



Siskin Lane Conservation Covenant

Official Version

April 2006

Renewal Land Company

**LAND TITLE ACT
FORM C**

Province of
British Columbia

GENERAL INSTRUMENT - PART I (This area for Land Title Office Use)

Page 1 of 38 Pages

1. Application: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

William C. Turner
TLC The Land Conservancy
2709 Shoreline Drive
Victoria, BC V9B 1M 5

Signature of William C. Turner

2. Parcel Identifier(s) and Legal Description(s) of Land:

The Common Property and Strata Lots 1-23 of Strata Plan VIS _____ Lot D, Sections 3, 6 and 7, Cortes Island, Sayward District.

3. Nature of Interest:*

DESCRIPTION	DOCUMENT REFERENCE (page and paragraph)	PERSON ENTITLED TO INTEREST
Section 219 Covenant	Entire instrument	Transferee
Section 218 Statutory Right of Way	Section 9	Transferee
Rent Charge	Section 11	Transferee

4. Terms: Part 2 of this instrument consists of (select one only)

- (a) Filed Standard Charge Terms _____ D.F. No.
(b) Express Charge Terms **X** Annexed as Part 2
(c) Release _____ There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. Transferor(s):*

RENEWAL LAND COMPANY, a company incorporated in British Columbia
(Incorporation No. 668917), 610-220 Cambie Street, Vancouver BC, V6B 2M9.

6. Transferee(s): (Including occupation(s), postal address(es) and postal code(s))*

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, a society registered in British Columbia (Registration No. S-36826), 2709 Shoreline Dr, Victoria BC V9B 1M5

7. Additional or Modified Terms:*

N/A

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GENERAL INSTRUMENT - PART I

8. Execution(s): **This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

EXECUTION DATE

Officer Signature(s):

Y M D
06 03 29

Party(ies) Signature(s)

RENEWAL LAND COMPANY by its
authorized signatory(s)

(as to signature)

06

TLC THE LAND CONSERVANCY OF
BRITISH COLUMBIA by its authorized
signatory(s)

Print name, address and occupation

William Turner

print name

(as to both signatures)

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1979, c. 116 to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

* If space is insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

** If space is insufficient, continue executions on additional pages in Form D

TERMS OF INSTRUMENT - PART 2

**Section 219 Conservation Covenant and
Section 218 Statutory Right of Way**

The Agreement is dated for reference the __ day of April, 2006, is

BETWEEN:

RENEWAL LAND COMPANY (Incorporation No. 668917)
(the "Owner")

AND:

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, (Reg. No. S-36826)
("The Land Conservancy")

WHEREAS:

- A. The Owner is the registered owner of the Land;
- B. The Land contains significant amenities, including flora, fauna and natural features, of great importance to the Owner, to the Covenant Holder, and to the public;
- C. Forest land stewardship and the sustainable use of forests entails protecting and maintaining the integrity of forest ecosystems;
- D. Past logging and clearing on the Land has greatly reduced the naturally occurring extent (quantity and density) of Mature Forest and Old Growth Forest and has impacted the integrity of the forest ecosystems on the Land;
- E. The depletion of Mature and Old Growth Forest is potentially detrimental to the many native species that require Mature and Old Growth Forest habitats;
- F. A statutory right of way pursuant to s. 218 of the *Land Title Act of British Columbia* in favour of the Covenant Holder is necessary for the operation and maintenance of the undertakings of the Covenant Holder;
- G. TLC The Land Conservancy of British Columbia has been designated by the then Minister of Environment, Lands and Parks as a person authorized to accept covenants under s. 219 of the *Land Title Act of British Columbia* and as a person authorized to accept statutory rights of way pursuant to s. 218 of the *Land Title Act of British Columbia*;

In consideration of the payment of two dollars (\$2.00) now paid by the Covenant Holder to the Owner (the receipt and sufficiency of which is acknowledged by the Owner), and in consideration of the promises exchanged below, the parties agree as follows, in accordance with sections 218 and 219 of the *Land Title Act* (British Columbia):

1. **Definitions and Interpretation**

1.1 In this Agreement:

- (a) "Amenity" includes any natural, scientific, environmental, wildlife, plant life or cultural value relating to the Land;
- (b) "Biodiversity" means the variety of life and its processes, and encompasses genetic, species, assemblage, ecosystem and landscape levels of biological organization and their structural, compositional and functional components;
- (c) "Breast Height" means a point on a tree at 1.3 metres above the point of germination, measured along the axis of vertical growth;
- (d) "Business Day" means, a day on which the Land Title Office in New Westminster BC, or its successor, is open;
- (e) "Community Garden Access Trail" means a trail established to provide access to the Community Garden Area in accordance with Schedule C of this Agreement;
- (f) "Community Garden Area" means that part of the Land that is used for gardening or orchards in accordance with Schedule C of this Agreement;
- (g) "Covenant Holder" means, unless the context otherwise requires, TLC The Land Conservancy of British Columbia;
- (h) "CPI" means the All-Items Consumer Price Index published by Statistics Canada, or its successor in function, for Vancouver, British Columbia, where 2005 equals 100;
- (i) "Diameter at Breast Height" means the diameter of a tree at Breast Height;
- (j) "Emergency Access Lane" means the existing trail as shown in Schedule E of this Agreement to be used for the purpose of emergency access and egress only.
- (k) "Forest Ecosystem Management" means an adaptive approach to managing human activities that seeks to ensure the co-existence of healthy, fully functioning ecosystems and human communities;
- (l) "Forest Ecosystem Management Plan" means a plan for the management of the Forest Conservation Area, including but not limited to timber harvesting activities, that has been prepared in accordance with Schedule B of this Agreement;

- (m) "Forest Conservation Area" means that part of the Land that is used for Forest Ecosystem Management as shown in Schedule D of this Agreement;
- (n) "Land" means the Common Property of Strata Plan VIS_____, Lot D, Sections 3,6, and 7, Cortes Island, Sayward District and Strata Lots 1-23, Strata Plan VIS_____, Lot D, Sections 3,6, and 7, Cortes Island, Sayward District, including those areas shown as Residential Conservation Area, Residential Use Area and Forest Conservation Area in Schedule D of this Agreement;
- (o) "Mature Forest" means a forest ecosystem containing a complex set of ecological conditions and attributes, including large standing and fallen trees, well-developed understory vegetation, gaps in the canopy, multiple canopy layers, a diversity of tree ages, diameter classes and degrees of decadence, large biomass of live and dead wood of varying sizes and degrees of decadence and a significant majority of old trees, where the significant majority of dominant and co-dominant trees are 80 years or older;
- (p) "Natural State" means the state of the Land as described in the Report with:
 - (i) such gradual changes thereto as occur over time as a result of natural processes, including windthrow and usual seasonal flooding and erosion; and
 - (ii) such changes thereto as may from time to time take place as a result of the use of the Land in compliance with the provisions of this Instrument;
- (q) "Notice of Enforcement" means a notice of enforcement given by the Covenant Holder in this Agreement;
- (r) "Old Growth Forest" means a forest ecosystem containing a complex set of ecological conditions and attributes, including large standing and fallen trees, well developed understory vegetation, gaps in the canopy, multiple canopy layers, a diversity of tree ages, diameter classes and degrees of decadence, large biomass of live and dead wood of varying sizes and degrees of decadence and a significant majority of old trees, where the significant majority of dominant and co-dominant trees are 140 years or older;
- (s) "Owner" means Renewal Land Company Ltd. and includes Successors of the Owner in this Agreement;
- (t) "Public Trails" means a network of recreational trails to be used for non-motorized purposes only, in accordance with a Statutory Right-of-Way held by the Comox-Strathcona Regional District, as shown in Schedule F of this Agreement;
- (u) "Rent Charge" means the rent charge granted by the Owner under section 11;

