that may be or become a hazard, nuisance or annoyance to an owner or occupier of land in the vicinity of the Operating Area;
- (f) not remove, destroy, damage, disturb or exploit any natural resource (as that term is defined in the *Park Act*) in the Operating Area without our prior written consent and without providing to us the written undertaking referred to in the *Park Act*;
- (g) use and occupy the Operating Area only in accordance with and for the purposes set out in section 2.1;
- (h) permit us, or our authorized representatives, to enter on the Operating Area at any time to inspect the Operating Area and the Facilities;
- (i) not make, construct, install, erect, build, alter, add to, in on or under the Operating Area any Facility or repair, replace, restore or overhaul any Facility except for the purposes set out in the Annual Operating Plan and
 - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or

- (ii) if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us;
- (j) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Operating Area except for money that you are required to hold back under the *Builders Lien Act*;
- (k) if any claim of lien over the Operating Area is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Operating Area or any interest of yours under this Agreement to sale or forfeiture;
- (l) not permit Operating Area Users to
 - (i) undertake any activity in the Operating Area that is prohibited under the *Park Act* or the Regulations, or
 - (ii) enter on any part of the Operating Area that is, in your reasonable opinion, unsafe due to an existing or potential hazard, including fires and dangerous animals, and you must immediately advise us of all existing or potential hazards;
- (m) take all reasonable precautions to prevent and suppress fires in the Operating Area;
- (n) not misrepresent your rights or obligations under this Agreement to any person;
- (o) supply all labour, vehicles, equipment, tools, materials and supplies that are necessary to fulfil your obligations under this Agreement;
- (p) not interfere with the lawful activities of Operating Area Users except as expressly permitted or required under this Agreement;
- (q) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of
 - (i) your breach, violation or nonperformance of a provision of this Agreement, and
 - (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Operating Area by virtue of your entry upon, use or occupation of the Operating Area,

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

- (r) on the termination of this Agreement,
- (i) peaceably quit and deliver to us possession of the Operating Area and, subject to paragraphs (ii) and (iii), the Facilities in a safe, clean and sanitary condition,
 - (ii) within 30 days, remove from the Operating Area any Facility you want to remove, if the Facility was placed on or made to the Operating Area by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Operating Area,
 - (iii) remove from the Operating Area any Facility that we, in writing, direct or permit you to remove, other than any Facility permitted to be placed on or made to the Operating Area under another Disposition, and
 - (iv) restore the surface of the Operating Area as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove a Facility under paragraph (iii), this paragraph will not apply to that part of the surface of the Operating Area on which that Facility is located,

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

- 4.2 You will not permit any person to do anything you are restricted from doing under this Article.
- 4.3 You acknowledge receipt from us of a copy of the documents referred to in paragraph 4.1(c)(iii).

ARTICLE 5 - ANNUAL OPERATING PLAN, THREE YEAR BUSINESS PLAN AND PREVENTATIVE MAINTENANCE

- 5.1 You must, at your expense, prepare and deliver to us for our approval not later than November 1, 2003 and each anniversary of that date during the Term,
- (a) a proposed operating plan for the next Operating Year which must
 - (i) describe in detail your plan to implement the provisions of the Three Year Business Plan during that Operating Year,
 - (ii) describe the services you propose to offer to Operating Area Users in addition to the Recreation Services and the fees you propose to collect from Operating Area Users for those services, and
 - (iii) include the information set out in Schedule "E"; and

- (b) the Three Year Business Plan which is updated to include the following information with respect to your proposed operation under this Agreement in the Operating Year which is to start in the year following the last Operating Year addressed in the Three Year Business Plan:
 - (i) a description of and proposed timing for
 - (A) the services you propose to offer to Operating Area Users in addition to the Recreation Services and the fees you propose to collect from Operating Area Users for those services,
 - (B) the repairs, replacements, restorations and overhauls you propose to make to the Facilities,
 - (C) the Facilities you propose to make, construct, install, erect, build, alter or add to, in, on or under the Operating Area,
 - (D) your advertising program, and
 - (E) reports to be completed by you, in accordance with the User Guide, to assess the state of repair of the Facilities,
 - (ii) revenue and cash flow projections,
 - (iii) your organizational structure and proposed staffing levels,
 - (iv) staff hiring, training and dismissal policies, and
 - (v) the arrangements you propose to make, if any, with the communities in which the Operating Areas are located (including First Nations) concerning the delivery of Recreation Services.

5.2 Not later than 30 days following the delivery of the proposed operating plan and the updated Three Year Business Plan to us under section 5.1, we will review those plans and, in our sole discretion, either approve or reject those plans and, if we reject one or both of those plans, we will notify you, in writing, of all information that we require from you in order to review and evaluate the rejected plan or plans and all revisions that we require you to make to the rejected plan or plans, including the revisions referred to in section 5.3, and, not later than 30 days following your receipt of that notice, you will deliver to us the requested information and the revised plan or plans and you acknowledge that, among other things, the revisions we ask you to make to the proposed operating plan and the updated Three Year Business Plan will ensure that

- (a) the proposed operating plan complies with the provisions of the Three Year Business Plan for the Operating Year for which the proposed operating plan is submitted; and

- (b) the updated Three Year Business Plan
 - (i) complies with the proposal that led to the grant of this Agreement to you, and
 - (ii) provides for the assessment of the condition of each of the Facilities at least once every five years of the Term.
- 5.3 With respect to the Preventative Maintenance described in the proposed operating plan referred to in subsection 5.1(a), you acknowledge that we may, in our sole discretion, approve or reject any item of Preventative Maintenance described in that proposed operating plan and, if we reject an item of Preventative Maintenance and we later complete that Preventative Maintenance, you will immediately upon demand pay to us all of the costs incurred by us to complete that Preventative Maintenance.
- 5.4 You must complete all inspections, diagnostic maintenance and condition assessments of the Facilities in accordance with the schedule set out in the Annual Operating Plan and, with respect to condition assessments of the Facilities, such condition assessments must be completed by a person approved, in writing, by us and to the standards required by the User Guide.
- 5.5 Not later than 30 days following the completion of each item of Preventative Maintenance described in the Annual Operating Plan, you will advise us of all of your costs to complete such Preventative Maintenance and deliver to us a copy of invoices for the services and materials supplied to you to complete that Preventative Maintenance and such invoices must
 - (a) identify the services or materials supplied to you to complete the Preventative Maintenance; and
 - (b) be acknowledged, by the supplier of the services or materials, to be paid in full by you.
- 5.6 If you expend
 - (a) less than the Preventative Maintenance Amount on Preventative Maintenance in an Operating Year then we may, in our sole discretion, advise you in writing that
 - (i) the Preventative Maintenance Amount for the following Operating Year will be increased by an amount equal to the unexpended amount, or
 - (ii) you must pay to us an amount equal to the unexpended amount not later than 30 days following delivery of that written notice to you; or
 - (b) more than the Preventative Maintenance Amount on Preventative Maintenance in an Operating Year then the Preventative Maintenance Amount for the next Operating Year will be deemed to be reduced by an amount equal to the amount spent by you in the previous Operating Year in excess of the Preventative Maintenance Amount.

- 5.7 You acknowledge that we may, not later than October 1 in any year of the Term and by notice in writing to you, change the Preventative Maintenance Amount for the next Operating Year.
- 5.8 You agree with us that, despite subsection 5.1(b), you must, at your expense,
- (a) prepare and deliver to us not later than November 1, 2005 and November 1, 2008 a proposed new Three Year Business Plan and a proposed Schedule "D" applicable to the following three years of the Term;
 - (b) after making the proposals under subsection (a), attempt, in good faith, to negotiate an agreement with us as to a new Three Year Business Plan and a Schedule "D" applicable to the following three years of the Term; and
 - (c) enter into such amendments to this Agreement as are necessary to reflect any agreement reached under subsection (b).
- 5.9 If an agreement is not reached under subsection 5.8(b) within 60 days after delivery of the proposals contemplated by subsection 5.8(a) or you fail to deliver such proposals within the time required by subsection 5.8(a), either party may terminate this Agreement on 60 days' written notice to the other and neither party will be entitled to compensation from the other if this Agreement is terminated under this section.
- 5.10 Article 10 does not apply to a failure of the parties to reach an agreement under subsection 5.8(b).
- 5.11 Sections 5.1 and 5.2 apply to a Three Year Business Plan to which the parties may agree under subsection 5.8(b).

ARTICLE 6 - LIMITATIONS

- 6.1 You agree with us that
- (a) we are under no obligation to provide access or services to the Operating Area or to maintain or improve existing access roads;
 - (b) we may make other Dispositions of or over the Operating Area;
 - (c) you will make no claim for compensation, in damages or otherwise, in respect of a Disposition made by us under subsection (b), where such Disposition does not materially affect the exercise of your rights under this Agreement;
 - (d) all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the rights reserved to us in subsection (b) will be borne solely by you;

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

ARTICLE 7 - FINANCIAL SECURITY AND INSURANCE

- 7.1 On the Commencement Date, you will deliver to us security in the amount of s.17, s.21 which will
- (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 7.2 Despite section 7.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- 7.3 We may use the Financial Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you and, if such event occurs, you will, within 30 days of that event, deliver further Financial Security to us in an amount equal to the amount drawn down by us.
- 7.4 After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Financial Security maintained under section 7.1, less all amounts drawn down by us under section 7.3.
- 7.5 You acknowledge that we may, from time to time, notify you to
- (a) change the form or amount of the Financial Security; and

- (b) provide and maintain another form of Financial Security in replacement of or in addition to the Financial Security posted by you under this Agreement;

and you will, within 30 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Financial Security has been provided by you.

7.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, maintain during the Term
- (i) Comprehensive/Commercial General Liability insurance protecting us as an additional insured in an amount of not less than \$2,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) or property damage and claims for liability assumed under contract, arising from all accidents or occurrences in or on the Operating Area or the Facilities including the following coverages:
- (A) products and completed operations liability,
 - (B) owner's and contractor's protective liability,
 - (C) blanket written contractual liability,
 - (D) contingent employer's liability,
 - (E) personal injury liability,
 - (F) non-owned automobile liability,
 - (G) cross liability,
 - (H) employees as additional insureds,
 - (I) broad form property damage, and
 - (J) tenant's legal liability in an amount equal to the replacement value of the Facilities that are buildings, structures and other improvements,
- (ii) automobile liability insurance for commercial use on all vehicles owned or operated by you (including rented vehicles) in an amount not less than \$2,000,000.00 inclusive per occurrence,

- (iii) unless such insurance is provided under the insurance referred to in paragraph 7.6(a)(i), watercraft liability insurance for all watercraft owned or operated by you (including rented watercraft) in an amount not less than \$2,000,000.00 inclusive per occurrence, and
- (iv) all risks property insurance covering your furniture, fittings, fixtures, stock-in-trade and merchandise in an amount not less than the replacement value of all of that property;
- (b) on the Commencement Date and immediately upon demand, deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance required to be maintained by you under this Agreement;
- (c) ensure that all insurance required to be maintained by you under this Agreement is
 - (i) placed with insurers licensed in British Columbia,
 - (ii) primary and does not require the sharing of any loss by any insurer that insures us, and
 - (iii) except for the insurance referred to in paragraphs 7.6(a)(ii) and (iv), endorsed to provide us with 30 days' advance written notice of cancellation or material change; and
- (d) deliver to us immediately upon demand, certified copies of all policies of insurance required to be maintained by you under this Agreement.

7.7 You acknowledge that we may, from time to time, notify you to

- (a) change the amount of insurance set out in subsection 7.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 30 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

ARTICLE 8 - ASSIGNMENT

8.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Operating Area, other than a Subcontractor, without our prior written consent, which consent we may withhold in our sole discretion.

- 8.2 For the purpose of section 8.1, if you are a corporation, a change in control (as that term is defined in subsection 1(4) of the *Company Act*) will be deemed to be a transfer of this Agreement.
- 8.3 Section 8.2 does not apply to a corporation if the shares of the corporation which carry votes for the election of the directors of the corporation trade on a stock exchange located in Canada.

ARTICLE 9 - CANCELLATION

- 9.1 You agree with us that
- (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),and your default or failure continues for 30 days after we give written notice of the default or failure to you,
 - (b) if, in our opinion, you fail to make diligent use of the Operating Area for the purposes set out in this Agreement and your failure continues for 30 days after we give written notice of the failure to you;
 - (c) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;
 - (d) if you are a corporation,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;

- (e) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent;
 - (f) if this Agreement is taken in execution or attachment by any person; or
 - (g) if the Parks are permanently closed to public use by us;
- we may, in our sole discretion, pursue any remedy set out in section 9.2.

9.2 If any event set out in section 9.1 occurs, we may

- (a) pursue any remedy available to us at law or equity and you acknowledge that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy available to us to cure the default;
- (b) take any action in our or your name that may reasonably be required to cure the default and you will pay to us, on demand, all of the costs and expenses incurred by us as a result of that action;
- (c) suspend, in whole or in part, your rights under this Agreement; or
- (d) with or without entry, terminate this Agreement.

9.3 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 30 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 30 days and diligently complete the same.

9.4 Without limiting our rights under this Article, for the purpose of fulfilling our obligations to a First Nation under a treaty or interim measure agreement between us and that First Nation, we may decide, in our sole discretion,

- (a) after the second anniversary of the Commencement Date and before the third anniversary of the Commencement Date; or
- (b) after the fifth anniversary of the Commencement Date and before the sixth anniversary of the Commencement Date;

to amend this Agreement to remove one or more Operating Area from Schedule "A" and, if we decide to do so, we will provide you with written notice of our decision and this Agreement will be deemed to be amended

- (c) in the event notice is provided under subsection (a), on the sixth anniversary of the Commencement Date; or

- (d) in the event notice is provided under subsection (b), on the ninth anniversary of the Commencement Date;

to remove such Operating Area or Operating Areas from Schedule "A" and your obligations under this Agreement will be deemed to be amended with respect to the Operating Area or Operating Areas removed from Schedule "A".

- 9.5 If we give you written notice under section 9.4, we will, in that written notice, offer to you the right to enter into a services agreement with us to provide the First Nation with training in the offering of Park Act Services within the Operating Area or Operating Areas to be removed from Schedule "A" on the terms and conditions described in the written notice.
- 9.6 If, on your receipt of the written notice referred to in section 9.4, you determine, in your sole discretion, that your operations under this Agreement will be materially affected by the removal of the Operating Area or Operating Areas described in that written notice from Schedule "A", you may advise us, in writing, of that fact and, this Agreement will terminate on the date set out in the written notice delivered to you under section 9.4.
- 9.7 You agree with us that
- (a) you will make no claim for compensation, in damages or otherwise, upon
- (i) the lawful termination of this Agreement under section 9.2 or 9.6, or
- (ii) the removal of an Operating Area or Operating Areas from Schedule "A" under section 9.4;
- (b) not later than 30 days prior to the date
- (i) this Agreement is terminated under section 9.2 or 9.6, or
- (ii) an Operating Area or Operating Areas is removed from Schedule "A" under section 9.4;
- you will advise us, in writing, of all outstanding reservations made for the use of campsites, or other Facilities for which reservations can be made, in the Operating Area and
- (iii) pay to us all money held by you for such reservations, and
- (iv) provide to us all other information available to you relating to the delivery of Recreation Services; and
- (c) our remedies under this Article are in addition to those available to us under the *Park Act*.

ARTICLE 10 - DISPUTE RESOLUTION

- 10.1 If any dispute arises under this Agreement, the parties will attempt to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate the resolution of the dispute.
- 10.2 Subject to section 10.5, if a dispute under this Agreement cannot be resolved under section 10.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed under the *Commercial Arbitration Act*.
- 10.3 The cost of the arbitration referred to in section 10.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 10.4 The arbitration will be conducted at our office at the address set out in Article 11.
- 10.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 10.2.

ARTICLE 11 - NOTICE

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

to us

Environmental Stewardship Division
Vancouver Island Region
Ministry of Water, Land and Air Protection
2080A Labieux Road
Nanaimo, British Columbia
V9T 6J9;

to you

R.L.C. Enterprize Ltd.
PO Box 272
Malahat, British Columbia
V8T 5K7;

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

- 11.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of the notice will, where possible, be provided to the other party but nothing in this section and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided for in section 11.1.
- 11.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 12 - INTERPRETATION

- 12.1 In this Agreement, "person" includes a corporation, firm or association and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 12.2 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 12.3 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 12.4 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 12.5 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 12.6 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 12.7 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 12.8 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 12.9 All provisions of this Agreement in our favour and all of our rights and remedies, either at law

or in equity, will survive the termination of this Agreement.

- 12.10 Time is of the essence of this Agreement.
- 12.11 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 12.12 If any part of the Operating Area is in a recreation area established or continued under the *Park Act*, this Agreement is deemed to be a resource use permit (as that term is defined in the *Park Act*) issued over that recreation area.

ARTICLE 13 - MISCELLANEOUS

- 13.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 13.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 13.3 The grant of a sublicense, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicense, assignment or transfer of this Agreement.
- 13.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 13.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us of the delay setting forth the nature of the delay and an estimated

time frame for the performance of your obligation; and

- (b) you diligently attempt to remove the delay if it is within your power to do so.

13.6 You agree with us that

- (a) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of operating, maintaining, repairing, replacing, servicing, creating or developing the Operating Area or the Facilities and you are solely responsible for all costs and expenses associated with your use of the Operating Area and the Facilities for the purposes set out in this Agreement; and
- (b) nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

13.7 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

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

SIGNED on behalf of **HER MAJESTY
THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**
by the minister responsible for the *Park Act*
or the minister's authorized representative

Minister responsible for the *Park Act*
or the minister's authorized representative

SIGNED on behalf of **R.L.C. ENTERPRIZE LTD.**
by its authorized signatories

Authorized Signatory

Authorized Signatory

SCHEDULE "A"

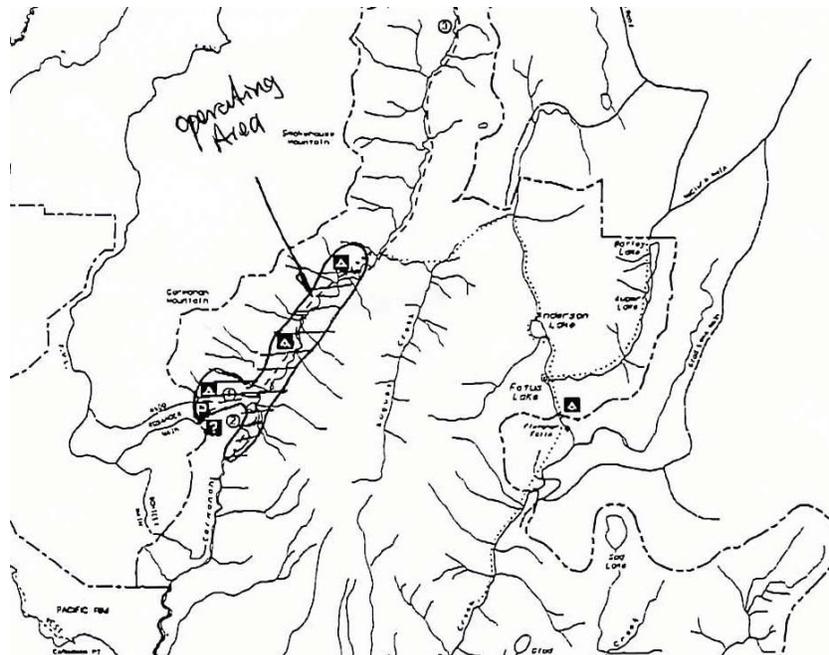
OPERATING AREA

The Operating Area is comprised of the following:

1. Bamberton Park.
2. That part of Carmanah Walbran Park shown hatched on Appendix "1" to this schedule.
3. Cowichan River Park.
4. French Beach Park.
5. Goldstream Park.
6. Gordon Bay Park.
7. That part of Gowlland Tod Park shown hatched on Appendix "2" to this schedule.
8. John Dean Park.
9. Juan de Fuca Park.
10. Koksilah River Park.
11. Sooke Potholes Park.
12. West Shawnigan Lake Park.

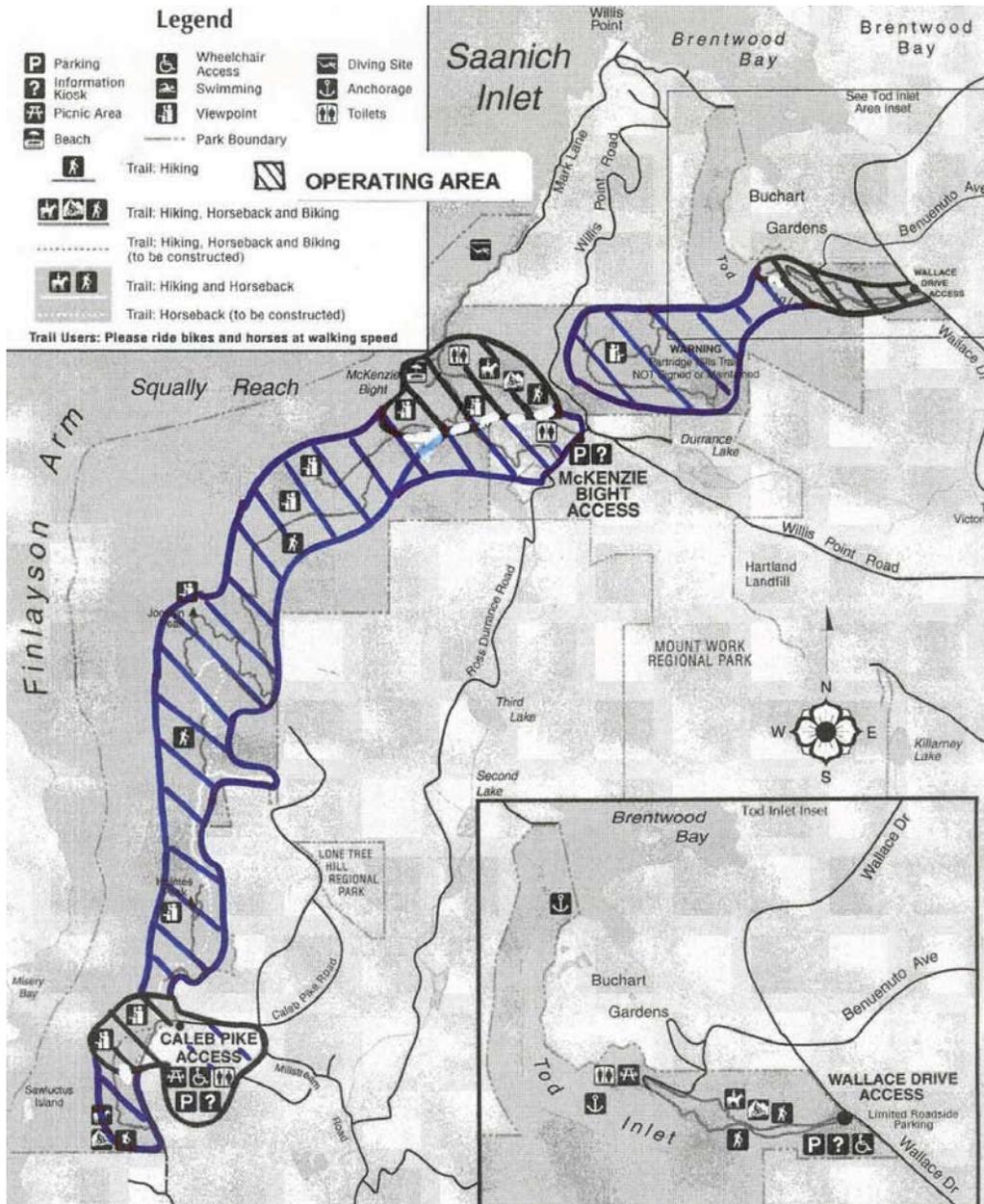
APPENDIX "1" TO SCHEDULE "A"

CARMANAH WALBRAN PARK OPERATING AREA



APPENDIX "2" TO SCHEDULE "A"

GOWLLAND TOD PARK OPERATING AREA



SCHEDULE "B"

PARKS

1. Bamberton Park.
2. Carmanah Walbran Park.
3. Cowichan River Park.
4. French Beach Park.
5. Goldstream Park.
6. Gordon Bay Park.
7. Gowlland Tod Park.
8. John Dean Park.
9. Juan de Fuca Park.
10. Koksilah River Park.
11. Sooke Potholes Park.
12. West Shawnigan Lake Park.

SCHEDULE "C"

SERVICE STANDARDS

PART A - RECREATION SERVICES AND THE COLLECTION OF PARK ACT FEES AND PASS FEES

1. You must offer the Recreation Services to Operating Area Users as follows:
- (a) the Additional Services must be offered to Operating Area Users at the times set out in the Annual Operating Plan; and
 - (b) the Park Act Services may be offered to Operating Area Users at any time during the Operating Year, however, all Park Act Services must be offered to Operating Area Users during the following periods of time in each Operating Year:

Park (and Operating Area or part of Operating Area, if applicable)	First Day Services to be Offered in Operating Year	Last Day Services to be Offered in Operating Year
Bamberton	March 15	October 31
Carmanah Walbran	May 15	September 30
Cowichan River (except Skutz campground)	First day of Operating Year	Last day of Operating Year
Cowichan River (Skutz campground)	May 15	September 30
French Beach (except day use area)	March 15	October 31
French Beach (day use area)	First day of Operating Year	Last day of Operating Year
Goldstream (except day use area)	March 15	October 31
Goldstream (day use area and, as of January 1, 2004, the Visitor Centre)	First day of Operating Year	Last day of Operating Year

Park (and Operating Area or part of Operating Area, if applicable)	First Day Services to be Offered in Operating Year	Last Day Services to be Offered in Operating Year
Gordon Bay	May 1	September 30
Gowlland Tod	March 15	October 31
Juan de Fuca (except China Beach campground)	First day of Operating Year	Last day of Operating Year
Juan de Fuca (China Beach campground)	May 15	September 15
Koksilah River	March 16	October 31

(c) despite subsection (b), Operating Area Users must be permitted to camp in designated campgrounds in the Operating Areas listed below during the following periods of time in each Operating Year:

- (i) in Bamberton Park, from October 1 to and including March 14,
- (ii) in French Beach Park, from November 1 to and including March 14,
- (iii) in Goldstream Park, from November 1 to and including March 14, and
- (iv) in Gordon Bay Park, from March 15 to and including April 30,

and you must, at your expense, ensure that all roads to the campgrounds are open for pedestrian and vehicular access.

2. You must

- (a) collect the Park Act Fees from Operating Area Users except from
 - (i) Operating Area Users who are exempt from the payment of Park Act Fees under the *Park Act*, and
 - (ii) members of a First Nation who camp in the Tod Inlet campground in Gowlland Tod Park;

and issue a receipt, in a form acceptable to us, to Operating Area Users on the payment of the Park Act Fees;

- (b) collect the Parking Fees from Operating Area Users except from Operating Area Users who
 - (i) are exempt from the payment of Parking Fees under the *Park Act*, or
 - (ii) display a valid receipt for the payment of Parking Fees,and issue a receipt, in a form acceptable to us, to Operating Area Users on the payment of the Parking Fees;
- (c) collect the Recreation Stewardship Fees from Operating Area Users to whom you sell a Recreation Stewardship Annual Pass;
- (d) except for the Additional Fees, the Park Act Fees and the Pass Fees, not collect fees from Operating Area Users without our prior written consent; and
- (e) during the period of the Operating Year that Recreation Services are offered to Operating Area Users, collect and maintain accurate monthly records of all visits of Operating Area Users and deliver those records to us not later than 5 days following the end of the month for which the records were kept.

PART B - FACILITIES AND OPERATIONAL MAINTENANCE

- 3. You must ensure that the Operating Area and the Facilities in, on or under it are operational and open to public use during the Operating Year unless otherwise provided in the Annual Operating Plan.
- 4. You must, at your expense,
 - (a) keep and maintain accurate documents and drawings for all Facilities made, constructed, installed, erected, built, altered or added to, in, on or under an Operating Area by you
 - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or
 - (ii) if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us;
 - (b) deliver to us one paper print of the documents and drawings referred to in subsection (a) and one digital copy of those documents and drawings (in Microsoft Word 2000 and AutoCad version 14, respectively, or another format acceptable to us) as soon as the document or drawing is completed by you;

- (c) until you are provided with a data entry portal to access our facility management system, deliver to us, at the times required by us, all information we request from you in order to maintain accurate information in the facility management system with respect to the Facilities;
- (d) after you are provided with a data entry portal to access our facility management system, enter all information in the facility management system that is necessary to maintain accurate information in the facility management system with respect to the Facilities;
- (e) keep and maintain accurate records of all
 - (i) playground equipment inspections,
 - (ii) water testing of the water systems, except when the water systems are not operational during the winter,
 - (iii) monthly fire hydrant testing when the water systems are operational,
 - (iv) servicing of dynamic assets (including structural, mechanical and electrical components) and critical components of Facilities including water pumps, generators and machinery, and
 - (v) annual inspections of and documented repairs to marker/mooring buoys, marine pilings, docks and artificial reefs; and
- (f) with respect to information shelters in the Operating Area, you must ensure that
 - (i) all printed material provided to you by us is immediately posted on the information shelters as required by us, all visitor information posted on the information shelters is current and all outdated printed material and visitor information is removed from the information shelters, and
 - (ii) your contact name, current telephone number and email address are posted on the information shelters.