- (v) "Rent Charge Amount" means the amount set out in section 11.2, the payment of which is secured by the Rent Charge;
- (w) "Rent Charge Monitoring Fee" means the amount set out in section 11.3, the payment of which is intended to contribute to the annual costs of monitoring this Agreement;
- (x) "Report" means the baseline documentation report that describes the Land and the Amenities in the form of text, maps, photographs and other records of the Land and the Amenities as of the date of registration of this Agreement, a copy of which is on file with each of the parties at the addresses set out in this Agreement, and an overview of which is attached as Schedule A to this Agreement;
- (y) "Residential Conservation Area" means that part of the Land that is used for conservation as shown in Schedule D of this Agreement, including the fifteen metre area adjacent to the inside of each Strata Lot property line;
- (z) "Residential Dwelling Unit" means either a self-contained unit designed, occupied or intended for occupancy as a separate household for one family containing not more than one set of kitchen and cooking facilities, sleeping facilities and/or sanitary facilities or the most current definition used by the Comox-Strathcona Regional District for Cortes Island Zoning Bylaw purposes.
- (aa) "Residential Use Area" means that part of the Land that is used for a Residential Dwelling Unit and outbuildings and gardens as shown in Schedule D of this Agreement;
- (bb) "Siskin Lane Strata Subdivision" means the bare land strata described as Strata Plan VIS_____, Lot D, Sections 3,6 and 7, Cortes Island, Sayward District, encompassing all of the Land and includes those areas shown as Residential Conservation Area, Residential Use Area and Forest Conservation Area in Schedule D of this Agreement;
- (cc) "Successor" means a person who, at any time after registration of this Agreement, becomes the registered owner of the Land or any part of the land by any means, including a beneficial owner;
- (dd) "Sustainable" means meeting the needs of the present generation, while placing priority on the protection of natural systems and without exceeding the limits of natural systems to replenish themselves and maintain their structure, composition and function, without compromising the ability of future generations to meet their needs; and
- (ee) "The Land Conservancy" means TLC The Land Conservancy of British Columbia, a society registered in British Columbia (Registration No.S-36826) and includes its permitted successors and assignees as provided in Section 13.

1.2 Where this Agreement says something is in the "Sole Discretion" of a party, that thing is within the sole, absolute and unfettered discretion of that party.

1.3 This Agreement shall be interpreted in accordance with the laws of British Columbia and the laws of Canada applicable in British Columbia.

1.4 This Agreement is comprised of the recitation of the parties, the recitals to this Agreement, the Schedules to this Agreement and Part 1 of the *Land Title Act of British Columbia* Form C to which this Agreement is attached.

1.5 In this Agreement:

- (a) reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
- (b) where a word or expression is defined in this Agreement, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
- (c) reference to a particular numbered section or article, or to a particular lettered Schedule, is a reference to the correspondingly numbered or lettered article, section or Schedule of this Agreement;
- (d) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (e) the word "enactment" has the meaning given to it in the *Interpretation Act* (British Columbia) on the reference date of this Agreement;
- (f) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided;
- (g) reference to a "party" or the "parties" is a reference to a party, or the parties, to this Agreement and their respective successors, assigns, trustees, administrators and receivers; and
- (h) reference to a "day", "month" or "year" is a reference to a calendar day, calendar month, or calendar year, as the case may be, unless otherwise expressly provided.

2. Representations and Warranties

2.1 TLC The Land Conservancy of British Columbia represents and warrants that the facts set out in Recital E are true as of the date of this Agreement.

2.2 The parties each agree that Recitals B and C are true as of the date of this Agreement.

3. Intent of Agreement

3.1 The parties each agree that the intent of this Agreement is as follows, and that this Agreement is to be interpreted, performed and applied accordingly:

- (a) To protect, conserve, maintain and enhance the natural environment, ecosystems and Biodiversity of the Forest Conservation Area, including the habitats, water, soil, scenic and spiritual values;
 - (b) To restore Mature Forest and Old Growth Forest structure and attributes and maintain them in perpetuity in the Forest Conservation Area;
 - (c) To limit the area of non-forested land and of young forests;
 - (d) To protect trees with special wildlife habitat values, including large mature and old trees;
 - (e) To practice Forest Ecosystem Management in the Forest Conservation Area according to the restrictions as described in Schedule B;
 - (f) To permit residential dwellings and outbuildings that are in harmony with the natural landscape and strive to minimize the impact of residential use on the environment, ecosystems and Biodiversity;
 - (g) To maintain three distinct land use areas on the Land, including Residential Use Areas, Residential Conservation Areas and a Forest Conservation Area; and
 - (h) To prevent any occupation or use of the Land that will significantly impair or interfere with the Natural State of the Land or the Amenities, except as expressly permitted in this covenant.
- 3.2 This Agreement shall be perpetual to reflect the public interest in the protection, conservation, maintenance and enhancement of the Land.

4. Baseline Documentation Report

- 4.1 The parties agree that the Land and the Amenities are described in the Report, a copy of which is on file with each of the parties at the addresses set out in this Agreement, an overview of which is attached as Schedule A to this Agreement.
- 4.2 The parties agree that the Report is intended to serve as an objective information baseline for monitoring compliance with the terms of this Agreement and the parties each agree that the Report and Schedule A provide an accurate description of the Land and the Amenities at the date of this Agreement.
- 4.3 The parties each acknowledge that the flora and fauna on the Land will evolve through natural succession over time and, unless otherwise expressly stated, references to the Report in this Agreement are intended to take into account the natural succession of the flora and fauna over time, without human intervention other than as expressly permitted by this Agreement.

5. Restrictions on all the Land

5.1 Subject to section 5.2, Owner's reserved rights are set out in Section 7 and Schedule C to this Agreement.

5.2 Except as expressly permitted in this Agreement, the Owner shall not do anything, omit to do anything, allow anything to be done, or allow the omission of anything, that does or could reasonably be expected to destroy, impair, diminish, negatively affect, or alter the Land or the Amenities from the condition described in the Report. Without restricting the above:

- (a) The Land shall not be subdivided;
- (b) The Owner shall not, except with the prior written approval of the Covenant Holder, in their Sole Discretion, perform or allow the performance of any of the restricted activities or uses of the Land set out in Schedule B to this Agreement;
- (c) The Owner shall not seek rezoning of the Land to any industrial or commercial use;
- (d) The following materials shall not be applied to the Land:
 - (i) Any herbicide, insecticide, fungicide or pesticide;
 - (ii) Any materials which are persistent in the environment or break down into compounds which are persistent and damaging.
- (e) No easements or Rights of Way may be registered on the land without permission of the Covenant Holder. Any easements or Rights of Way must be in compliance with the terms and intent of this covenant;
- (f) No new road shall be built, laid out or established on the Land;
- (g) No activity or action on the Land or use of the Land shall be performed or permitted which may be expected to be detrimental or adverse to ground and surface water conservation in quantity, quality, or timing in flow;
- (h) No hunting or trapping, for commercial or sport purposes shall be performed or permitted on the Land;
- (i) No firearms of any kind shall be discharged or permitted to be discharged on the Land;
- (j) No industrial activity is allowed on the land except where related to the forest management activities expressly permitted in Schedule B;
- (k) The Emergency Access Lane as shown in Schedule E shall not be used for any purpose other than emergency access and egress and without limiting the generality of the foregoing shall not at anytime be used as a public road or private strata road to access adjoining public or private roads. Provided further, the Emergency Access Lane shall not:

- (i) Exceed 4 metres in width;
- (ii) Be paved or covered with impermeable material; or
- (iii) Remain unlocked or un-gated at any time except for emergency use.

6. Dispute Resolution

- 6.1 If there is a disagreement regarding a breach of this Agreement which has occurred or is threatened, or if there is disagreement as to the meaning of this Agreement, the Owners or the Covenant Holder may give notice to the other parties requiring a meeting of all parties within 20 Business Days of receipt of the notice.
- 6.2 All activities giving rise to a breach or threatening a breach of this Agreement, or giving rise to a disagreement as to the meaning of this Agreement must immediately cease upon receipt of notice.
- 6.3 The parties must attempt to resolve the disagreement, acting reasonably and in good faith, within 20 Business Days of receipt of the notice.
- 6.4 If the parties are not able to resolve the disagreement within that time, the parties will initiate the procedures set out in the *Notice to Mediate (General) Regulations* (B.C. Reg.4/2001, OC 5/2001) to the *Law and Equity Act* of British Columbia (RSBC 1996, CH. 253).
- 6.5 The costs of dispute resolution will be borne equally between the parties.

7. Owner's Reserved Rights

- 7.1 The Owner reserves all of its rights as owner of the Land, including the right to use, occupy and maintain the Land in any way that is not expressly restricted or prohibited by this Agreement, so long as the use, occupation or maintenance are consistent with the intent of this Agreement.
- 7.2 Subject to Section 5.1, the rights for each area as set out in Schedule C to this Agreement are expressly reserved to the Owner.
- 7.3 Subject to Section 7.4, nothing in this Agreement restricts or affects the right of the Owner or any other party to do anything reasonably necessary to:
 - (a) prevent, abate or mitigate any damage or loss to any real or personal property; or
 - (b) prevent potential injury or death to any individual.
- 7.4 If the Owner or any other party intends to do anything described in Section 7.3, the Owner shall give at least 30 days' prior written notice to the Covenant Holder, describing in reasonable detail the intended action, the reason for it, and its likely effect on the Land or the Amenities. Despite the rest of this Agreement, the Owner shall permit the Covenant Holder to enter upon and inspect the Land if any such action is proposed under

Section 7.3. The Covenant Holder may comment on the proposed action and the Owner and any other party must take those comments into consideration before doing anything under that section.

8. Owner's Obligations As To Taxes and Other Matters

- 8.1 The Owner retains all responsibilities and bears all costs and liabilities related to the ownership, use, occupation and maintenance of the Land, including any improvements expressly authorized by this Agreement.
- 8.2 The Owner shall indemnify the Covenant Holder, its directors, officers, employees, agents and contractors, from and against any and all liabilities, damages, losses, personal injury or death, causes of action, actions, claims, and demands by or on behalf of any person, arising out of any act or omission, negligent or otherwise, in the use, occupation and maintenance of the Land or the Amenities by the Owner.
- 8.3 The Owner is liable for any and all breaches of this Agreement, but the Owner is not liable for:
 - (a) breaches of this Agreement which occur while the Owner is not the registered owner of any interest in the Land;
 - (b) injury or alteration to the Land or the Amenities resulting from natural causes, or causes beyond the Owner's reasonable control, including accidental fire, flood, storm, vandalism, trespass and earth movement, but excluding injury or alteration resulting from actions of the Owner or any other person acting with the actual or constructive knowledge of the Owner; or
 - (c) any prudent action taken by the Owner under emergency conditions to prevent, abate, or mitigate significant injury to the Land or the Amenities resulting from natural causes, including accidental fire, flood, storm and earth movement.
- 8.4 Without limiting the above, the Owner:
 - (a) is solely responsible and liable for any loss or damage, or liability of any kind (whether civil, criminal or regulatory), in any way connected with the existence in, on, from, to or under the Land (whether through spill, emission, migration, deposit, storage or otherwise) of any pollutant, contaminant, waste, special waste, or any matter that impairs the environment; and
 - (b) shall indemnify the Covenant Holder from and against any loss, damage, liability, cause of action, action, penal proceeding, regulatory action, order, directive, notice or requirement, including those of any government agency, incurred, suffered, brought against or instituted against the Covenant Holder, in any way associated with anything described in section 8.4(a).
- 8.5 Where the Owner is not responsible for damage or theft due to trespass or vandalism, the Owner will take all reasonable steps to identify and

- prosecute the person responsible and to seek financial restitution for the damage or theft.
- 8.6 The Owner shall pay when due all taxes, assessments, levies, fees and charges of whatever description which may be levied on or assessed against the Land and shall pay any arrears, penalties and interest in respect thereof.
- 8.7 The Owner shall indemnify the Covenant Holder from and against any fee, tax, or other charge which may be assessed or levied against the Owner or Covenant Holder pursuant to any enactment, including the *Income Tax Act* (Canada) with respect to the Land or with respect to this Agreement, including any fee, tax or other charge which may be assessed or levied against the Owner or the Covenant Holder as a result of the amendment or termination of this Agreement.
- 8.8 Any debts or other amounts due from the Owner to the Covenant Holder under this Agreement, if not paid within 30 days after notice, shall bear interest at the annual interest rate that is 3 percent greater than the prime rate of interest. For the purposes of this section, the "prime rate of interest" is the annual rate of interest charged from time to time by the Bank of Montreal, at its main branch in Vancouver, British Columbia, for demand Canadian dollar commercial loans made to its most creditworthy commercial customers and designated from time to time by the Bank of Montreal as its prime rate.
- 8.9 For clarity, the indemnities granted by the Owner to the Covenant Holder under this Agreement are indemnities granted as an integral part of the section 219 *Land Title Act of British Columbia* covenant created by this Agreement.

9. Statutory Right of Way For Monitoring and Enforcement

- 9.1 The Owner grants to the Covenant Holder a license, and a statutory right of way pursuant to s. 218 of the *Land Title Act*, permitting the Covenant Holder to do the following:
- (a) to enter upon and inspect the Land:
 - (i) at least once each calendar year, with the date for each inspection to be agreed upon by the parties before August 31 each year, but if the parties cannot agree on those days by August 31 in any year, the Covenant Holder is entitled to enter upon and inspect the Land in accordance with section 9.1(a)(ii); and
 - (ii) at all reasonable times upon prior notice by the Covenant Holder to the Owner of at least forty-eight (48) hours, unless, in the opinion of the Covenant Holder, there is an emergency or other circumstance which does not make giving such notice practicable, in the Sole Discretion of the Covenant Holder;

- (b) as part of inspection of the Land, to take samples, photographs and video recordings as may be necessary to monitor compliance and enforce the terms of this Agreement;
 - (c) to enter upon and protect, preserve, conserve, maintain, enhance, restore or rehabilitate, in the Covenant Holder's Sole Discretion and at the Covenant Holder's expense, the Land or the Amenities to as near the condition described in the Report as is practicable if an act of nature or human agency other than as described in section 9.1(d), destroys, impairs, diminishes or negatively affects or alters the Land or the Amenities from the condition described in the Report;
 - (d) in accordance with section 9.1, to enter upon and protect, preserve, conserve, maintain, enhance, restore or rehabilitate, in the Covenant Holder's Sole Discretion and at the Owner's expense, the Land or the Amenities to as near the condition described in the Report as is practicable, if an action of the Owner or any other person acting with the actual or constructive knowledge of the Owner:
 - (i) destroys, impairs, diminishes, negatively affects or alters the Land or the Amenities from the condition described in the Report; or
 - (ii) contravenes any term of this Agreement;
 - (e) to carry out or evaluate, or both, any program agreed upon among the parties for the protection, preservation, conservation, maintenance, enhancement, restoration or rehabilitation of all or any portion of the Land or the Amenities; and
 - (f) to place survey pegs or other markings on the Land or to increase the visibility of existing survey pegs or other markings.
- 9.2 The Covenant Holder may bring vehicles, as reasonably necessary, equipment and personal property onto the Land when exercising their rights under this Agreement.
- 9.3 For the purposes of sections 9.1(c) and (d), the Covenant Holder has the Sole Discretion to protect, preserve, conserve, maintain, enhance, restore or rehabilitate the Land or the Amenities.

10. Enforcement Remedy of the Covenant Holder

- 10.1 If the Covenant Holder, in its Sole Discretion, believes that the Owner has neglected or refused to perform any of the obligations set out in this Agreement or is in breach of any term of this Agreement, the Covenant Holder may serve on the Owner a notice setting out particulars of the breach and of the Covenant Holder's estimated maximum costs of remedying the breach. The Owner has 60 days from receipt of the notice to remedy the breach or make arrangements satisfactory to the Covenant

Holder for remedying the breach, including with respect to the time within which the breach shall be remedied.

- 10.2 If the Owner does not remedy a breach described within 60 days, the Covenant Holder is entitled to enter the Land and remedy the breach or carry out the arrangements and the Owner shall reimburse the Covenant Holder for any expenses incurred in doing so, up to the estimated maximum costs of remedying the breach as set out in the notice. Expenses incurred by the Covenant Holder under this section are a debt owed by the Owner to the Covenant Holder.