5. You must, at your expense, undertake the following maintenance of the Facilities:

- (a) repair, replace, restore and overhaul all parts of the Facilities that are broken, worn, leaking, rotted, damaged, cracked, spalled, split or vandalized;
- (b) keep all Facilities free of dust, dirt, rot, stains, mould, vegetation, cobwebs, graffiti, garbage, excess water, unpleasant odours, foreign materials and soil and water markings,

- (c) seal all wooden Facilities or wooden parts of the Facilities, except for wharves, docks, boardwalks and bridge decks, with paint or stain,
- (d) adjust all wharves, docks, boardwalks and bridge decks to allow for water level fluctuations and proper alignment,
- (e) keep all marker/mooring buoys, marine pilings, anchor chains, ropes and associated hardware in good repair,
- (f) keep all metal Facilities or metallic parts of the Facilities free of rust and in a state that eliminates galvanic action,
- (g) keep all roofs of the Facilities free of litter and accumulations of leaves, branches, moss and snow,
- (h) keep in good repair in accordance with the Park Facility Standards all directional, Type "A" (as defined in the Park Facility Standards), entrance portal and informational signs and ensure they remain visible to the public, correctly aligned and in an upright position,
- (i) keep all gravel surfaces crowned, smooth, managed for weed and brush control, well drained and free of potholes and ensure the gravel level is maintained,
- (j) keep all paved surfaces smooth, sealed and well drained,
- (k) keep all ditches and culverts free of brush and in a state that allows the free passage of water,
- (l) keep all water systems in a state that provides potable drinking water to Operating Area Users in accordance with applicable drinking water and health standards, except when water systems are not operational during the winter,
- (m) keep all sewage systems in the state required by the manual provided by the manufacturer of the system or, if no manual was provided by the manufacturer, keep the sewage system in a state that does not allow scum or sludge in the septic tank to reach a level where solids enter the tile field,
- (n) keep all trails maintained to the classification and type existing on the Commencement Date,
- (o) keep all grounds, lawns and planters in a healthy state and remove and control all invasive and noxious plants as required by us, and
- (p) keep all concrete block Facilities and concrete Facilities sealed or painted and, if sealed,

ensure the sealer is maintained in the manner recommended by the manufacturer and, if painted, ensure the paint is firmly attached to the Facility.

PART C - GENERAL STANDARDS

6. You must
- (a) ensure your employees and Subcontractors are familiar with
 - (i) the *Park Act*, the Regulations and all other laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Parks and the Facilities, or their use and occupation,
 - (ii) the documents referred to in paragraph 4.1(c)(iii), and
 - (iii) the provisions of Part D of this schedule concerning the reporting of accidents and occurrences in the Operating Area;
 - (b) not burn garbage or debris in the Parks;
 - (c) at your expense,
 - (i) participate in the Discover Camping™ centralized campsite reservation system operated by us or another centralized campsite reservation system as directed by us and, in addition, provide to the public a group day use and group campsite reservation system,
 - (ii) undertake all survey programs we may require in order to determine the satisfaction of Operating Area Users with the Recreation Services and deliver to us all information obtained by you with respect to such survey programs,
 - (iii) attend all meetings requested by us,
 - (iv) ensure your employees and Subcontractors wear a uniform which is approved by us when providing the Recreation Services,
 - (v) all vehicles and vessels used by your employees and Subcontractors display identification insignia which is approved by us when providing Recreation Services,
 - (vi) if any campground gate is locked in a closed position and Operating Area Users are camping in the campground, you must ensure one of your employees or a Subcontractor is located in the Operating Area to open that campground gate in, among other things, emergency situations,

- (vii) retain a person who holds a valid certificate issued under the "Wildlife/Danger Tree Assessor's Course for Parks and Recreation Sites" to evaluate the Operating Area twice in each Operating Year (once between February 1 and May 30 and in September) and report on any existing or potentially dangerous trees and you will
 - (A) deliver that report to us upon your receipt of it, and
 - (B) at our direction, complete all work that may be necessary to alleviate the danger, and
- (viii) remove all garbage from the Parks to an approved refuse disposal site;
- (d) advise us, in writing, of
 - (i) the name, title, address and telephone number of each member of the management team who is identified in the proposal that led to the grant of this Agreement to you and the name, title, address and telephone number of the person, if any, who replaces a member of your management team, and
 - (ii) the name and telephone number of your representative who may be contacted by us and Operating Area Users at any time during the Term; and
- (e) ensure
 - (i) all highway informational signs are kept up-to-date with respect to the availability of campsites during the periods of time set out in subsection 1(b) of this schedule, and
 - (ii) keep all gates locked in an open or closed position.
- 7. You must not, without our prior written consent,
 - (a) apply herbicides, pesticides, dust abatement products or any other products that are harmful to the environment in the Operating Area;
 - (b) change the use of any Facility; or
 - (c) cut or remove timber from the Operating Area.

PART D - REPORTS CONCERNING ACCIDENTS AND OCCURRENCES IN THE OPERATING AREA

8. You must deliver to us a completed Complaint/Occurrence Report immediately after the happening of any of the following events:
- (a) personal injury, bodily injury (including death) and property damage (over \$1,000.00) or loss (over \$200.00) suffered by an Operating Area User;
 - (b) damage to or theft of a Facility over \$1,000.00;
 - (c) a charge laid by the police force having jurisdiction over the Operating Area against an Operating Area User under any federal or provincial enactment; and
 - (d) a disturbance caused by an Operating Area User.
9. If necessary, you must also report any event referred to in subsection 8(a) of this schedule to the police force having jurisdiction over the Operating Area and to your insurer.
10. You must deliver to us not later than
- (a) 30 days following the Commencement Date, an emergency evacuation plan for each Operating Area;
 - (b) not later than 5 days following the end of each month during the Term, a completed Park Security/Public Safety Statistic Report;
 - (c) 5 days following the submission of such report, a copy of each report of an accident investigation or workplace injury submitted to the Workers' Compensation Board by you or your Subcontractors under the *Workers Compensation Act*; and
 - (d) 5 days after service on you, a copy of each Inspection Report or Order served on you or any of your Subcontractors by the Workers' Compensation Board under the *Workers Compensation Act*.
11. You may not retain any person to provide any Recreation Services under this Agreement except for the following:
- (a) as of the date of reference of this Agreement, no subcontractors are approved by us.
12. You must ensure that your Subcontractors deliver to you all
- (a) reports of an accident investigation or workplace injury submitted by them to the Workers' Compensation Board under the *Workers Compensation Act*; and

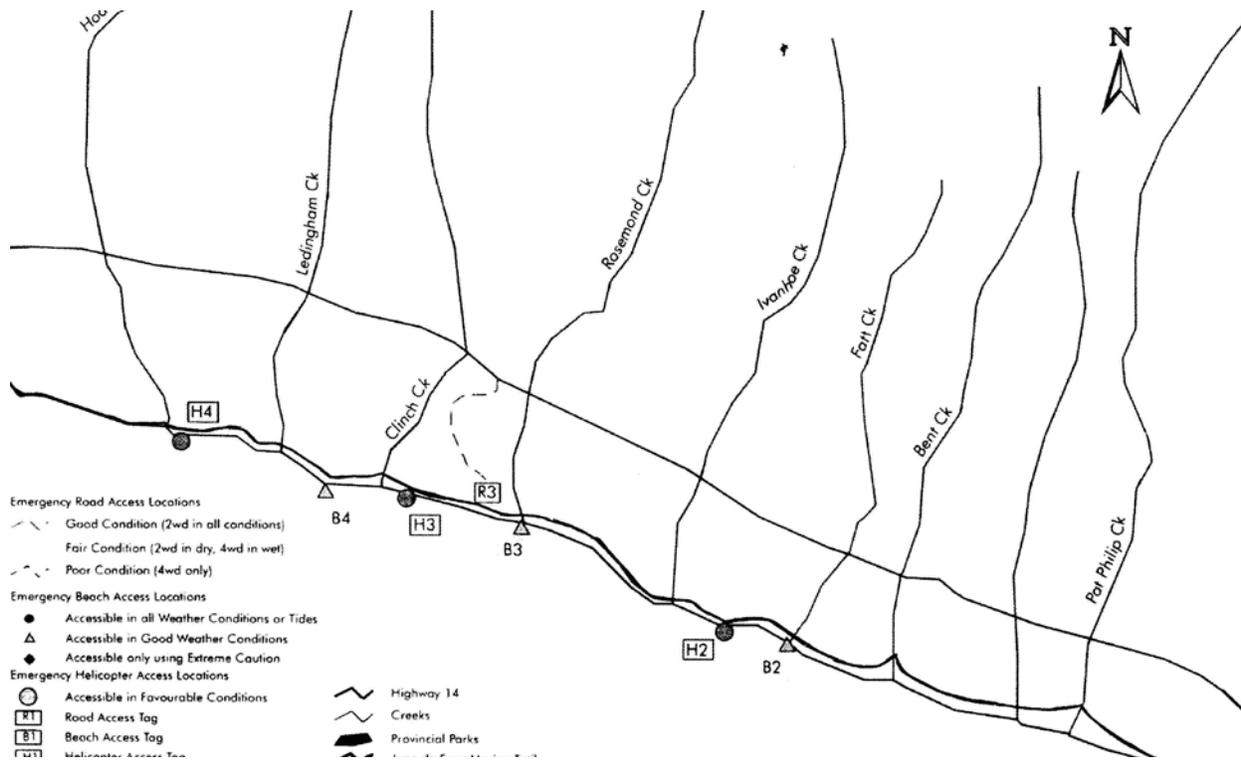
- (b) Inspection Reports or Orders served on them by the Workers' Compensation Board under the *Workers Compensation Act*.

PART E - SPECIAL PROVISOS

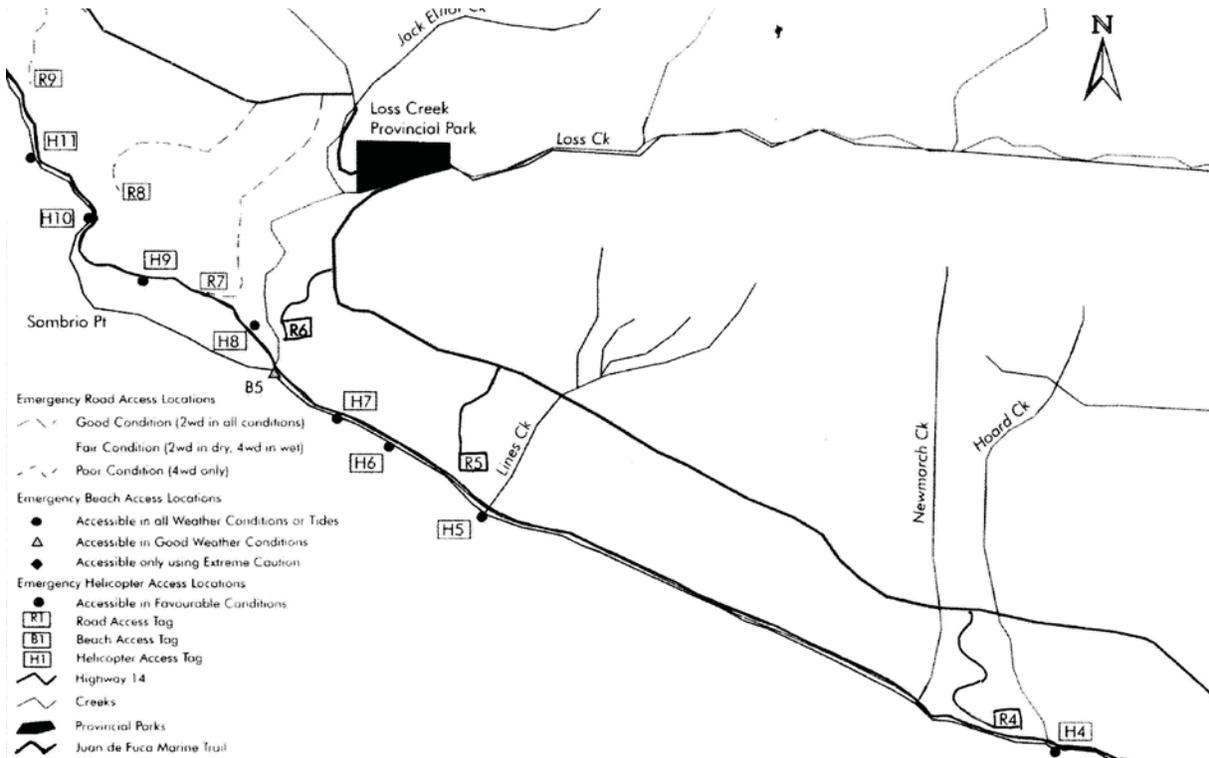
13. You must

- (a) at your expense, remove Scotch Broom and other invasive species from the Stoltz day use area in Cowichan River Park (remnant field between the campground and Stoltz Pool);
- (b) ensure the park gate in
- (i) Goldstream Park which services the group campground and headquarters office is locked closed at dusk when the group campground is not in use from March 15 to and including October 31,
 - (ii) John Dean Park is locked closed from dusk until 8:00 a.m. from March 16 to and including October 31,
 - (iii) Sooke Potholes Park is locked closed from dusk until 8:00 a.m. from March 1 to and including October 31, and
 - (iv) West Shawnigan Lake Park is locked closed from October 1 to and including April 30;
- (c) in Juan de Fuca Park, ensure
- (i) clear passage for a pick up truck is maintained by means including brushing and machine work, if necessary, on the roads identified as R3, R4, R5, R6, R7, R8 and 10c on Appendices "1" to and including "5" to this schedule, and
 - (ii) the access roads and parking lots identified as R9, R10b and R11 on Appendices "3" to and including "5" to this schedule; and
- (d) at your expense, ensure low level fencing is installed along beach areas in West Shawnigan Lake Park from June 15 to and including July 30.