11. Rent Charge and Its Enforcement

- 11.1 As security for the performance of the Owner's obligations under this Agreement, the Owner grants to the Covenant Holder a perpetual rent charge against the Land, ranking prior to all other financial charges and encumbrances registered against the Land, including options to purchase and rights of first refusal. The Rent Charge is granted both under s. 219 of the *Land Title Act* (British Columbia) as an integral part of the statutory covenant created by this Agreement and as a fee simple rent charge at common law.
- 11.2 The Rent Charge secures payment to the Covenant Holder by the Owner of the sum of \$10,000.00 per year per violation, subject to adjustment under Section 11.4.
- 11.3 If no violation exists, a yearly Rent Charge Monitoring Fee of \$500 is due to the Covenant Holder by January 31st of each year.
- 11.4 The Rent Charge Amount is to be adjusted on January 1 of each year by increasing or decreasing, as the case may be, the Rent Charge Amount by the amount determined by multiplying the Rent Charge Amount on December 31 immediately preceding by the percentage increase or decrease, as the case may be, in the CPI between the previous January 1 and that December 31 and adding the amount so determined to the Rent Charge Amount as it stands on that December 31. If Statistics Canada, or its successor in function, ceases to publish a CPI or comparable indicator as determined by the Covenant Holder in its Sole Discretion, the parties agree that the factor to be used in determining the Rent Charge Amount for each year shall be 3%.
- 11.5 The Rent Charge Amount shall be increased by a sum equal to 150% of the market value at the date of any breach of this Agreement of any flora or fauna, soil, rock, gravel or minerals, which has been altered, damaged, destroyed, moved, harvested or removed.
- 11.6 The Covenant Holder shall be entitled to recover from the Owner all reasonable expenses incurred as a result of enforcement of the Rent Charge.
- 11.7 The Rent Charge is suspended unless and until the Owner is in breach of any provision of this Agreement and has not cured the breach, or is not

- diligently proceeding to cure the breach in accordance with section 10 of this Agreement.
- 11.8 The Covenant Holder may enforce the Rent Charge by any combination, or all, of:
- (a) an action against the Owner for the Rent Charge Amount;
 - (b) distraint against the Land to the extent of the Rent Charge Amount;
 - (c) an action for appointment of a receiver in respect of the Land; or
 - (d) an order for sale of the Land.
- 11.9 If the Covenant Holder wishes to enforce the Rent Charge, it shall provide notice to that effect to the Owners. The Notice of Enforcement may be given at any time after notice of breach is given.

12. Successor of the Owner

- 12.1 This Agreement shall enure to the benefit of and be binding upon the Owner and the Owner's Successors.
- 12.2 The Owner shall not lease or license the Land or any part thereof unless the lease or license is expressly made subject to the provisions of this Agreement and unless the lease or license expressly entitles the Owner to terminate the lease or license and re-enter the Land if the tenant or licensee breaches any of the provisions of this Agreement. The tenant or licensee's liability for any injury, damage or alterations to the Land shall be the same as though he were the Land and the Owner shall be jointly and severally liable with the tenant or licensee for any breach of the Covenant by the tenant or licensee.
- 12.3 Failure by the Owner to comply with the provisions of this section shall not affect the enforceability of this Agreement against the Owner or any Successor.
- 12.4 The Owner shall inform the Covenant Holder within five (5) business days of any accepted offer of purchase and sale of the Land.
- 12.5 The Owner shall inform any potential purchaser of the Land of the existence of this Agreement.

13. Assignment of Agreement or Dissolution of the Covenant Holder

- 13.1 This Agreement shall be transferable by the Covenant Holder, but the Covenant Holder may assign its rights and obligations under this Agreement only to an entity or person qualified at the time of transfer to hold covenants under s. 219 of the *Land Title Act* and any applicable regulation under it. The Covenant Holder agrees that before it assigns its

- rights and obligations under this section, it shall consult with the Owner, and consider the Owner's comments, with respect to the proposed assignee. The Covenant Holder must give notice to the Owner of the proposed assignment, setting out in reasonable detail the identity of the proposed assignee and the qualifications and experience of the proposed assignee relevant to performance by the assignee of the rights and obligations of the Covenant Holder under this Agreement. If the Owner does not provide comments to the Covenant Holder regarding the proposed assignee within 10 days after receipt from the Covenant Holder to the Owner under this section, the Owner is conclusively deemed to have declined to comment on the proposed assignee and to have consented to the assignment. For clarity, the Owner agrees that the Covenant Holder is only required to consult the Owner and that the Covenant Holder is entitled to assign its rights and obligations so long as it has consulted the Owner.
- 13.2 In the event of the winding-up or dissolution of the Covenant Holder, the Covenant Holder shall use its best efforts to assign and transfer all of its interest under this Agreement to a person or entity authorized to accept covenants under section 219 of the *Land Title Act*. If the Covenant Holder does not assign and transfer all of its interests under this Agreement as set out in this section, it shall be deemed to have assigned and transferred all of its interest under this Agreement to Her Majesty the Queen in Right of the Province of British Columbia, to hold temporarily until another Covenant Holder can be found. For clarity, the consultation process set out in section 13.1 does not apply to this section.
14. **Notice**
- 14.1 Any notice or other communication (collectively "notice") required or permitted under this Agreement shall be:
- (a) delivered in person; or
 - (b) sent by pre-paid registered mail, return receipt requested, to the address of the parties at their respective addresses as set out in this Agreement.
- 14.2 If notice is delivered in person, the party receiving the notice shall forthwith acknowledge receipt of same in writing, and the notice shall be deemed to have been received on the earlier of the date of such acknowledgment and the date that is 5 days after the notice is sent.
- 14.4 The addresses of the parties' representatives for notice are as follows:

RENEWAL LAND COMPANY

610-220 Cambie Street

Vancouver, BC V6B 2M9

Telephone (604) 844-7474

Fascimile (604) 844-7441

TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA

2709 Shoreline Drive

Victoria, BC V9B 1M5

14.3 Each party agrees to immediately give written notice to the others of any change in its address.

14.4 If a party refuses to sign an acknowledgment of receipt of notice, the person delivering the notice may swear an affidavit of service and the notice shall be deemed to have been received on the date of service set out in the affidavit.

15. Mortgages

15.1 In this section, "approve" and "approval" mean approval by the Covenant Holder of a first mortgage intended to be registered against the Land or any portion of the Land.

15.2 If the Owner is not in breach of this Agreement, the Covenant Holder shall approve a first mortgage if:

- (a) the mortgage does not exceed 95% of the fair market value of the Land at the date of the approval, as determined by a qualified appraiser; and
- (b) the mortgage is an arms-length transaction with a bona fide mortgage lender.

15.3 The Covenant Holder may, in their Sole Discretion, inspect the Land to determine if the Owner is in breach of any of the terms of this Agreement before granting approval and may withhold approval if there is any breach.

15.4 The Owner shall reimburse and indemnify the Covenant Holder for all reasonable expenses incurred by it as a result of a site visit to inspect the Land pursuant to this section.

16. Notice of Covenant

16.1 The Owner agrees to allow the Covenant Holder to publicize the existence of this Agreement in a tasteful manner.

16.2 Without restricting the generality of the foregoing, the Owner agrees to allow the Covenant Holder to erect a plaque or other signage on the Land, in a tasteful manner and at the Covenant Holder's expense, indicating that the Covenant Holder holds a covenant on the Land.

17. No Liability in Tort

- 17.1 The parties agree that this Agreement creates only contractual obligations and obligations arising out of the nature of this Agreement as a covenant under seal. Without limiting the generality of the foregoing, the parties agree that no tort or fiduciary obligations or liabilities of any kind are created or exist between the parties in respect of this Agreement and nothing in this Agreement creates any duty of care or other duty on any of the parties to anyone else. For clarity, the intent of this section is to, among other things, exclude tort liability of any kind and to limit the parties to their rights and remedies under the law of contract.