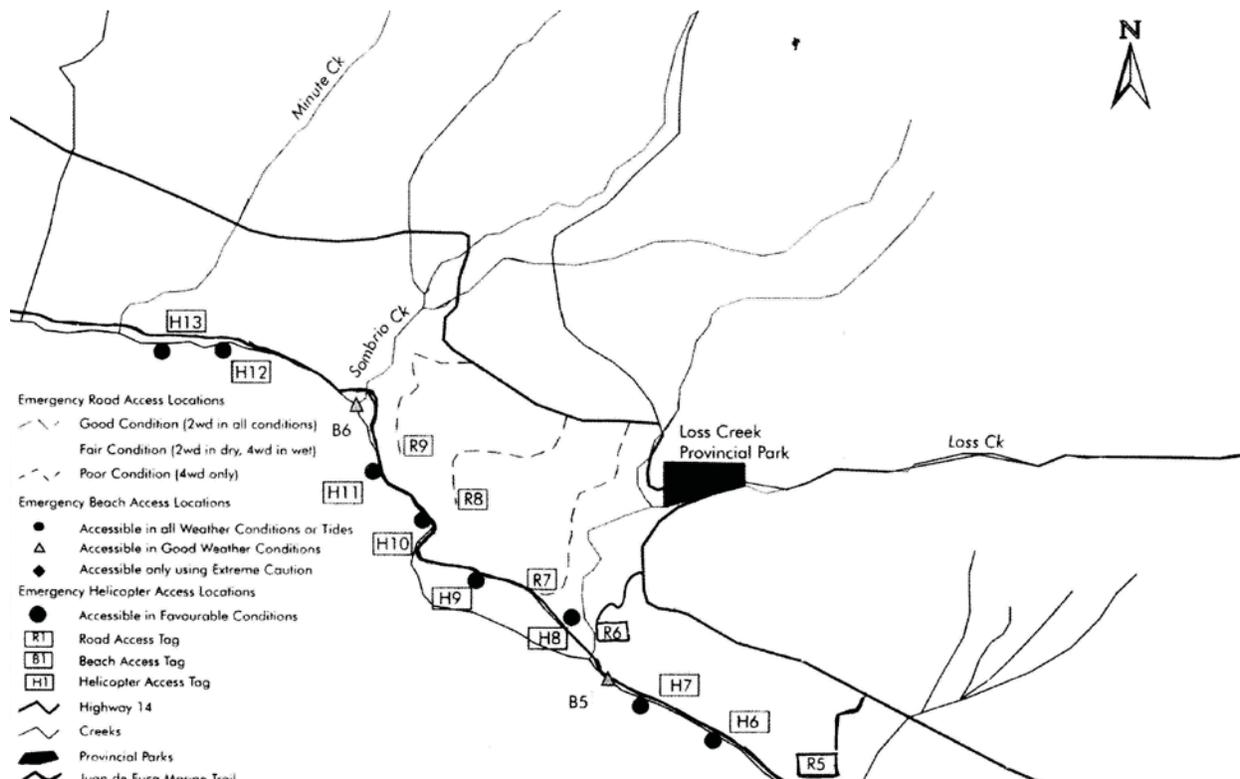
APPENDIX "1" TO SCHEDULE "C"



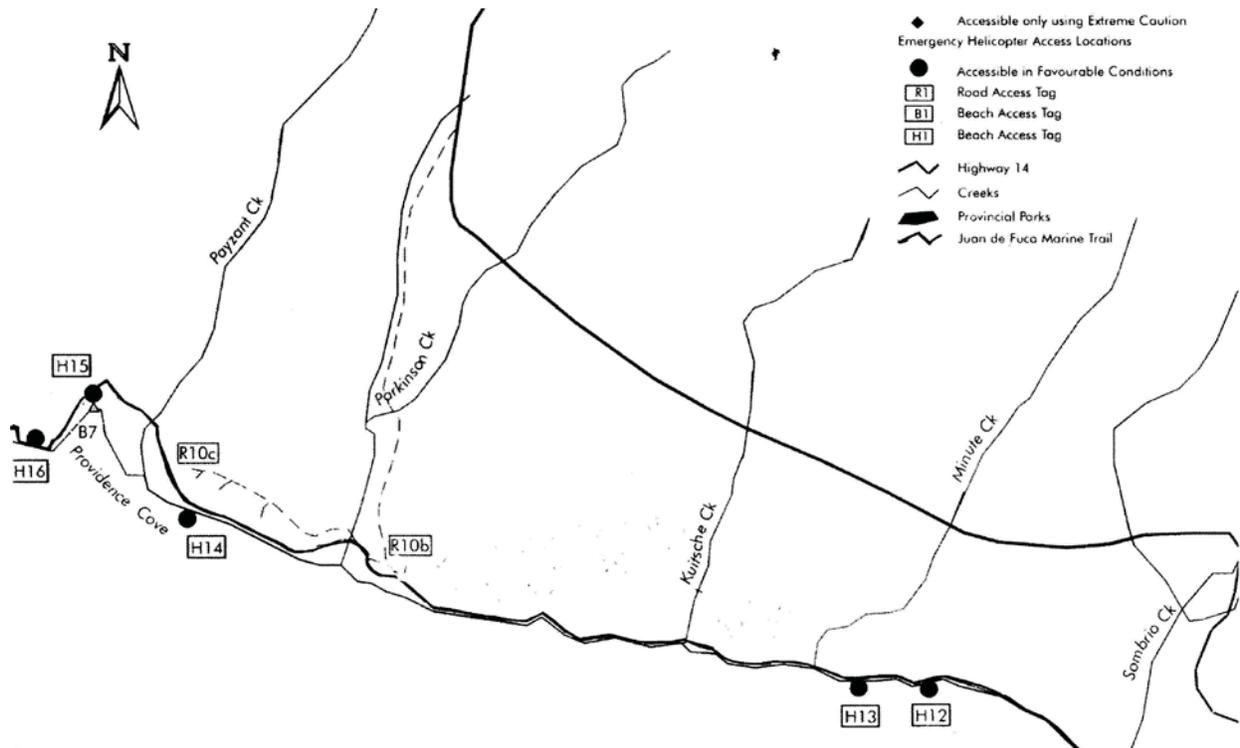
APPENDIX "2" TO SCHEDULE "C"



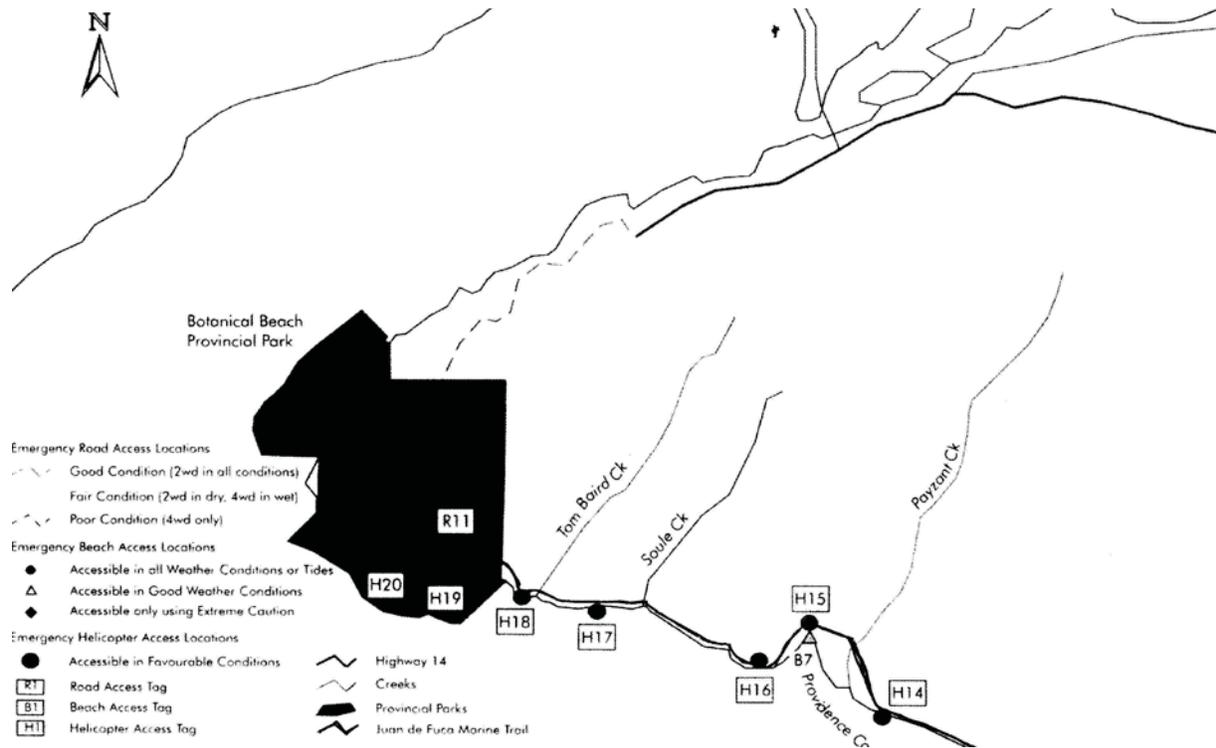
APPENDIX "3" TO SCHEDULE "C"



APPENDIX "4" TO SCHEDULE "C"



APPENDIX "5" TO SCHEDULE "C"



SCHEDULE "D"

FINANCIAL MATTERS

1. Not later than 5 days after the end of each month of the Operating Year, you will deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month.

2. Not later than 5 days after the end of each month of the Operating Year, you will pay to us the following fees collected by you in the preceding month:
 - (a) 85% of the Pass Fees;
 - (b) in the case of the first Operating Year, 3% of the Park Act Fees (Basic); and
 - (c) all of the Park Act Fees (Increase);

together with GST payable on those fees.

3. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2004	October 31, 2004	
November 1, 2004	December 31, 2004	
January 1, 2005	February 28, 2005	
March 1, 2005	March 31, 2005	
April 1, 2005	October 31, 2005	s.21
November 1, 2005	December 31, 2005	
January 1, 2006	February 28, 2006	
March 1, 2006	March 31, 2006	

and,

- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or

- (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.

- 4. Not later than 30 days after the end of each Operating Year, you will deliver to us
 - (a) an annual balance sheet and income statement for the preceding Operating Year;
 - (b) a statement of changes in your financial position in the preceding Operating Year; and
 - (c) a financial statement for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during that Operating Year.

SCHEDULE "E"

ANNUAL OPERATING PLAN REQUIREMENTS

The Annual Operating Plan must include the following information with respect to each Operating Area:

1. ASSESSMENT OF CONDITION OF FACILITIES

The Annual Operating Plan must

- (a) set out a schedule of all inspections, diagnostic maintenance and condition assessments of the Facilities to be completed by you during the Operating Year in accordance with section 5.4; and
- (b) include a report of the results of all inspections, diagnostic maintenance and condition assessments of the Facilities completed by you during the preceding Operating Year.

2. FACILITY MANAGEMENT SYSTEM

After you are provided with a data entry portal to access our facility management system, the Annual Operating Plan must indicate whether you entered in the facility management system all information that is necessary to maintain accurate information in the facility management system with respect to the Facilities during the preceding Operating Year and, if not, the information that remains to be entered in the facility management system.

3. OPERATIONAL MAINTENANCE

The Annual Operating Plan must describe the Operational Maintenance completed by you during the preceding Operating Year.

4. PREVENTATIVE MAINTENANCE

The Annual Operating Plan must include

- (a) in order of priority, a detailed description of, timing for, importance of and, if applicable, preliminary drawings for
 - (i) the repairs, replacements, restorations and overhauls you propose to make to the Facilities, and
 - (ii) the Facilities you propose to make, construct, install, erect, build, alter or add to, in, on or under each Operating Area, and

- (b) an estimate of your costs to complete each item of preventative maintenance referred to in subsection (a)
 - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or
 - (ii) if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us.

5. **DOCUMENTS AND DRAWINGS**

The Annual Operating Plan must list all of the documents and drawings delivered to us by you under subsection 4(b) of Schedule "C" and the date on which that document or drawing was delivered to us by you.

6. **ADDITIONAL INFORMATION**

The Annual Operating Plan must list all of your key personnel and include a description of their roles, responsibilities and qualifications. In addition, the Annual Operating Plan must update, as necessary, your advertising program and the emergency evacuation plan delivered to us under subsection 10(a) of Schedule "C".



**PARK USE PERMIT
AMENDING AGREEMENT**

THIS AGREEMENT is dated for reference February 21, 2006 and is made under the *Park Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the minister responsible for the *Park Act*

(the "Province")

AND:

Rick Carswell, President
RLC Enterprize Ltd.
Box 272
Malahat BC V0R 2L0

(the "Permittee")

WHEREAS:

- A. The Province issued Park Use Permit No. VI0310090 to the Permittee by a park use permit dated for reference April 24, 2003 (the "Permit").
- B. The Province and the Permittee have agreed to amend the Permit as set out below.

The parties agree as follows:

- 1. The Permit is amended by
 - (a) deleting Schedule "D" – Financial Matters, and replacing it with the Schedule "D" – Financial Matters attached hereto as Schedule 1; and,
 - (b) deleting "Goldstream Park" from Schedule "B" and replacing it with: "the entirety of Goldstream Park except for the fenced Environment Ministry office, yard and compound located east of the group campground".
 - (c) adding after the word "danger" in subsection B at Schedule C, 6 (c)(vii) the following:

including, if directed by us, the removal or modification of trees beyond the

number that the parties understood was the maximum of trees to be removed or modified in the operating years 2002 to 2005.

(d) adding the following to Schedule "C" Part A (2)(f):

5.1 at your expense, operate and maintain a program to collect Pass Fees in accordance with the terms of this Agreement and including but not limited to:

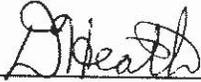
- i. Credit card administration and associated costs (including card charges);
- ii. Administration for program including monthly reporting in accordance with the Permit;
- iii. Tickets;
- iv. Operational Maintenance of all associated Facilities
- v. Electrical costs;
- vi. Recreation and Stewardship Annual Pass administration and sales;
- vii. Fee envelopes for back up systems;
- viii. Compliance and enforcement and;
- ix. Without limiting item iv. above, repair costs for each theft or vandalism incident totalling \$3,000 or less per incident, in each Operating Area where Pass Fees are collected. Repair costs only include those invoiced amounts for third party parts and service.

5.2 In the event that Pass Fees are reduced or terminated and as a result you decide to pursue a claim for compensation in damages or otherwise, any such claim shall be limited to what you would have received had you received the 15% of Pass Fees that you were to receive under the original Permit.

2. Notwithstanding the date of execution of this Agreement, it is deemed to take effect on the date set out above.
3. Except as amended by this Agreement, the Permit is ratified and confirmed.
4. Time is of the essence of this Agreement and remains of the essence of the Permit as amended by this Agreement.

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

SIGNED on behalf of **HER MAJESTY
THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**
by the Minister responsible for the *Park Act*
or the Minister's authorized representative



Minister responsible for the *Park Act*
or the Minister's authorized representative

SIGNED by RLC Enterprize Ltd.



Rick Carswell, President

SCHEDULE 1

SCHEDULE "D"

FINANCIAL MATTERS

1. Not later than 15 days after the end of each month of the Operating Year, you will deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month.
2. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2006	October 31, 2006	s.21
November 1, 2006	December 31, 2006	
January 1, 2007	February 28, 2007	
March 1, 2007	March 31, 2007	
April 1, 2007	October 31, 2007	
November 1, 2007	December 31, 2007	
January 1, 2008	February 28, 2008	
March 1, 2008	March 31, 2008	
April 1, 2008	October 31, 2008	
November 1, 2008	December 31, 2008	
January 1, 2009	February 28, 2009	
March 1, 2009	March 31, 2009	

and,

- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
- (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.

3. Not later than ¹⁵ ~~5~~ days following the end of each month of the Operating Year, you will pay to us: *15 MC 100*
- (a) all Park Act Fees (Increase) together with all GST payable on those fees;
 - (b) 49.5% of the Parking Fees and 100% of any increase to the Parking Fees; and,
 - (c) any amount over \$7.00 for each Recreation Stewardship Annual Pass sold by you and, collected by you in the preceding month.
4. For the purpose of section 3, Parking Fees means:
- (a) the fees imposed under the *Park Act* which are in force on the Commencement Date for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked; and,
 - (b) all fees imposed under the *Park Act* during the Term for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked.
5. Not later than 30 days after the end of each Operating Year, you will deliver to us:
- (a) an annual balance sheet and income statement for the preceding Operating Year;
 - (b) a statement of changes in your financial position in the preceding Operating Year; and
 - (c) a financial statement for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during that Operating Year.



Ministry of
Environment

PERMIT MODIFICATION AGREEMENT

Permit No.: **VI0310090 (South Island)**

Permittee File No.: **85700 – 40/VI0310090**

Permit Modification Agreement No.: **0002**

THIS AGREEMENT IS DATED FOR REFERENCE **September 18, 2008** and is made under the *Park Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister responsible for the *Park Act* (the "Province") at the following address:

**Ministry of Environment
2080A Labieux Rd.
Nanaimo, BC V9T 6J9**

AND:

RLC ENTERPRIZE Ltd.,
(Inc. No. BC0367275)

(the "Permittee") at the following address

**Box 272
1159 Aspen Road
Malahat, BC V0R 2L0**

WHEREAS:

- A. The Province issued Park Use Permit No. **VI0310090** to the Permittee dated for reference **April 24, 2003** (the "Agreement").
- B. The Province and the Permittee (the "Parties") have agreed to modify the Agreement in the manner as set forth herein.

THIS AGREEMENT WITNESSES THAT the parties agree:

A. This Permit is modified by:

1. The following definitions are added to, or modified in **Subsection 1.1**:

"Gross Revenue" means the Park Act Fees, and the Pass Fees collected by the Permittee under this Agreement, excluding GST;

"OHS Regulation" means the British Columbia Regulation 296/97 entitled *"Occupational Health and Safety Regulation"*, as it may be amended from time to time;

"Prime Contractor" means the "prime contractor" as defined in the WCB Act;

"Safety Program" means an occupational health and safety program described in the *Workers Compensation Act* and the *OHS Regulation*;

"WCB Act" means the *Workers Compensation Act* and all applicable regulations created pursuant to the powers conferred under that Act;

"Park Act Services" means the operation of the Facilities; the provision of camping and day use services; and the activities for which a fee is imposed under the *Park Act*;

"Preventative Maintenance" means the maintenance of the Facilities described in the Business Plan but does not include Operational Maintenance. Explanations and examples of Preventative and Operational Maintenance include, but are not limited to, the following:

Preventative Maintenance	Operational Maintenance
<p>Scheduled projects approved by us in the Annual Operating Plan that are non routine to ensure facilities remain safe, meet industry standards and comply with the Park Facility Standards or if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us.</p> <p>Scheduled annual preventative maintenance inspection to prevent breakdowns and extend facility life expectancy.</p> <p>Scheduled condition assessments by qualified professionals to determine condition and remaining service life.</p>	<p>Routine, regular, scheduled or periodic servicing, repairs, replacements, cleaning and inspection of all Facilities and Operating Areas to ensure that they are safe, clean, operational, fully functional and in compliance with Schedule "C" Service Standards.</p> <p>All labour, materials, supplies, vehicles, equipment, tools and clothing required to comply with Schedule "C" Service Standards</p>

<p>Projects of significant scale and magnitude, which stand alone and are independent from Operational Maintenance in their size and complexity.</p> <p>Major facility replacement projects.</p>	
<p>Examples of Preventative Maintenance include:</p> <ul style="list-style-type: none"> • Shower building roof replacement projects. • Trail reconstruction project. • Campground reconstruction project. • Facility replacement project. • Vegetation management project. • Paved road crack sealing project. • Major vandalism incident repair project. • Facility Condition Assessment. • Water system replacement project. 	<p>Examples of Operational Maintenance include:</p> <ul style="list-style-type: none"> • Repair of broken fixtures, water lines, furnishings and signs, leaking taps broken windows, door hardware and other similar types of work • Grass cutting. • Routine monitoring and mitigation of tree and vegetation hazards. • Road grading & brushing. • Campsite cleaning. • Garbage & recycling collection. • Float & boat ramp repairs. • Marker/mooring buoy annual inspection and repair. • Sewage waste pumping & disposal. • Painting & staining of all facility components. • Minor vandalism repair/replacement. • Table board refinishing & field coating. • Sign replacement. • Dust Suppressant. • Replacement of broken Facility components e.g. sprinklers, fire ring/grates, table planks, sign posts, pit toilet roofs, table bases.

2. **Subsection 4.1(c(i))** is modified as shown below:

- (i) all laws, bylaws, ordinances and regulations of any competent governmental authority having jurisdiction in any way affecting the Operating Area and the Facilities, or their use and occupation, and your operations under this Agreement,

3. **Subsection 4.1(f)** is modified as shown by the underlining below:

- (f) not remove, destroy, damage, disturb or exploit any natural resource (as that term is defined in the *Park Act*) in the Operating Area without our prior written consent and without providing to us the written undertaking referred to in the *Park Act* unless the actions occur in accordance with the Protocol;

4. **Subsection 4.1(k)** is modified as shown by the underlining below:

- (k) keep the Lands free of all liens or claims of lien filed under the *Builders Lien Act* or otherwise. Unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Operating Area or any interest of yours under this Agreement to sale or forfeiture, if you shall fail to discharge any such lien or claim of lien within thirty (30) days of written notice of the same being given to you, the Province, in addition to any other right or remedy, may, but shall not be obligated to, discharge the claim of lien or lien by paying the amount claimed to be due or the amount due, together with a reasonable amount for costs and the amount paid by the Province shall be reimbursed by you to the Province forthwith upon demand.

5. **Subsection 4.1(r)** is modified as shown below:

- (r) on the termination of this Agreement,
 - (ii) within 30 days;
 - A. remove from the Operating Areas any Facility, tool or equipment you want to remove, if the Facility, tool or equipment was placed on or made to the Operating Areas by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Operating Areas,
 - B. you must remove from the Operating Areas any other assets and fixtures including tools, equipment, materials and supplies.

6. A new **Article 4B** is added as follows

ARTICLE 4B – WORKERS COMPENSATION, INSURANCE AND INDEMNITY

4B.01 The Permittee warrants and represents to the Province that as of the date of this Agreement and throughout the term of this Agreement

- (a) it is and will remain registered as an employer under the *Workers Compensation Act* under registration number **409432 AQ (023)**,
- (b) it has paid and will pay all assessments due and payable by it under the *Workers Compensation Act*, and
- (c) it is and will remain in compliance with that Act and all regulations under that Act.

4B.02 The Permittee agrees that it will not permit any contractor of that party, or any of that contractor's "workers" (as that term is defined in the *Workers Compensation Act*), to:

- (a) work on a project specified in the Annual Operating Plans, or
- (b) enter on, use or occupy the Operating Area,

unless the party has obtained written confirmation from the Workers Compensation Board that the contractor

- (c) is registered as an employer under the *Workers Compensation Act*, and
- (d) has paid all assessments due and payable by it under the *Workers Compensation Act*.

4B.03 For the purposes of the WCB Act and the OHS Regulation, you are the Prime Contractor in connection with the rights granted to you under section 2.1. You will deliver written notice to the Province:

- (a) of the name of the person you have appointed to discharge for you the responsibilities of a "qualified coordinator" as described in the WCB Act; and
- (b) confirming that the Safety Program has been initiated and is readily available in accordance with the WCB Act, in connection with this Agreement.

4B.04 notwithstanding any limitation in the OHS Regulation which would exempt the Contractor from the requirement to initiate and maintain an occupational health and safety program, initiate and at all times maintain the Safety Program in connection with the Services and this Agreement, and ensure that the Safety Program

- (a) is designed to prevent injuries and occupational diseases within the contemplation of the *Workers Compensation Act* and the *OHS Regulation*;
- (b) provides for the establishment and maintenance of a system or process to ensure compliance with the *Workers Compensation Act* and the *OHS Regulation* in respect of the Services and this Agreement; and
- (c) satisfies the requirements of an occupational health and safety program under the *Workers Compensation Act* and the *OHS Regulation*

7. A new **section 4.4** is added as follows:

4.4. For the reduction in GST affecting the 2006, 2007 and 2008 Operating Years, and for any subsequent reduction in GST in an Operating Year:

- (a) the additional revenue generated by the GST reduction for the 2006, 2007 and 2008 Operating Years will be accounted for in the

2008 Operating Year, and any subsequent GST reduction will be accounted for in the Operating Year during which the GST was reduced, as follows:

- (i) you will propose to BC Parks, Facilities' projects or visitors' services, not otherwise funded by the existing terms and conditions under this Agreement, within your Operating Areas on which to expend the additional revenue; and
 - (ii) if BC Parks agrees to the proposal set out in subsection (i) above, you may retain the additional revenue generated by the GST reduction on condition that, not later than 15 days after the end of the Operating Year you provide BC Parks with written confirmation and supporting details, satisfactory to BC Parks, that the revenue retained by you under this subsection was spent on the proposal agreed to. In the event you fail to comply with this requirement you will pay to BC Parks within 10 days the revenue you retained.
- (b) if BC Parks does not agree to the proposal you make under subsection (i) above, you will pay the additional revenue generated by the GST reduction to BC Parks not later than 15 days after the end of the Operating Year.
8. **Subsection 5.1(b(iii))** is modified as shown below:
(iii) your organizational structure, proposed staffing levels, performance monitoring methods, and inspection procedures to ensure quality service throughout the Operating Areas, and
9. **Subsection 5.1(b(iv))** is modified as shown below:
(iv) staff training policies,
10. **Section 5.7** is modified by adding the following:
(a) adjusting any deficiency payment payable to you by an amount equal to the change in the Preventative Maintenance Amount for the next Operating Year or,
(b) adjusting your return to us by an amount equal to the change in the Preventative Maintenance Amount for the next Operating Year.
11. A new **section 5.11** is added as follows:
5.11 You acknowledge that when reviewing your proposed new Business Plan and Schedule "D", and in the ensuing negotiations referenced in 5.8(b) we require the following details from you:

- (a) your capacity, capability, and commitment to meet the terms of the Agreement and the proposed new Business Plan;

- (b) evidence that quality is going to be maintained consistently throughout the Bundle. This may include showing us that the following are in place, in use, and current:
 - (i) clear policies and procedures to ensure compliance with the Agreement,
 - (ii) work identification and planning,
 - (iii) procedures to ensure customer issues are quickly resolved, and
 - (iv) site safety and emergency response systems and procedures;
- (c) that the proposed new Business Plan seeks revenue increases and controls costs; and
- (d) in preparation for our review of the new Business Plan and Schedule "D", you need to ensure that all documents and reports as required by the Agreement have been submitted.

12. **Section 7.3** is modified as shown by the underlining below:

- 9.4 We may use the Financial Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you, provided we have given you notice and an opportunity to perform the required obligations, appropriate to the circumstances. If such event occurs, you will, within 30 days of that event, deliver further Financial Security to us in an amount equal to the amount drawn down by us.

13. Subsection 9.1(g) is deleted and the following **section 9.8** is added:

- 9.8 If one or more Parks covered by the Agreement are permanently closed to public use by us, we will work diligently and in good faith with you to negotiate an amendment to the Agreement, the Annual Operating Plan, and the Three Year Business Plan and any related plans or for the orderly winding up of the Agreement if this is deemed necessary by you or us due to the reduction of parks covered by the Agreement.

14. **Subsections 9.4(a), 9.4(b), 9.4(c), and 9.4(d)** are deleted and replaced with the following:

- (a) after **April 01, 2005** and before **April 01, 2006**; or
- (b) after **April 01, 2008** and before **April 01, 2009**;
- (c) in the event notice is provided under subsection(a), on **April 01, 2009**; or

- (d) in the event notice is provided under subsection(b), on **April 01, 2012**;

15. A new **section 12.13** is added as follows:

12.13 Any reference or requirement in the Agreement that requires the Permittee to keep, provide, show, deliver or otherwise allow the Province or its agent to see or use books, records, receipts or similar documentation only pertains or applies to those books, records, receipts or similar documentation created to record its business, revenues and costs under the Agreement that directly affect the Province. For greater clarification, nothing in the Agreement will require the Permittee to provide the Province with information related to any business or business operations outside those expressly provided for by the Agreement nor any information related to sources of income or costs that do not directly relate to, or affect Park Act Services. Without limiting the generality of the foregoing, the Permittee does not have to provide the Province with any books, records, receipts or similar documentation related to any business not related to Park Act Services nor for any businesses such as firewood sales, ice sales or concessions run within the Parks.

16. The existing subsection 13.6(b) is renumbered 13.6(d) and **subsections 13.6(b) and (c)** are added as follows:

- (b) we may, from time to time, on prior written notice to you, appoint a third party contractor as the Prime Contractor in connection with works and activities that may be undertaken and performed at any location or locations in the Operating Area, for a period of time. These works and activities will not be any works or activities that you currently undertake pursuant to this Agreement and to the satisfaction of the Province but will be primarily construction activities taking place within your area of operation and therefore may overlap with your current operations. Such works and activities, location(s), and period(s) of time will be specified and defined by us in the written notice. You will cooperate in good faith with the new designated Prime Contractor to ensure a safe and seamless transition between the two parties and the commencement and conclusion of the work. On conclusion of the works and activities referenced in this section, we will deliver written notice to you and you will resume the responsibilities of the Prime Contractor in connection with the Agreement at the applicable location.
- (c) Nothing in this subsection is intended to allow us to replace you or substitute services for those your are currently providing to the satisfaction of the Province; and

17. In **Schedule "C", subsection 2(e) subsection 2(d)** is deleted and replaced with the following:

- (d/e) during the period of the Operating Year that Recreation Services are offered to Operating Area Users, collect and maintain accurate monthly records of all visits of Operating Area Users and
 - (i) until you are provided with a data entry portal to access our visitor use data system, deliver those records to us not later than 15 days following the end of the month for which the records were kept, and
 - (ii) after you are provided with a data entry portal to access our visitor use data system, enter all such records created after that date in the system not later than 15 days following the end of the month for which the records were kept.