18. Waiver

- 18.1 An alleged waiver of any breach of this Agreement is effective only if it is an express written waiver signed by the Covenant Holder, and is only effective to the extent of that express waiver and does not operate as a waiver of any other breach.

19. Joint and Several Obligations

- 19.1 The obligations of the parties referred to in this Agreement as the Owner are joint and several.

20. Remedies not exhaustive

- 20.1 Exercise or enforcement by a party of any remedy or right under or in respect of this Agreement does not limit or affect any other remedy or right that party may have against the other parties in respect of or under this Agreement or its performance or breach.

21. Covenant runs with the Land

- 21.1 Unless it is otherwise expressly provided in this Agreement, every obligation and covenant of the Owner in this Agreement constitutes a personal covenant and also a covenant granted under s. 219 of the *Land Title Act* (British Columbia) and a statutory right of way granted under s. 218 of the *Land Title Act* in respect of the Land. This Agreement burdens the Land and runs with it and binds the successors in title to the Land. This Agreement burdens and charges all of the Land and any parcel into which it is subdivided by any means and any parcel into which the Land is consolidated.

22. Registration

- 22.1 The Owner agrees to do everything necessary at the Owner's expense to ensure that this Agreement, and the interests it creates, is registered against title to the Land, with, priority over all financial charges, liens and encumbrances registered or pending registration in the Land Title Office at the time of application for registration of this Agreement, including options to purchase and rights of first refusal.

23. Severance

- 23.1 If any part of this Agreement is held by a court to be invalid, illegal or unenforceable, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement is to remain in

force unaffected by that holding or by the severance of that part as if the part was never part of this Agreement.

24. No other Agreements

- 24.1 This Agreement is the entire Agreement between the parties and it terminates and supersedes all other Agreements and arrangements regarding its subject. A written instrument signed by all the parties may only change this Agreement.

25. Binding on successors

- 25.1 This Agreement binds the parties to it and their respective successors, heirs, executors and administrators.

26. Amendments

- 26.1 This Agreement is meant to be perpetual and may only be changed by a written instrument signed by all the parties.

27. Independent Advice

- 27.1 The Owner acknowledges and agrees that the Owner has sought and obtained to the Owner's satisfaction independent advice from an accountant or other income tax expert with respect to the income tax implications of this Agreement and acknowledges that it does not and has not relied on the Covenant Holder for advice in this regard and that they have given no representation or warranty in that regard.
- 27.2 The Owner acknowledges and agrees that the Owner has been advised by the Covenant Holder that the Owner should seek legal advice as to the meaning and effect of this Agreement and the Owner further acknowledges and agrees that no legal advisor of the Covenant Holder has advised the Owner on the meaning or effect of this Agreement or in connection with this Agreement.

28. Deed and contract

- 28.1 By executing and delivering this Agreement, each of the parties intends to create both a contract and a deed and covenant executed and delivered under seal.

29. Rights of Covenant Holder

- 29.1 A Covenant Holder, as a corporate entity, may exercise its rights under this Agreement through its directors, officers, employees, agents or contractors.

As evidence of their Agreement to be bound by the above terms, the parties each have executed and delivered this Agreement under seal by executing Part 1 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement.

SCHEDULE A

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the ___ day of April, 2006.

BASELINE DOCUMENTATION REPORT

1.0 Acknowledgment

- 1.1 The Owners hereby acknowledge and agree that the following is an accurate description of the Land, as of the reference date of this Agreement.
- 1.2 An extensive baseline document complete with plant inventory and photo-point monitoring stations will be filed with each of the parties within two (2) years of the signing of this Agreement.

2.0 Property location and description

- 2 The Land comprises the Siskin Lane Strata, Strata Plan VIS_____, and is located on Cortes Island, in the Sayward District. The Siskin Lane Strata includes 23 residential strata lots of approximately 1.5 hectares each and a Forest Conservation Area of 39.6 hectares, as shown in Schedule D to this Agreement. The Land is bounded by a Regional Park to the south, Sutil Point Road to the East and North, and private residential lots to the West. The Land is legally described as:
 - The Common Property and Strata Lots 1-23 of Strata Plan VIS _____ Lot D, Sections 3,6 and 7, Cortes Island, Sayward District.
- 2.1 To drive to the Land, travel south from the Cortes ferry terminal in Whaletown to Manson's Landing, approximately 20 kilometres. Continue south on Sutil Point Road to Siskin Lane, approximately 500 metres south of Cemetery Road. Turn right on Siskin Lane, which takes you into the strata. The Land includes all of the Siskin Lane Strata.

3.0 Significance of the Land and Amenities

The Land is part of the Eastern Very Dry Maritime Coastal Western Hemlock biogeoclimatic variant (CWHxm1).

4.0 The Management Vision

- 4.1** The purpose of this covenant is to protect the Land in perpetuity and restore Mature and Old Growth forest in the Forest Conservation Area, while permitting low-impact residential use within designated areas. The covenant is intended to guide ecologically-appropriate, sustainable forest management in designated areas, while encouraging residential use that is in harmony with the natural landscape and minimizes any negative impacts on the Land. Landowners will encourage and support the management vision, and the covenant holder will monitor on an annual basis.

5.0 Site history

- 5.1** The Land was owned by MacMillan Bloedel Ltd. for several decades. In the late 1990's it was partially harvested and subsequently sold to Weyerhaeuser Corporation. In 2003 the Land was sold to Renewal Land Company for the purposes of developing a conservation-based residential subdivision with a high degree of forest conservation, and low-impact residential use, as outlined in this Agreement.

6.0 List of buildings, structures and other improvements

- 1.** Cemetery Road – public road located outside the Land but within a 10m area of influence.
- 2.** Siskin Lane – gravel surfaced private strata road provides access to Strata Lots 1-20. Siskin Lane is a cul-de-sac with no through access.
- 3.** Public Trails – a network of Public Trails exists throughout the Land, as shown in Schedule F to this Agreement. All Public Trails are gravel and/or sawdust and are less than 3 metres in width. Trails are maintained by the Comox-Strathcona Regional District in accordance with a statutory right-of-way.
- 4.** Underground power and phone services have been installed within the Siskin Lane right-of-way. In addition, all strata lots except Lot 1 and Lot 21 have a drilled well. Driveways have been partially constructed to provide Owner access from Siskin Lane to potential homesites.
- 5.** A series of three drainage ponds, connected by a single drainage corridor, has been constructed from Lot 18 east onto the common property of the Forest Conservation Area. The purpose of the ponds is to mitigate any effects of stormwater run-off and ensure that water infiltrates into the common property rather than draining off-site.

6. A 4-metre wide, gravel Emergency Access Lane has been constructed from the western end of Siskin Lane (cul-de-sac) through to Hayes Road at the western boundary of the Land, as shown in Schedule E to this Agreement. The Emergency Access Lane is gated at both ends.
7. There is a small shallow gravel pit, referred to locally as "Jack's Pond" on the southern boundary, just east of the Sutil Point Road/Smelt Bay Road junction. The gravel pit is designated as Common Property within the Strata. The pit is up to 2m deep and approximately 70m east/west and 40m north south in dimension. It is bordered by Strata Lots 21 and 22. The pit typically has approximately 0.5 to 1.0 metres of standing water in the winter months and is dry in the summer months. There are signs of minor erosion around the edges that border Strata Lots 21 and 22.
8. There are above-ground power and telephone lines running the length of Sutil Point Road adjacent to the Land.
9. There are no buildings on the Land at the time of this Report.