18. In **Schedule "C", subsections 2(f), 2(g), 2(h)** will be added to the Agreement: (replacing Permit Modification Agreement No. 001 signed February 21, 2006):

- (f) At your expense, operate and maintain a program to collect Pass Fees in accordance with the terms of this Agreement and including but not limited to:
 - (i) credit card administration and associated costs (including card charges);
 - (ii) administration of collections including monthly reporting in accordance with the Agreement;
 - (iii) supply of tickets, power, batteries, signage replacement;
 - (iv) Operational Maintenance of all associated Facilities;
 - (v) hydro costs;
 - (vi) Recreation Stewardship Annual Pass administration and sales;
 - (vii) envelopes for fee vaults;
 - (viii) compliance and enforcement;
- (g) At your expense, maintain all pay stations to a working order, which includes:
 - (i) completion of all repairs and regular maintenance;
 - (ii) recording in the log books all entries of pay station service, repair and inspection;
 - (iii) maintaining a complete spare parts inventory as initially provided by the Province.
- (h) At your expense, submit monthly and annual (calendar year) reporting, which includes:
 - (i) number of transactions;

- (ii) value of transactions/pay parking station; and
- (iii) types of transactions.

19. In **Schedule "C"**, the following will be added to **subsection 4(e(iii))**
4(e(iv)):

- (iii/iv) and all electronic pay stations including period of time off line, when machine is not in service.

20. In **Schedule "C"**, the following new **subsections 6(c(ix))** and **6(c((x))** will be added to the Agreement:

- (ix) deliver by January 15th of each year a ticket price summary report for each pay station broken down by month or transaction periods in electronic format containing the following:
 - A. Park Name / PFO Name / Park Area Name / Pay station location name and, number; and,
 - B. data breakdown by individual pay station including ticket prices / cash payment amount / over payment / approved credit card amount / captured credit card amount / total revenue / number of tickets and,
- (x) ensure all pay parking spare parts that have been used are immediately replaced to deal effectively and efficiently with future pay stations repairs.

21. In **Schedule "C"**, the following **subsection 6(f)** will be added to the Agreement:

- (f) Please detail how you will provide recycling, collection and transportation services at each of the Operating Areas including
 - (i) receptacles for the recycling of paper, plastic, glass, aluminium/tin and cardboard and
 - (ii) transportation of these products to the closest available collection facility outside the Operating Area.

22. In **Schedule "C"**, **Part D**, the following new **subsection 8(e)** will be added to the Agreement:

- (e) damage to or theft over \$200.00 involving a pay station used to collect pay parking fees.

23. In **Schedule "C"**, **subsection 10(b)**, the words "5 days" are deleted and replaced with the words "15 days".

24. A new Part is added to **Schedule "C"** as follows:

PART F – OFF-SEASON RESPONSIBILITIES

14. After the last day that services are required in each of the Parks covered by this Agreement, you will be responsible for:
- the inspection of each Operating Area after an unusual weather event to ensure the Operating Areas are safe for public access/usage and or post noting the hazards present. Report to BC Parks any damages and hazards.
 - The off season maintenance of each Operating Area ensuring that the areas are safe and fully functional.

25. In **Schedule "D"**, the words "5 days" are deleted from the applicable subsections and replaced with the words "15 days".

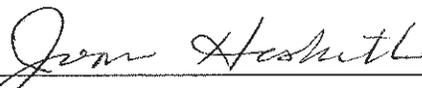
26. The Parties agree to use their best efforts to follow the Protocol signed **September 18, 2008**.

- B. Except as modified by this Agreement, the Permit is ratified and confirmed.
- C. This Agreement and the Permit shall be read and construed together.
- D. Time continues to be of the essence of the Permit and is of the essence of this Agreement.
- E. This Agreement ensures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.
- F. Time is of the essence of this Agreement and remains of the essence of the Agreement as amended by this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement

SIGNED and **DELIVERED** on behalf of the **Province** by a duly authorized representative of the Province.

SIGNED and **DELIVERED** on behalf of the **Permittee** (or by an authorized signatory of the permittee if a Corporation).


Duly Authorized Representative


Signature of Permittee or Authorized Signatory

Nov 17 2008
Date

Sept 25/08
Date

September 18, 2008

File: 85700-40/VI0310090 (South Island)

RLC Enterprize Ltd.
Box 272
1159 Aspen Rd
Malahat BC V0R 2L0

Dear Mr. Carswell:

Permit Modification Agreement #0003

Re: BC Parks' Fee Increase - Park Use Permit **VI0310090** (the "Park Use Permit")

In early 2008, BC Parks and the Park Facility Operator's Society (the "Society") agreed that revenue from the fee increase is to be used for Preventative Maintenance projects. This allows additional revenue to be retained through Preventative Maintenance Accounts ("PMA") and directly benefit park Facilities. Although each Park Facility Operator ("PFO") contract is unique and independent, in order to ensure province-wide consistency in approach and application, the parties agree that additional funds be spent on selected park projects on the following terms and conditions, with the definitions found in the Park Use Permit (for the most part consistent with all PFOs). This Permit Modification Agreement overrides **Schedule D, Section 3 (a)** in the Park Use Permit:

(b) Not later than 15 days following the end of each month of the Operating Year, you will pay to us the following as collected by you in the preceding month,

(i) all Park Act Fees (Increase) together with all GST payable on those fees.

For the 2008 and 2009 operating season, the parties agree that:

1. Each PFO will retain revenue generated from the fee increase and all additional revenue, less GST payable on fee increases, will be deposited into PMA accounts.
2. Each PFO will propose for agreement by BC Parks, to expend the additional revenue, less GST payable on fee increases, on Facilities within its Operating Areas.

... \2

These park projects:

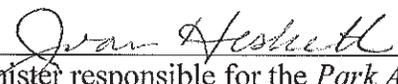
- a. must be on the priority list of potential or approved Preventative Maintenance projects; and
 - b. must only be used according to PMA guidelines and not be used for any other service enhancement, such as interpretation programming, (the "Park Projects").
3. The Parties will evaluate revenue generated by the PFO through use of the *Formula for PMA allocations due to Campground Fee Change* as developed by BC Parks.
 4. The Parties will include the Park Projects, and the PFOs will make record of their expenditures on the Park Projects, in their Annual Operating Plans required to be submitted as per the Park Use Permit. However, this process will remain independent of the processes described within Article 5 of the Park Use Permit.
 5. The Parties agree that at all times they will make reasonable efforts to resolve by amicable negotiations any and all disputes arising between them regarding the approval of the Park Projects. In the event that either party determines that it is not possible to reach agreement by way of amicable negotiation the parties agree to use the Dispute Resolution Process set out in the Protocol.

Please confirm your agreement to the above by way of execution of a copy of this letter as provided for below. Once you have executed the letter and provided a copy to me, I will attend to the same and provide a copy to you. This Permit Modification Agreement expires April 1, 2009.

Yours truly,

Andy Macdonald
BC Parks Section Head - South Vancouver Island

The terms and conditions for the use of the fee increase as described in this letter are agreed to and confirmed as of the date of the letter.

<p>SIGNED on behalf of HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA by the minister responsible for the <i>Park Act</i> or the minister's authorized representative this 1st day of September ^{November} 2008.</p> <p> Minister responsible for the <i>Park Act</i> or the minister's authorized representative</p>	<p>SIGNED on behalf of RLC Enterprize Ltd. by its authorized signatories this day of September, 2008.</p> <p> Authorized Signatory</p> <p>_____ Authorized Signatory</p>
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Attachments

FORMULA TERM	DEFINITIONS & EXPLANATIONS
Campground Revenue	This refers to regular frontcountry camping revenue only . This <u>does not</u> include revenue generated from sani-stations or 2nd vehicle fees. This <u>does</u> include regular camping parties and senior camping parties. All revenues must be entered net of GST. **It is imperative that revenue data entered is accurate.
Gross Campground Revenue	This is the total amount of revenue collected by the PFO (including the additional revenue from the fee increase), net of GST. This <u>does not</u> include revenue generated from sani-stations or 2nd vehicle fees. This <u>does</u> include regular camping parties and senior camping parties.
% Increase in Camping Fee	This is calculated on a BUNDLE basis. For example, if a campground fee increased from \$14 to \$15, the % increase would be 6.79%. However, we recognize that different campgrounds in bundles will have different % increases as fees are different (i.e. \$14 to \$15, or \$22 to \$24). This has been accounted for in the "% Increase per Bundle" worksheet tab. Refer to this tab for bundle specific calculations on overall % increase. Enter the bundle % increase (highlighted in RED) in this field. GST has been accounted for and is NOT included in this %.
Revenue Due to Fee Change	Essentially, this is the amount of revenue generated by the fee increase from regular camping parties (increase in 2nd vehicle fees is being granted to PFOs this year as a way to off-set higher transaction costs). It will equal the amount of money a PFO is required to put into PMA if they meet their 3-year average revenue target.
Net Campground Revenue	This is the amount of revenue the PFO retains (Equation: Gross Revenue - Fee Increase Revenue = net Campground Revenue)
Revenue Target Equal or Above 3-year Average?	Question: Is the Net Campground Revenue (what the PFO retains) equal or greater than the PFO's 3-year average for Campground Revenue? Yes or No.
Total Revenue Gain by PFO	This figure represents the amount of money the PFO retains, over and above their 3-year Campground Revenue average.
Total Amount PFO is Required to put in PMA	This figure is the amount of money the PFO is required to put into the appropriate PMA.

Formula for PMA allocations due to Campground Fee Change South Island RLC

FILL IN ALL 5 BLACK BOXES

CAMPGROUND REVENUE IN 2005:

CAMPGROUND REVENUE IN 2006:

CAMPGROUND REVENUE IN 2007:

3 YEAR AVERAGE for CAMPGROUND REVENUE:

GROSS CAMPGROUND REVENUE IN 2008:

% INCREASE IN CAMPING FEE:

REVENUE DUE TO FEE CHANGE:

NET CAMPGROUND REVENUE IN 2008:

REVENUE TARGET EQUAL OR ABOVE 3-YR AVERAGE:

TOTAL REVENUE GAIN BY PFO:

TOTAL AMOUNT PFO IS REQUIRED TO PUT INTO PMA:



s.21



9%



s.21

**** Refer to "Definitions" tab for information on the formula**

September 18, 2008

File: 85700-40/VI0310090 (South Island)

RLC Enterprize Ltd.
Box 272
1159 Aspen Rd
Malahat BC V0R 2L0

Dear Mr. Carswell:

Permit Modification Agreement #0004
Re: BC Parks' Fee Increase - Park Use Permit VI0310090 (the "Park Use Permit")

In early 2008, BC Parks and the Park Facility Operator's Society (the "Society") agreed that revenue from the fee increase is to be used for Preventative Maintenance projects. This allows additional revenue to be retained through Preventative Maintenance Accounts ("PMA") and directly benefit park Facilities. Although each Park Facility Operator ("PFO") contract is unique and independent, in order to ensure province-wide consistency in approach and application, the parties agree that additional funds be spent on selected park projects on the following terms and conditions, with the definitions found in the Park Use Permit (for the most part consistent with all PFOs). This Permit Modification Agreement overrides **Schedule D, Section 3 (a)** in the Park Use Permit:

(b) Not later than 15 days following the end of each month of the Operating Year, you will pay to us the following as collected by you in the preceding month,

(i) all Park Act Fees (Increase) together with all GST payable on those fees.

For the 2008 and 2009 operating season, the parties agree that:

1. Each PFO will retain revenue generated from the fee increase and all additional revenue, less GST payable on fee increases, will be deposited into PMA accounts.
2. Each PFO will propose for agreement by BC Parks, to expend the additional revenue, less GST payable on fee increases, on Facilities within its Operating Areas.

... \2

These park projects:

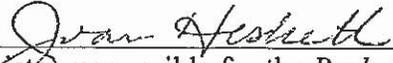
- a. must be on the priority list of potential or approved Preventative Maintenance projects; and
 - b. must only be used according to PMA guidelines and not be used for any other service enhancement, such as interpretation programming, (the "Park Projects").
3. The Parties will evaluate revenue generated by the PFO through use of the *Formula for PMA allocations due to Campground Fee Change* as developed by BC Parks.
 4. The Parties will include the Park Projects, and the PFOs will make record of their expenditures on the Park Projects, in their Annual Operating Plans required to be submitted as per the Park Use Permit. However, this process will remain independent of the processes described within Article 5 of the Park Use Permit.
 5. The Parties agree that at all times they will make reasonable efforts to resolve by amicable negotiations any and all disputes arising between them regarding the approval of the Park Projects. In the event that either party determines that it is not possible to reach agreement by way of amicable negotiation the parties agree to use the Dispute Resolution Process set out in the Protocol.

Please confirm your agreement to the above by way of execution of a copy of this letter as provided for below. Once you have executed the letter and provided a copy to me, I will attend to the same and provide a copy to you. This Permit Modification Agreement expires April 1, 2009.

Yours truly,

Andy Macdonald
BC Parks Section Head - South Vancouver Island

The terms and conditions for the use of the fee increase as described in this letter are agreed to and confirmed as of the date of the letter.

<p>SIGNED on behalf of HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA by the minister responsible for the <i>Park Act</i> or the minister's authorized representative this 1st ^{November} day of September 2008.</p> <p> Minister responsible for the <i>Park Act</i> or the minister's authorized representative</p>	<p>SIGNED on behalf of RLC Enterprize Ltd. by its authorized signatories this _____ day of September, 2008.</p> <p> Authorized Signatory</p> <p>_____ Authorized Signatory</p>
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Attachments

FORMULA TERM	DEFINITIONS & EXPLANATIONS
Campground Revenue	This refers to regular frontcountry camping revenue only . This <u>does not</u> include revenue generated from sani-stations or 2nd vehicle fees. This <u>does</u> include regular camping parties and senior camping parties. All revenues must be entered net of GST. **It is imperative that revenue data entered is accurate.
Gross Campground Revenue	This is the total amount of revenue collected by the PFO (including the additional revenue from the fee increase), net of GST. This <u>does not</u> include revenue generated from sani-stations or 2nd vehicle fees. This <u>does</u> include regular camping parties and senior camping parties.
% Increase in Camping Fee	This is calculated on a BUNDLE basis. For example, if a campground fee increased from \$14 to \$15, the % increase would be 6.79%. However, we recognize that different campgrounds in bundles will have different % increases as fees are different (i.e. \$14 to \$15, or \$22 to \$24). This has been accounted for in the "% Increase per Bundle" worksheet tab. Refer to this tab for bundle specific calculations on overall % increase. Enter the bundle % increase (highlighted in RED) in this field. GST has been accounted for and is NOT included in this %.
Revenue Due to Fee Change	Essentially, this is the amount of revenue generated by the fee increase from regular camping parties (increase in 2nd vehicle fees is being granted to PFOs this year as a way to off-set higher transaction costs). It will equal the amount of money a PFO is required to put into PMA if they meet their 3-year average revenue target.
Net Campground Revenue	This is the amount of revenue the PFO retains (Equation: Gross Revenue - Fee Increase Revenue = net Campground Revenue)
Revenue Target Equal or Above 3-year Average?	Question: Is the Net Campground Revenue (what the PFO retains) equal or greater than the PFO's 3-year average for Campground Revenue? Yes or No.
Total Revenue Gain by PFO	This figure represents the amount of money the PFO retains, over and above their 3-year Campground Revenue average.
Total Amount PFO is Required to put in PMA	This figure is the amount of money the PFO is required to put into the appropriate PMA.

Formula for PMA allocations due to Campground Fee Change South Island RLC

FILL IN ALL 5 BLACK BOXES

CAMPGROUND REVENUE IN 2005:

CAMPGROUND REVENUE IN 2006:

CAMPGROUND REVENUE IN 2007:

3 YEAR AVERAGE for CAMPGROUND REVENUE:

GROSS CAMPGROUND REVENUE IN 2008:

% INCREASE IN CAMPING FEE:

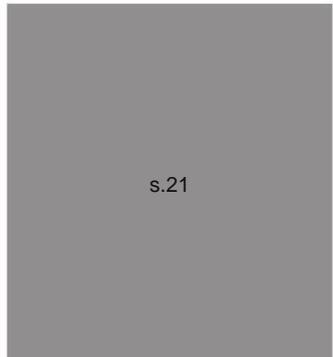
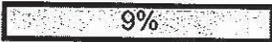
REVENUE DUE TO FEE CHANGE:

NET CAMPGROUND REVENUE IN 2008:

REVENUE TARGET EQUAL OR ABOVE 3-YR AVERAGE:

TOTAL REVENUE GAIN BY PFO:

TOTAL AMOUNT PFO IS REQUIRED TO PUT INTO PMA:



** Refer to "Definitions" tab for information on the formula



March 5, 2009

File: 85700-40/V10310090 (South Island)

Rick Carswell
RLC Enterprize Ltd.
Box 272
1159 Aspen Rd
Malahat, BC V0R 2L0

Dear Mr. Carswell:

Re: Permit Modification Agreement #0005
**Goldstream Shower Building Compensation Park Use Permit V10310090 (the
"Park Use Permit")**

This proposed agreement pertains to additional costs incurred by the Permittee for the operation of two new shower buildings at Goldstream Park for the 2008/09 Operating Year.

s.21, S17

Please confirm your agreement to the above by way of execution of a copy of this letter as provided for further below. Once you have executed the letter and provided four hardcopies to me, I will attend to the same and provide a copy to you.

Yours truly,

Andy Macdonald
Section Head -- South Island
Parks and Protected Areas Division
Vancouver Island Region

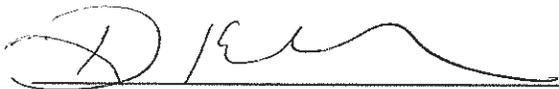
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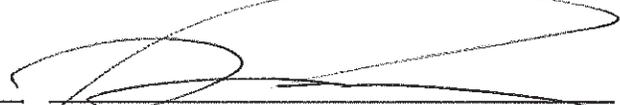
The terms and conditions for additional operating costs as described in this letter are agreed to and confirmed as of the date of the letter.

IN WITNESS WHEREOF the parties have executed this Amendment Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).





March 23/09

Date

march 6/09

Date



Ministry of
Environment

PERMIT MODIFICATION AGREEMENT

Permit No.: V10310090 (South Island)
Permittee File No.: 85700-40/ V10310090
Permit Modification Agreement No.: 0007

THIS AGREEMENT IS DATED FOR REFERENCE December 31, 2008, and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister responsible for the *Park Act* (the "Province") at the following address:

**Ministry of Environment
2080A Labieux Road
Nanaimo, BC V9T 6J9**

RLC ENTERPRIZE LTD.

(the "Permittee") at the following address

**Box 272
1159 Aspen Road
Malahat, BC VOR 2L0**

WHEREAS:

- A. The Province issued Park Use Permit No. V10310090 to the Permittee dated for reference April 24, 2003 and the Province and the Permittee (the "Parties") agreed to amend the permit by way of: agreements #0001 and #0002 dated for reference dated February 21, 2006 and September 18, 2008 respectively; and letters #0003 dated August 14, 2008; #0004 dated September 18, 2008, #0005 dated March 5, 2009 and #0006 dated March 24, 2009 (the "Agreement").
- B. The Parties have agreed to modify the Agreement in the manner as set out below (this "Amendment Agreement").

THIS AMENDMENT AGREEMENT WITNESSES THAT the parties agree as follows:

A. The Agreement is modified by:

1. The definition for “**Preventative Maintenance Amount**” in **Subsection 1.1** is replaced with the following:

means, subject to Article 5, s.21, s.17

2. **Section 2.3** is modified as show by the underlining below:

2.3 The term of this Agreement commences on the Commencement Date and terminates on March 31, 2014, or such earlier date provided for in this Agreement.

3. **Subsection 4.1(j)** is modified as shown by the underlining below:

(j) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Operating Area except for money that you are required to hold back under the *Builders Lien Act*. For the purposes of this subsection, the date when accounts and expenses become due, is 60 days after the date of any given invoice presented to you for payment;

4. **Section 4.5** is added as follows:

4.5 If GST is increased during the Term, BC Parks will:

- (a) increase the payments described in Schedule D, Section 2;
- (b) reduce the Preventative Maintenance requirements;
- (c) make a lump sum payment to you; or
- (d) change the Park Act fees

in an amount proven by you to be equivalent to the reduction in Gross Revenue caused by the increase in GST.

5. **Subsection 5.1(a)(iii)** is modified as shown by the underlining below:

(iii) include the information set out in Schedule “E”, using BC Parks’ Annual Operating Plan template as provided to you annually, provided the template is provided no less than 60 days prior to the required reporting deadline; and

6. **Subsection 5.1(b)(ii)** is modified as shown by the underlining below:
 - (ii) revenue and cash flow projections, using BC Parks' Financial Projections template as provided to you annually, provided the template is provided no less than 60 days prior to the required reporting deadline.

7. **Subsection 5.2(b)(ii)** is modified as shown by the underlining below:
 - (ii) provides for the assessment of the condition of each of the Facilities at least once every five years of the Term, unless otherwise agreed to by the Parties in writing.

8. **Sections 5.8, 5.9, 5.10 and 5.11 are removed.**

9. **Section 9.3** is modified as shown by the underlining below:

9.3 If the condition complained of (other than the payment of any money payable by you under this Agreement (including, for greater certainty, money payable by you in accordance with subsection 4.1 (j) above for labour or services) reasonably requires more time to cure than 10 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 10 days and diligently and continuously remedy the condition and complete the same.

10. **Schedule C, subsection 6(c)(vii)** is modified as shown by the underlining below:
 - (vii) retain a person who holds a valid certificate issued under the "Wildlife/Danger Tree Assessor's Course for Parks and Recreation Sites" to evaluate the Operating Area once in each Operating Year (between February 1 and May 30)

11. **"Section 12. West Shawnigan Lake Park"** in both **Schedule A – Operating Area** and **Schedule B – Parks** is removed.

12. **Subsection 2(g)** of **Schedule C** is amended as shown by the underlining below:
 - (g) At your expense, maintain all pay stations to a working order, which includes:

- (i) completion of all repairs and regular maintenance;
- (ii) recording in the log books all entries of pay station service, repair and inspection;
- (iii) maintaining a complete spare parts inventory as initially provided by the Province; and
- (iv) tracking all costs associated with Operational Maintenance and repairs to all pay stations, and submitting this information to us upon request.

13. **Subsection 6(c)(xi)** is added to **Schedule C** of the Agreement as follows:

- (xi) provide liquid hand soap in all washroom buildings equipped with running water.

14. **Subsection 13(b)(iii)** of **Part E- Special Provisos** of the Agreement is removed.

15. **Part G - Service Reductions** is added to **Schedule C** as follows:

Part G – Service Reductions

Your obligations set in this Schedule C, are amended as follows:

a) Subsection 1(b) is modified as follows:

- (i)..... The period of time during which all Park Act Services must be offered for **Carmanah Walbran** is amended by changing the dates from May 15 – September 30 to June 15 – Labour Day. As well, Park Act services are amended as the Province will immediately remove the artesian drinking water source from the Operating Area.
- (ii)..... The Park Act Services for **Koksilah River** are amended by removing the requirement to provide campground services. In other words, this Operating Area will remain a day use area. As well, you agree that there will be at least one staff member in attendance in this Operating Area at least one day per week from May 15 to September 15 to ensure your obligations under the Agreement are being met.
- (iii)..... The row in the chart pertaining to **Cowichan River (Skutz Campground)** is removed. The row in the chart pertaining to Cowichan River (except Skutz campground) is modified to remove “(except Skutz campground)”. Campground services at what was Skutz campground are not required.

- 16. **Schedule "D" – Financial Matters** is replaced with the Schedule "D" – Financial Matters attached hereto as Appendix 1. Modifications to this Schedule include the Deficiency Payment Tables and those items underlined.
- B. Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- C. This Amendment Agreement and the Agreement shall be read and construed together.
- D. Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- E. This Amendment Agreement enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed this Amendment Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).




Duly Authorized Representative

Signature of Permittee or Authorized Signatory

April 9/09

April 4/09

Date

Date

APPENDIX 1
SCHEDULE "D"
FINANCIAL MATTERS

1. Not later than 15 days after the end of each month of the Operating Year, you will
 - (a) deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month; and
 - (b) pay to us the following as collected by you in the preceding month,
 - (i) all Park Act Fees (Increase) together with all GST payable on those fees;
 - (ii) 30% of the Parking Fees and 100% of any increase to the Parking Fees; and,
 - (iii) any amount over \$7.00 for each Recreation Stewardship Annual Pass sold by you.

2. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Deficiency Payment Table		
TIME PERIOD (2009/10)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2009	April 30, 2009	s.21
May1, 2009	November 30, 2009	
Dec 1, 2009	Dec 31, 2009	
January 1, 2010	January 31, 2010	
February 1, 2010	February 28, 2010	
March 1, 2010	March 31, 2009	
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2010/11)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2010	April 30, 2010	s.21
May1, 2010	November 30, 2010	
Dec 1, 2010	Dec 31, 2010	
January 1, 2011	January 31, 2011	
February 1, 2011	February 28, 2011	
March 1, 2011	March 31, 2011	
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2011/12)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2011	April 30, 2011	s.21
May1, 2011	November 30, 2011	
Dec 1, 2011	Dec 31, 2011	
January 1, 2012	January 31, 2012	
February 1, 2012	February 28, 2012	
March 1, 2012	March 31, 2012	
TOTAL:		

and,

- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
 - (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.
3. Not later than 30 days after the end of each Operating Year, unless otherwise agreed to by us in writing, you will deliver to us the following financial statements prepared according to Generally Accepted Accounting Principles (GAAP),
- (a) an annual balance sheet and income statement for the preceding Operating Year;

- (b) a statement of changes in your financial position in the preceding Operating Year;
 - (c) a financial statement, for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during that Operating Year.
- 4 If a reduction or elimination of the Pass Fees is made by way of cabinet regulation you shall be entitled to compensation from the date that the regulation comes into force until the end of the Term of the last Operating Year in the Business Plan that was agreed to for creating the current Schedule "D" as follows:
- (a) subject to you providing us with your claim for compensation, described in subsection (i) or (ii) below, in writing:
 - (i) for any reduction in Pass Fees, in an amount that when added to the Pass Fees earned will equal your average annual Pass Fees revenue from the date that this Schedule was added to the Agreement until the regulation came into force as reported in your annual financial statement; or,
 - (ii) for any elimination in Pass Fees, in an amount that when added to the Pass Fees earned will equal your projected annual Pass Fees revenue, less the parking machine operating cost amount set out in the Business Plan referred to in this section.

You shall not be entitled to any other compensation as a result of a reduction of the Pass Fees except as set out in this subsection.

5. For the 2012/13 and 2013/14 Operating Years, we shall make payments in addition to the payments to be made to you under section 2 in this Schedule based on a Cost of Living Adjustment (COLA) calculated during the month of November for each year, as follows:

(a) for 2012/13,

(i)

s.21

(ii)

(iii)

s.21

- (b) for 2013/14, the adjustments described in a) above will apply except that the total labour cost, fuel costs, and all other costs under (i) to (iii) respectively will be the total amount we paid to you in 2012/13 for that cost item.

Any payments we may make under (a) or (b) above will be made on or before January 31 of the applicable Operating Year.

6. Not later than 15 days after the end of the 2013/14 Operating Year, you will pay to us any campground reservation monies collected by you for the 2014/15 Operating Year.



March 24, 2009

File: 85700-40/VI0310090 (South Island)

RLC Enterprize Ltd.
Box 272
1159 Aspen Rd
Malahat BC V0R 2L0

Dear Mr. Carswell:

Permit Modification Agreement #0006 (South Island)

Re: Removal of hand pump and associated *Drinking Water Protection Act* (DWPA) requirements in the John Dean Park Operating Area regarding Park Use Permit VI0310090, (the "Park Use Permit")

This Permit Modification Agreement pertains to the removal of the John Dean Park water system (hand pump removal and well capping), additional water system maintenance and the associated *Drinking Water Protection Act* (DWPA) and Regulation obligations previously incurred by the Permittee.

The Parties agree to remove the John Dean Park water system

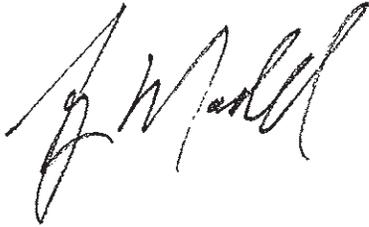
s.21, S17

s.21, S17

Please confirm your agreement to this permit modification clause noted above by providing your signature on behalf of the Permittee. Once you have signed all four copies of the agreement, please return all copies to me in the envelope provided for signature on behalf of the Province. I will then provide you a copy once both signatures are obtained.