7.0 Inventory

- 7.1 Topography: The topography is uniform, and generally flat to rolling, and ranges in elevation from a low of 55m in the southeast to a high of 80m along the western boundary. No streams or rock cliffs were noted on the Land.
- 7.2 Hydrology: No year-round streams were noted on the Land. Some ephemeral streams exist. The western boundary of the Land has seasonal standing water in areas. Some seasonal, small, sedge-dominated wet patches exist along western boundary of the Land.
- 7.3 Vegetation: No rare plant species were found on the Land. The forest cover is dominated by commercially thinned second-growth Douglas-fir (*Pseudotsuga menziesii*) and western redcedar (*Thuja plicata*) with small components of red alder (*Alnus rubra*), lodgepole pine (*Pinus contorta*), and western hemlock (*Tsuga heterophylla*). The majority of the forest was established following logging in the 1930's. There are several small patchcuts throughout the Land as a result of commercial thinning in the late 1990's. Forest cover within the patch cut areas is dominated by young western hemlock (*Tsuga heterophylla*) and Douglas-fir (*Pseudotsuga menziesii*) with a small component of western redcedar (*Thuja plicata*) and red alder (*Alnus rubra*).
- 7.4 Wildlife: No rare wildlife species or their habitats were found on the Land. The majority of the Land has very low densities of wildlife trees and large veteran trees. Wherever possible, large veteran trees should be retained

to act as wildlife trees. It is anticipated that the number of wildlife trees will increase over time as trees age, particularly within the Forest Conservation Area.

- 7.6 Soil: The soil parent materials are predominantly deep glacio-fluvial outwash, occasionally with a glacio-marine cap overlaying coarser materials. These soils are deep, coarse textured and rapidly drained except where impermeable layers occur and drainage is restricted. Root zone soil textures varied from LS (loamy sand) to S (sand) with coarse fragment content varying from 20 to 50%. No areas at significant risk of erosion were found on the Land.

END OF SCHEDULE A

SCHEDULE B

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the ___ day of April, 2006.

RESTRICTIONS ON RESIDENTIAL USE AREAS

In accordance with Section 5 of this Agreement, the purpose of the Residential Use Area is to allow residential development and residential land use, while striving to minimize the impact of residential development and residential use. Within the Residential Use Area, the Owner may allow some clearing of forest land, construction of a home and outbuildings, and associated uses such as gardens, all subject to the terms and restrictions of this covenant. All buildings and structures must be in quiet harmony with the natural features of the land. In addition to the restrictions in Section 5, the following restrictions apply:

- 1.1 The Residential Use Area for each strata lot shall be that portion of the Land that is identified as such on the plan attached as Schedule D of this Agreement.
- 1.2 In respect to those areas identified in Schedule D as Residential Use Area, the following restrictions apply:
 - (a) No more than 75% of the trees greater than 25cm Diameter at Breast Height shall be removed, where the 75% figure is based on the number of trees at the time of the Report;
 - (b) No wood may be harvested for firewood use except for the collection of naturally occurring windfalls unless the harvested wood is from a tree permitted to be removed under Schedule B Section 1.2(a) in this Agreement;
 - (c) The Owner must maintain a record of the number of trees removed and make this available to the Covenant Holder and Strata Council on request;
 - (d) The combined total structural footprint of the Residential Dwelling Unit and all outbuildings and associated structures shall not exceed 5000 square feet per Residential Use Area;
 - (e) No in-ground swimming pools shall be allowed;
 - (f) Driveways must be built with permeable materials; and,

- (g) Any other acts which, in the opinion of the Covenant Holder acting reasonably, may have a detrimental impact on a Residential Use Area, shall be prohibited.

1.3 Removal of native flora or fauna should be minimized.

1.4 The Owner must notify the Covenant Holder in writing when construction of a Residential Dwelling Unit is to commence and must certify that the Residential Dwelling Unit is in compliance with Schedule B, Section 1.2(d)

2. RESTRICTIONS ON RESIDENTIAL CONSERVATION AREAS

In accordance with Section 5 of this Agreement, the purposes of Residential Conservation Areas are to protect and restore Mature Forest and Old Growth Forest and as many old trees as possible, to maintain privacy and to preserve forested corridors across the landscape for connectivity and wildlife.

2.1 In respect to those areas identified in Schedule D as Residential Conservation Area, including the fifteen metre area adjacent to the inside of each Strata Lot property line, the following restrictions apply:

- (a) No more than 25% of trees greater than 25cm Diameter at Breast Height may be removed, where the 25% figure is based on the number of trees at the time of the Report;
- (b) The Owner must maintain a record of the number of trees removed and make this available to the Covenant Holder and Strata Council on request;
- (c) No wood may be harvested for firewood use except for the collection of naturally occurring windfalls unless the harvested wood is from a tree permitted to be removed under Schedule B Section 2.1(a) in this Agreement;
- (d) No fires shall be allowed; and,
- (e) No structures shall be built.

3. RESTRICTIONS ON FOREST CONSERVATION AREA

In accordance with Section 5 of this Agreement, the purpose of the Forest Conservation Area is to protect, conserve, maintain and enhance the natural environment, ecosystems and biological diversity of the Forest Conservation Area, including the habitats, water, soil, scenic and spiritual values and allow limited timber harvesting according to the restrictions set out in this Agreement.

3.1 In respect to the area identified in Schedule D as Forest Conservation Area the following restrictions apply:

- (a) No Residential Dwelling Unit, accessory buildings or any other structures may be constructed, except for buildings or structures in the Community Garden Area that are in accordance with Schedule C, Section 3 of this Agreement;
- (b) No timber may be harvested prior to the year 2065, after which time any timber harvesting must be in compliance with the terms of this Agreement and the associated Forest Ecosystem Management Plan;
- (c) No firewood may be harvested or collected except as permitted under the Forest Ecosystem Management Plan. Any such harvest will constitute part of the allowable timber harvest on the Land under this Agreement and must be in compliance with the terms of this Agreement and the Forest Ecosystem Management Plan;
- (d) No rubbish, ashes, garbage, waste or other material foreign to the Land may be deposited in or on the Forest Conservation Area except that which is allowed by this Agreement in Schedules B and C of this Agreement;
- (e) No fires are permitted;
- (f) No motorized recreational access is allowed, including but not limited to 4 wheel drive vehicles or all terrain vehicles; and,
- (g) Any other acts which, in the opinion of the Covenant Holder, acting reasonably, may have a detrimental impact on the composition, structure and functioning of the Forest Conservation Area, are prohibited.

3.2 On or before December 31, 2007, the Owners shall provide a Forest Ecosystem Management Plan to the Covenant Holder, which includes a forest inventory and description of the character and condition of the forest in the Forest Conservation Area. The Forest Ecosystem Management Plan will explain how the purpose of the covenant will be achieved, and will detail uses and the types of activities for the Forest Conservation Area for a fifty-year period. The following restrictions apply to the Forest Ecosystem Management Plan and its actions:

- (a) The Forest Ecosystem Management Plan shall be revised as often as necessary or within ten years of registration, whichever comes first, and not less frequently than every ten years to incorporate new forest ecosystem management knowledge, including knowledge gained from monitoring of the Forest Conservation Area;

- (i) Amendments to the previous Forest Ecosystem Management Plan must be agreed upon by all parties;
- (b) The Forest Ecosystem Management Plan shall be consistent with the purpose and details of this Covenant;
- (c) The Forest Ecosystem Management Plan shall be prepared by a forest ecologist with demonstrated experience in forest ecosystem management who is acceptable to the covenant holder;
- (d) The Forest Ecosystem Management Plan must always include the following:
 - (i) Measures for ecological restoration as needed in the Forest Conservation Area;
 - (ii) A monitoring strategy that includes, but it not limited to, the following:
 - a. a list of ecological indicators to monitor and a rationale for the choice of indicators which clearly demonstrates how each indicator can be used to evaluate progress towards the overall management goals;
 - b. remedies that may be pursued if the results of monitoring indicate the intent of this Agreement is not being met or that selected indicators are inappropriate for measuring progress towards management goals.
 - c. the establishment and regular monitoring of photo points, and measures that will be taken to ensure the location of photo points is clearly recorded.
 - (iii) Measures that will be taken to identify, protect and recruit wildlife trees in order to ensure the continued existence of wildlife trees on the Forest Conservation Area, in accordance with the wildlife tree management information provided in the Report;
 - (iv) Measures to ensure that forest management activities will retain or encourage Mature and Old Growth forest characteristics and structural attributes; and,
 - (v) A map showing the areas that have Mature Forest or Old Growth Forest and indicating whether the total area of Mature Forest and Old Growth Forest constitutes a minimum of 85% of the Forest Conservation Area. Until the total area of Mature Forest and Old Growth Forest constitutes a minimum of 85% of the Forest Conservation Area timber harvesting is prohibited.
- (e) On or after the year 2065 the Forest Ecosystem Management Plan must also include the following:
 - (i) Measures to ensure that there is no removal of tree patches greater than 50 meters in diameter;

- (ii) Measures to ensure any annual cut is less than 50% of the actual 5 year annual increment growth over any 5 year period including windfalls;
 - (iii) Measures to ensure that the annual growth rate will be accurately assessed and re-evaluated as appropriate;
 - (iv) Measures to ensure any timber harvest is evenly distributed throughout the Forest Conservation Area over time;
 - (v) Measures to ensure there are adequate areas of Mature Forest and Old Growth Forest, where adequate means that at least 85% of the Forest Conservation Area has Mature Forest or Old Growth Forest at all times.
 - (vi) A map of present and proposed forest management activities.
- (f) The Forest Ecosystem Management Plan and every revision to it shall be submitted to TLC The Land Conservancy for approval. TLC The Land Conservancy shall have 60 Business Days to comment on and to evaluate the Forest Ecosystem Management Plan. If TLC The Land Conservancy fails to comment on the Forest Ecosystem Management Plan The Land Conservancy shall be deemed to have approved of it.
- (g) The Owner must maintain an accurate logbook of any timber removal including the location, species type, and scaled volume. These records must be provided to the Covenant Holder and the Strata Council upon request.

SCHEDULE C

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the ___ day of April, 2006.

1. RESERVED RIGHTS ON ALL RESIDENTIAL USE AREAS

- 1.1 In respect to those areas identified in Schedule D as Residential Use Area, the Owner reserves the following rights:
- (a) To construct, maintain, replace or enhance structures;
 - (b) To create and maintain gardens;
 - (c) To maintain, replace or enhance a single driveway and service corridor from Siskin Lane strata road to the residence, provided that said corridor does not exceed 6 metres in width;
 - (d) To maintain an established network of Public Trails in accordance with a Statutory Right of Way held by the Comox-Strathcona Regional District, as shown in Schedule F;
 - (e) To conduct home-based commercial activities that are not detrimental to the Land and Amenities and are consistent with maintaining the Land and Amenities in a Sustainable state; and,
 - (f) To construct, maintain, replace or enhance a well or other water source and a septic system or other method of waste disposal.

2. RESERVED RIGHTS ON ALL RESIDENTIAL CONSERVATION AREAS

- 2.1 In respect to those areas identified in Schedule D as Residential Conservation Areas, the Owner reserves the following rights:
- (a) To construct a single driveway and service corridor to access the Residential Use Area provided that said driveway and corridor does not exceed 6 metres in width.
 - (b) To maintain an established network of Public Trails in accordance with a Statutory Right-of-Way held by the Comox-Strathcona Regional District, as shown in Schedule F.

3. RESERVED RIGHTS ON FOREST CONSERVATION AREA

- 3.1 In respect to those areas identified in Schedule D as Forest Conservation Area, the Owner reserves the following rights:
- (a) To conduct commercial activities that are not detrimental to the Land and Amenities, are consistent with maintaining the Land and Amenities in a Sustainable state and are in compliance with the terms of this Agreement;
 - (b) To manage the Land pursuant to the Forest Ecosystem Management Plan;
 - (c) To establish and maintain a community garden, not to exceed two hectares in size, in the area identified as Community Garden Area in Schedule D of this Agreement. Orchards are permissible;
 - (d) To establish and maintain a single Community Garden Access Trail to provide access to the Community Garden Area provided that:
 - (i) The Community Garden Access Trail does not exceed 5 metres in width;
 - (ii) No impermeable materials are used except as required to reduce environmental impact;
 - (e) To construct buildings or structures, other than residential dwellings, that are reasonably necessary to the use and stewardship of the Community Garden Area and are in quiet harmony with the natural features of the Land, provided the total square footage of all combined buildings and structures does not exceed 1000 square feet; and,
 - (f) To maintain an established network of Public Trails in accordance with a Statutory Right of Way held by the Comox-Strathcona Regional District, as shown in Schedule F of this Agreement.

SCHEDULE D

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the ___ day of April, 2006.

1. MAP OF USE AREAS ON THE LAND



Map of Residential Use Areas, Residential Covenant Areas and Forest Conservation Area

B.C.G.S. 92K.006

Scale 1:2000
0 20 40 80 120 160 200

Legend

All distances shown are in metres

Bearings are astronomic and derived from Plan VIS

This plan lies within the Comox Strathcona Regional District.



denotes Residential Use Area

note: the un-shaded portion of the lot is the Residential Conservation Area

PAUKEANUM
INDIAN RESERVE NO. 3

BOOK OF REFERENCE		
AREA	LOT	SIZE (ha)
1	1	0.747
2	2	0.765
3	3	0.805
4	4	0.763
5	5	0.805
6	6	0.826
7	7	0.848
8	8	0.826
9	9	0.857
10	10	0.863
11	11	0.791
12	12	0.773
13	13	0.808
14	14	0.800
15	15	0.821
16	16	0.786
17	17	0.814
18	18	0.832
19	19	1.21
20	20	0.854
21	21	0.870
22	22	0.847
23	23	0.782
24	24	0.859
25	25	0.872

SW 1/4
Section 7

13

HAYES ROAD

Plan 44250

11

10

9

8

Forest Conservation Area

South 10 Chains
of West 10 Chains
NE 1/4 Section 3

Section 3

Strata Plan VIS

Plan 9746

SEASCAPE ROAD

Plan 34534

Plan VIP65882

E
Plan VIP

Forest Conservation Area

Section 7

Section 6

Section 1

Plan 27586

SUTL POINT ROAD

SCHEDULE E

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the__day of April, 2006

1.0 MAP OF EMERGENCY ACCESS LANE

PLAN OF STATUTORY RIGHT OVER STRATA LOTS 9 AND 10, AND THE COMMON PROPERTY OF STRATA PLAN VIS_____, SECTIONS 3, 6 AND 7, CORTES ISLAND, SAYWARD DISTRICT

(PREPARED PURSUANT TO SECTION 113 OF THE LAND TITLE ACT)

Legend _____

B.C.C.S. 92K.006



Sq. M. denotes square metres
All distances shown are in metres

● Standard Iron Post found

○ Standard Iron Post set

Bearings are astronomic and derived from Plan VIS_____

Registrar

Deposited in the Land Title Office at Victoria, B.C., this _____ day of _____, 2006 .

PLAN _____

PAUKEANUM

INDIAN RESERVE NO. 3

SW 1/4

Section 7

Section 7

Section 3

Section 7

00'00"00"

90.36

9

8

Plan 44250

13

Common
Property

Section 3

10

11

HAYES ROAD

Plan 44250

12

Strata Plan VIS_____

BOOK OF REFERENCE		
AREA	LOT	SIZE (Sq. M.)
1	9	628.1
2	10	220.4
3	Common Property	1634

I, Michael S. Monson, a British Columbia Land Surveyor, of Victoria, in British Columbia, certify that I was present at the field survey of the above described property and that this plan and that the survey and plan are correct.

The field survey was completed on the _____

18th day of January, 2006 .

The plan was completed and checked, and the checklist filed under #

43,795 , on the 28th day of January, 2006 .

SCHEDULE F

Attached to and forming part of the Covenant Agreement between RENEWAL LAND COMPANY, Owner, and TLC THE LAND CONSERVANCY OF BRITISH COLUMBIA, Covenant Holder, dated the ___ day of April, 2006.

1. MAP OF PUBLIC TRAIL NETWORK ON THE LAND

PLAN OF STATUTORY RIGHT OF WAY OVER LOT 9, PLAN 44250, AND STRATA LOTS 2,3,10,19, 21 AND THE COMMON PROPERTY OF STRATA PLAN VIS____, SECTIONS 3, 6 AND 7, CORTES ISLAND, SAYWARD DISTRICT

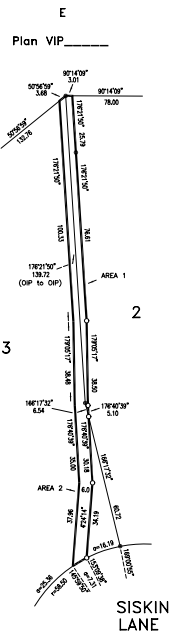
PLAN _____

Deposited in the Land Title Office at Victoria, B.C., this
day of _____, 2006.