.../2

Yours truly,



Andy Macdonald
Section Head – South Vancouver Island
Parks and Protected Areas Division

Permit Modification Agreement #0006 (South Island)

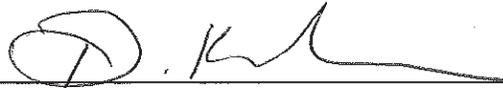
Re: Removal of hand pump and associated *Drinking Water Protection Act* (DWPA) requirements in the John Dean Park Operating Area regarding Park Use Permit VI0310090, (the "Park Use Permit")

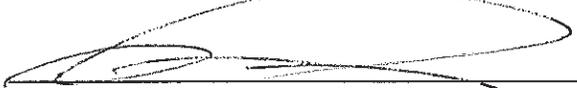
The terms and conditions for reduced operating costs as described in this letter are agreed to and confirmed as of the date of the letter.

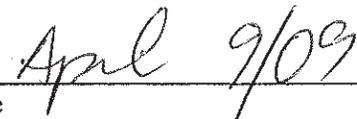
IN WITNESS WHEREOF the parties have executed this Amendment Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the permittee if a Corporation).


Duly Authorized Representative


Signature of Permittee or Authorized Signatory


Date

Date



Ministry of
Environment

PERMIT MODIFICATION AGREEMENT

Permit No.: **VI0310090 (South Island)**

Permittee File No.: **85700-40/VI0310090**

Permit Modification Agreement No.: **0008**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE April 1, 2010 and is made under the *Park Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister responsible for the *Park Act* (the "Province") at the following address:

Ministry of Environment
Coast Region
2080A Labieux Road
Nanaimo, BC V9T 6J9

AND:

R.L.C. ENTERPRIZE LTD.
(Inc. No. BC0367275)

(the "Permittee") at the following address:

Box 272 1159 Aspen Road
Malahat, BC V0R 2L0

WHEREAS:

- A. The Province issued Park Use Permit No. **VI0310090** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **Amendments: #0001 dated February 21, 2006, and #0002 dated September 18, 2008** and letters dated: **#0003 dated August 14, 2008; #0004 dated September 18, 2008; #0005 dated March 5, 2009 and #0006 dated March 24, 2009** (the "Agreement").
- B. The Parties anticipate that the HST (defined below) will come into effect July 1, 2010, and have agreed to amend the Agreement to offset some of the potential added costs to the Permittee that are expected to arise.
- C. The Parties have also identified and agreed to offset some other potential added costs to the Permittee that are expected to arise.
- D. The Parties have agreed to modify the Agreement in the manner as set out below (this "**Amendment Agreement**").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

a) Removing the definition for "GST" and adding the following definition in **section 1.1**:

"HST" means the tax imposed under Part 9 of the *Excise Tax Act* (Canada).

b) Throughout the Agreement, replacing the term GST with HST;

c) **Subsection 13(b)(i)** of Schedule "C" is modified as shown by the underlining below:

(i) Goldstream Park which services the group campground, BC Parks compound and RLC compound, is locked closed when the group campground is not in use, the BC Parks compound is closed, and you are the last to leave,

c) Deleting **section 2** of Schedule "D" – Financial Matters, and replacing it with the following:

2. After the last day of the time period set out in the charts below,

- (a) you will pay to us, subject to deductions made in (e) of this section, the payment, net of all HST payable on Recreation User Fees, for the amount set out opposite the applicable time period by way of cheque made out to the Minister of Finance, or
- (b) if a payment will be made by the Province to you, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Return to Crown Payment Table		
TIME PERIOD (2010/11)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2010	March 31, 2011	s.21
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2011/12)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2011	April 30, 2011	s.21
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2012/13)		AMOUNT
First Day of Time Period	Last Day of Time Period	
TOTAL:		COLA

Deficiency Payment Table		
TIME PERIOD (2013/14)		AMOUNT
First Day of Time Period	Last Day of Time Period	
TOTAL:		COLA

and,

- (c) if a payment will be made by the Province and we are:
 - (i) satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
 - (ii) not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period above, by an amount determined to be a genuine pre-estimate of liquidated damages.
- (d) if you will deliver payment to the Province:
 - (i) our acceptance of the payment does not certify that we are satisfied that you have fully performed your obligations under this Agreement during that time period; and

- (ii) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, exercise any remedy available to us under this Agreement.
- (e) for the 2010/11 Operating Year only, the Parties agree to deduct one-time costs from the Return to Crown payment schedule as follows:
 - (i) 
 - (ii)  s.21
 - (iii) 

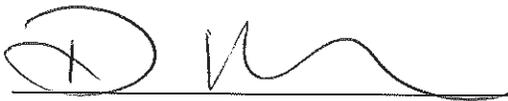
Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.

- 2) This Amendment Agreement and the Agreement shall be read and construed together.
- 3) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 4) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed this Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).



Duly Authorized Representative

Signature of Permittee or Authorized Signatory

June 22/2010
Date

May 12/2010
Date



May 7, 2010

File: 85700-40/VI0310090

REGISTERED MAIL

Rick Carswell, President
RLC Enterprize Ltd.
PO Box 272
Malahat BC V0R 2L0

Dear Mr. Carswell:

Permit VI0310090, Modification Agreement #0009

Re: Encryption Costs for Round2It Pay Parking Machines regarding Park Use Permit
VI0310090 as amended (the "Agreement")

In spring 2009, BC Parks began installing pay parking machines that encrypt credit card numbers to protect against fraud and meet an evolving industry standard. These machines, known as Round2It, will be installed in select parks in the Lower Mainland, Vancouver Island, Thompson and Okanagan Regions over the next couple of years, subject to funding. You are receiving this letter because Round2It pay parking machines have, or are scheduled to be, installed in parks that you operate.

In order to use the Round2It parking machines, Dominion Securities and Moneris Solutions charge the following fees:

- a.
- b.
- c.
- d.
- e.
- f.

s.21, S17

Pursuant to the terms of your Agreement, you are required, at your expense, to operate and maintain a program to collect Pass Fees (Schedule C, subsection 2(f)). Despite this provision, BC Parks will cover the above noted costs in the following manner:

.../2

1. Pursuant to Schedule D of the Agreement, you must prepare to submit to us monthly reports of pay parking revenue collected and pay us 30% of the Pass Fees, as calculated by BC Parks' Parking Reporting Form. In addition, please be reminded that the Agreement requires you to remit the appropriate GST to the federal government and cover all credit card charges.
2. Once total remittance to the Province has been calculated on this BC Parks' Parking Reporting Form, please deduct the following encryption service costs to determine your revised total remittance to the Province and include your calculations in the Parking Reporting Form's "Encryption Costs" tab:

- a.
- b.
- c.
- d.
- e.
- f.
- g.

s.21, S17

3. You must then submit the Parking Reporting Form and the adjustment to it (prepared in accordance with steps 1 and 2 above) along with your payment to the Minister of Finance, and a copy of the invoice(s) you received from Dominion Securities and Moneris Solutions to your bundle manager for BC Parks' records.

If you have any questions regarding this process, please contact Sarah Joannis. Otherwise, please confirm your agreement to the above by way of execution of a copy of this letter as provided for further below. Please sign and date all three copies of this letter and send to Sydney Martin at the following address:

Sydney Martin
4th Floor – 2975 Jutland Rd
Victoria BC V8W 9M9

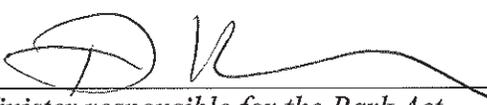
.../3

Once you have executed the letter and provided three copies to Sydney, she will attend to the same and provide an original copy to you.

Yours truly,



Andy Macdonald
Section Head
Parks and Protected Areas Division
West Coast Sub Region – Coast Region
250-751-3170

<p><i>SIGNED on behalf of HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA</i> <i>by the minister responsible for the Park Act or the minister's authorized representative this 22 day of June,</i> 2010.</p>  <p><i>Minister responsible for the Park Act or the minister's authorized representative</i></p>	<p><i>SIGNED on behalf of R.L.C. Enterprize Ltd. by its authorized signatories this 2nd day of May, 2010.</i></p>  <p><i>Authorized Signatory</i></p> <hr/> <p><i>Authorized Signatory</i></p>
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Ministry of
Environment

PERMIT MODIFICATION AGREEMENT

Permit No.: **VI0310090 (South Island)**

Permittee File No.: **85700-40/VI0310090**

Permit Modification Agreement No.: **0010**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE March 1, 2012 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister responsible for the *Park Act* (the "Province") at the following address:

Ministry of Environment
West Coast Region
2080A Labieux Road
Nanaimo, BC V9T 6J9

RLC ENTERPRIZE LTD.

(the "Permittee") at the following address:

Box 272
1159 Aspen Road
Malahat, BC V0R 2L0

WHEREAS:

- A. The Province issued Park Use Permit No. **VI0310090** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference Amendments: **#0001** dated **February 21, 2006**; **#0002** dated **September 18, 2008**; **#0007** dated **Decemeber 31, 2008** and **#0008** dated **April 1, 2010** and letters dated: **#0003** dated **August 14, 2008**; **#0004** dated **September 18, 2008**; **#0005** dated **March 5, 2009**; **#0006** dated **March 24, 2009**; and **#0009** dated **May 7, 2010** (the "Agreement").
- B. The Parties acknowledge an increase in costs for the additional backflow valve maintenance at Goldstream Provincial Park and the operation and maintenance of heaters at Gordon Bay Provincial Park thereby affecting deficiency payment calculations.
- C. Pursuant to the definitions and various other sections of the Agreement the Permittee is
 - i. required to collect parking fees and to maintain and service parking machines; and,
 - ii. entitled to keep a percentage of the parking fees collected.

- D. Regulation 82/2011, made under the *Park Act* amended the BC Parks Recreation User Fees Regulation B.C Reg. 136/2009 by eliminating parking fees, other than those applicable to vehicles at campsites. The Parties acknowledge this changes deficiency payments calculations as well.
- E. The Parties have agreed to modify the Agreement in the manner as set out below (this "**Amendment Agreement**").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

A. The Agreement is modified by:

1) Deleting the following definitions from **section 1.1**:

- i. **"Parking Fees"**
- ii. **"Pass Fees"**
- iii. **"Recreation Stewardship Annual Pass"**

2) Deleting the following expressions where ever included in the Agreement:

- i. "Pass Fees"
- ii. "and the Pass Fees"
- iii. "or the Pass Fees"
- iv. "except for Pass Fees";
- v. "Recreational Stewardship Annual Pass"

3) Deleting **subsections 2(b), (c), (f), (g),(h), and 8(e)** from **Schedule C- Service Standards**.

4) Adding **section 4 e (vi)** to **Schedule "C"- Service Standards Part B**:

(vi) annual backflow prevention valve inspection by a technician certified by the BC Water Works Association.

5) Adding **section 5 (q) and (r)** to **Schedule "C"- Service Standards Part B**:

(q) at your expense, operate and maintain a total of six (6) electric unit heaters in three (3) buildings at Gordon Bay Park to prevent mildew from forming on the interior surfaces.

(r) at your expense, coordinate annual backflow prevention valve maintenance and inspection by a technician certified by the BC Water Works Association for the three (3) backflow prevention valves at Goldstream Provincial Park.

6) Deleting **section 2** and **section 5** of **Schedule "D" – Financial Matters**, and replacing it with the following:

2. After the last day of the time period set out below plus tax, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Deficiency Payment Table		
TIME PERIOD (2011/12)		AMOUNT
First Day of Time Period	Last Day of Time Period	

March 1, 2012	March 5, 2012	s.21
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2012/13)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2012	April 30, 2012	s.21
May 1, 2012	September 30, 2012	
TOTAL:		

Deficiency Payment Table		
TIME PERIOD (2013/14)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2013	April 30, 2013	(2012/13) deficiency payment for this time period
July 1, 2013	September 30, 2013	(2012/13) deficiency payment for this time period
TOTAL:		2012/2013 Total Deficiency Payment + COLA

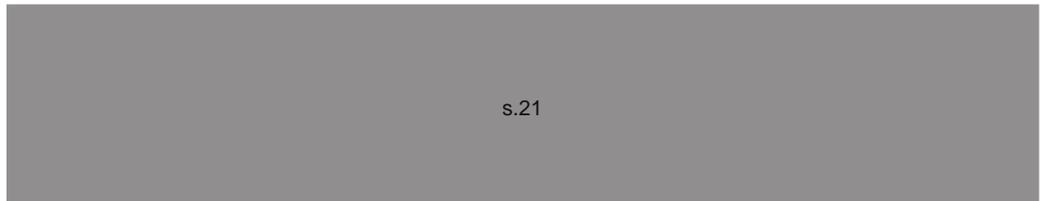
and,

- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
- (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages

5. The Cost of Living Adjustment (COLA) referred to in section 2 for the 2012/13 and 2013/14 Operating Years, will be calculated during the month of November for each Operating Year, as follows:

- (a) for 2012/13,

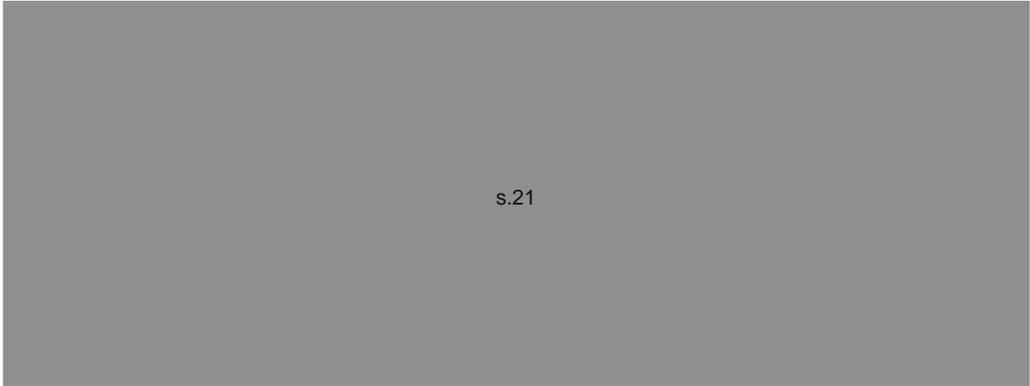
- (i)



s.21

(ii)

(iii)



s.21

- (b) For 2013/14, the adjustments described in a) above will apply except that the total labour cost, fuel costs, and all other costs under (i) to (iii) respectively will be the total amount we paid to you in 2012/13 for that cost item.

Any payments we may make under (a) or (b) above will be made on or before January 31 of the applicable Operating Year.

- B. Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- C. This Amendment Agreement and the Agreement shall be read and construed together.
- D. Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- E. This Amendment Agreement ensures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed this Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

Loei Heels

Duly Authorized Representative

Duly Authorized Representative

Mar 9/12

Date

Feb 29/2012

Date