Registrar

Detail A
Scale 1:1000

(PREPARED PURSUANT TO SECTION 113 OF THE LAND TITLE ACT)
S.C.S.S. 92K.006
Scale 1:2000
0 20 40 80 120 160 200

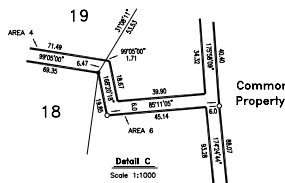


Legend

Sq. M. denotes square metres
All distances shown are in metres
• Standard Iron Post found
○ Standard Iron Post set
Bearings are astronomic and derived from Plan VIS____
This plan lies within the Comox Strathcona Regional District.

PAUKEANUM
INDIAN RESERVE NO. 3

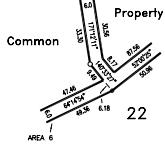
AREA	LOT	SIZE
1	2, Plan VIS____	390.0 Sq. M.
2	3, Plan VIS____	879.3 Sq. M.
3	10, Plan VIS____	454.2 Sq. M.
4	19, Plan VIS____	969.5 Sq. M.
5	21, Plan VIS____	0.106 ha
6	CP, Plan VIS____	1.923 ha
7	9, Plan 44250	467.7 Sq. M.



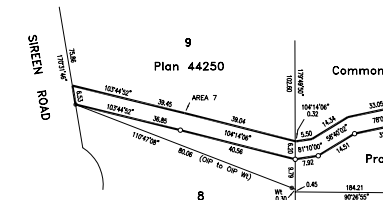
Detail D
Scale 1:750



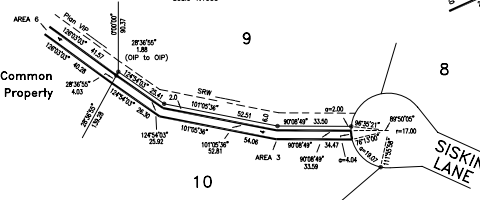
Detail G
Scale 1:1000



Detail F
Scale 1:750



Detail B
Scale 1:1000



Detail H
Scale 1:750



Detail E
Scale 1:1000



I, Michael S. Manson, a British Columbia Land Surveyor, of Victoria, in British Columbia, certify that I was present at and personally supervised the survey as represented by this plan and that the survey and plan are correct. The field survey was completed on the _____ day of _____, 2006.

The plan was completed and checked, and the checklist filed under # 43,797 _____, on the _____ day of _____, 2006.

B.C.L.S.

EXPLANATORY PLAN OF STATUTORY RIGHT OF WAY OVER THE COMMON PROPERTY OF STRATA PLAN VIS_____, SECTIONS 3, 6 AND 7, CORTES ISLAND, SAYWARD DISTRICT

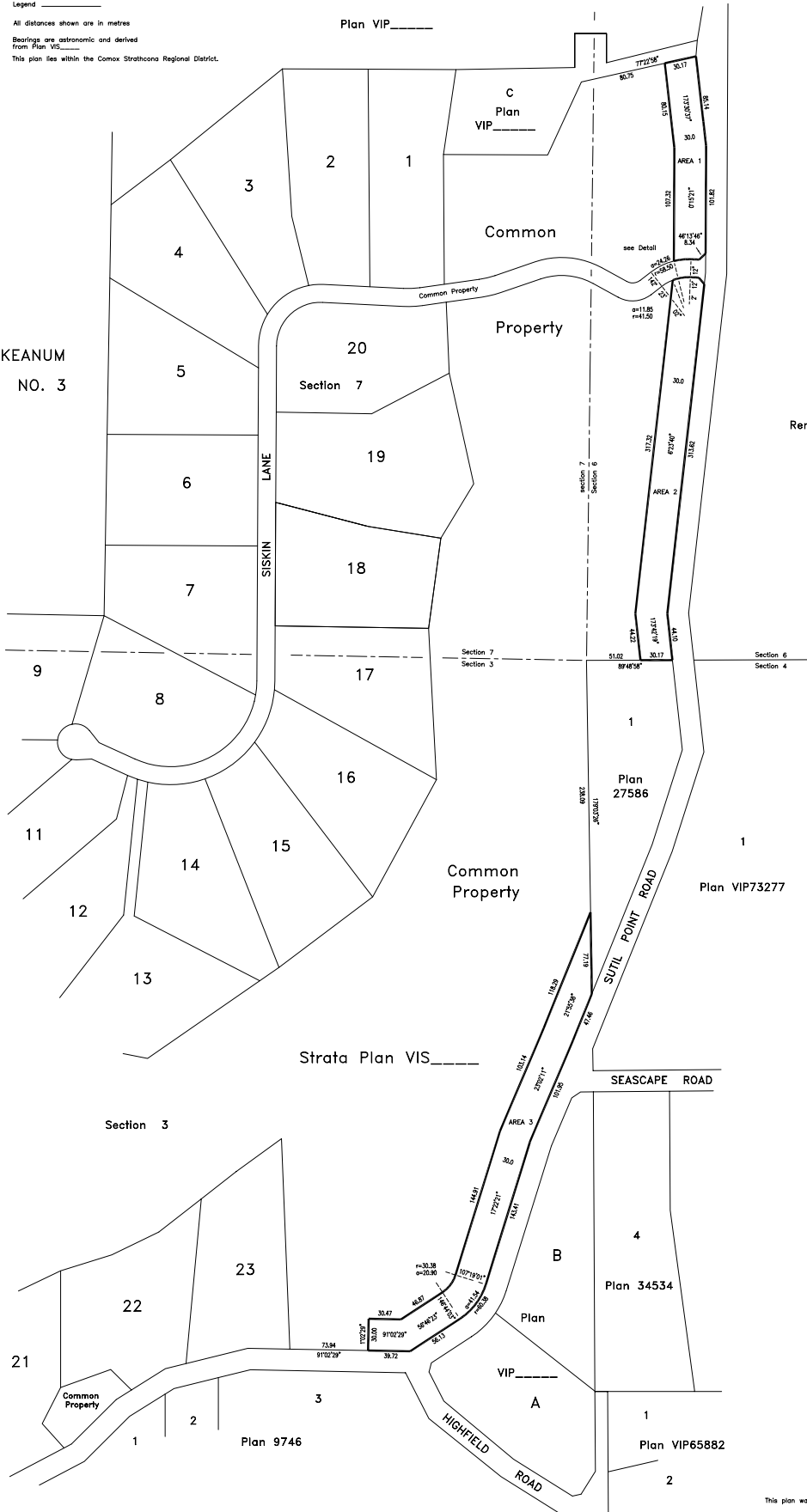
(PREPARED PURSUANT TO SECTION 96(1) OF THE LAND TITLE ACT)
B.C.G.S. 92K.006



Legend _____
All distances shown are in metres
Bearings are astronomic and derived from Plan VIS_____
This plan lies within the Comox Strathcona Regional District.

E
Plan VIP_____

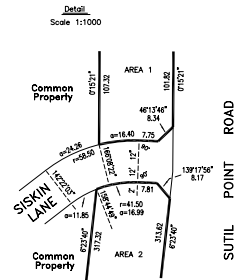
PAUKEANUM
I.R. NO. 3



PLAN _____

Deposited in the Land Title Office at Victoria, B.C., this
_____ day of _____, 2006.

Registrar



Rem. SW 1/4
Section 6

BOOK OF REFERENCE			
AREA	LOT	SIZE (ha)	
1	Common Property	0.567	
2	Common Property	1.089	
3	Common Property	1.342	

This plan was completed and checked, and the checklist filed under # 43,794, on the 28th day of January, 2006, and is hereby certified correct in accordance with Land Title Office records.

END OF DOCUMENT