

**REAL ESTATE DEVELOPMENT MARKETING ACT
THIRD AMENDMENT TO DISCLOSURE STATEMENT OF
28165 YUKON INC. AND PARADISE INVESTMENT TRUST
STRATA PLAN BCS3916**

**BARE LAND STRATA LOTS 8 AND 12 AND LOT A DISTRICT LOT 2247 PLAN BCP39086
MAY 15, 2017**

**Disclosure Statement under the *Real Estate Development Marketing Act*:
December 5, 2012, First Amendment March 13, 2013,
Second Amendment January 4, 2017**

**THIS IS A PHASED DISCLOSURE STATEMENT FILED PURSUANT TO THE *REAL ESTATE
DEVELOPMENT MARKETING ACT***

Developers:	28165 Yukon Inc. and Paradise Investment Trust
Address for Service in British Columbia 28165 Yukon Inc. Paradise Investment Trust	c/o Miller Thomson LLP 400, 725 Granville Street Vancouver, B.C. V7Y 1G5
Business Address for the Developers: 28165 Yukon Inc. Paradise Investment Trust	5403 Buckingham Avenue Burnaby, B.C. V6E 1Z9 EFG Bank & Trust (Bahamas) Ltd. Centre of Commerce 2 nd Floor P.O. Box SS 6289, Nassau, The Bahamas
Developers' Real Estate Agents:	Re/Max Sea to Sky Real Estate 106, 7015 Nesters Road Whistler, B.C. V0N 1B7

DISCLAIMER

This Amendment to Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation.

1. Amendment of Disclosure Statement

The Disclosure Statement dated December 5, 2012 as amended on March 19, 2013 and January 4, 2017 (collectively, the "**Original Disclosure Statement**") with respect to an offering by the Developers for the sale of bare land strata lots in the Squamish Lillooet Regional District, British Columbia, is amended as follows:

- (a) Section 1.4 is amended by replacing the directors of the Trustee with the following

"Directors of Trustee

Fornacis Ltd. and Geminorum Ltd.

Directors of Corporate Directors: The directors of Fornacis Ltd. and of Geminorum Ltd are Ian Comins, Fabrizio TulettaLynn Kelly, Beecham Braynen, Ian Atkins."

- (b) Section 1.6 is deleted and replaced with the following:

"The Developer may prior to filing the Preliminary Strata Plan as hereinafter defined grant an easement or a statutory right of way to itself or to a third party and all consideration for granting the easement or statutory right or consideration paid to the Developer for such easement or statutory right of way shall be payable to the Developer and not to the Strata Corporation."

- (c) Section 2.1 is deleted and replaced with the following:

"This Disclosure Statement relates to the remaining unsold strata lots in phase one, being Strata Lots 8 and 12, Strata Plan BCS3916 (collectively, the "**Phase One Strata Lots**"), and Strata Lots 13 to 36 (collectively, the "**Phase Two Strata Lots**") and Strata Lots 37 to 43 and 45 to 51 (collectively the "**Phase 3 Strata Lots**"). The Phase One Strata Lots, the Phase Two Strata Lots and the Phase 3 Strata Lots are collectively the "**Strata Lots**" and individually a "**Strata Lot**".

The Strata Lots are comprised of strata lots located in phase one, phase two and phase 3 of a proposed six phase development, which if all six phases proceed, will comprise a total of 108 bare land strata lots. The Phase Two and Phase 3 Strata Lots and subsequent phases will be located on the lands legally described as PID: 027-752-330 Lot A, District Lot 2247 Group 1 New Westminster District Plan BCP39086 Except Phase One Strata Plan BCS3916 (the "**Lands**").

A copy of the Strata Plan for the Phase One Strata Lots is attached as Exhibit "A1" (the "**Phase One Strata Plan**") and the Proposed Strata Plan for the Phase Two Strata Lots as Exhibit "A2" (the "**Proposed Phase Two Strata Plan**") and the Proposed Strata Plan for the Phase Three Strata Lots as Exhibit "A3" (the "**Proposed Phase Three Strata Plan**").

The Owners, Strata Plan BCS3916 is hereinafter called the "**Strata Corporation**".

The Strata Lots are located off Highway 99 in the Squamish-Lillooet Regional District (the "**District**"), in the Province of British Columbia. The southerly boundary of the District is within 1000 metres of the boundary between the District and the Resort Municipality of Whistler."

- (d) the following is added as the last paragraph to Section 2.2;

"The Developer may at its sole option elect to apply to the Regional District to amend the provisions in Residential Zoning Bylaw 1442-2015 with respect to the neighbourhood convenience store".

- (e) Section 2.4 is amended by adding the following after the 6 paragraph

"The Developer intends to apply to the Approving Officer for an amendment to the Phasing Declaration which will adjust the boundaries between Phase 3 and Phase 4 (the "Amendment") as shown on the Sketch Plan attached as Exhibit U but which will not change the number of Phase 3 Strata Lots. The Developer will advise the Strata Council of its intention to amend the Phasing Declaration concurrently with the application to the Approving Officer. Until such time as the Approving Officer has approved the Amendment any Purchase Agreement described in in Section 7.2 will be subject to the Approving Officer approving the Amendment within a prescribed period of time.

The Developer may apply to the Approving Officer for an amendment to the Phasing Declaration for the boundaries between Phases 4 and 5 and between 5 and 6. Any such amendments will not change the number of strata lots in Phase 4, Phase 5 or Phase 6."

- (f) Section 3.1 is modified to add as Exhibit "D2" the proposed Form V Schedule of Unit Entitlement for Phase 3;

- (g) Section 3.2 is modified to add as Exhibit "E3" the proposed Form W Schedule of Voting Rights for Phase 3;

- (h) Section 3.3 is deleted and replaced with the following:

"The common facilities in Phase One are the mail kiosk and the garbage structure. There will not be any common facilities in Phase Two. The Common Facilities in Phase 3 will be and activity centre with a change room and exercise area, outdoor covered picnic/barbeque area, all purpose outdoor sports court and parking adjacent to these facilities as shown on the Sketch Plan attached as Exhibit "G1".

- (i) Section 3.6 is deleted and replaced with the following:

"No portions of the common property in Phase One or Phase Two or Phase 3 have been designated by the Developers for parking. All parking in Phase One or Phase Two or Phase Three will be within the boundaries of the Strata Lots save and except that an area adjacent to the Amenities will be designated for parking for those persons using the Amenities on terms and conditions established by the strata council."

- (j) Section 3.7 is deleted and replaced with the following:
- "A copy of the current annual budget for the Strata Corporation and the monthly maintenance of each Phase One Strata Lot is attached as Exhibit "B", the proposed budget for the Phase Two Strata Lots is attached as Exhibit "B1". The proposed monthly budget for Phase Three Strata Lots is attached as Exhibit "B2"). The budgets attached as Exhibits "B", "B1" and B 2 are collectively called the "**Budget**"."
- (k) Section 4.1 is deleted and replaced with the following:
- "4.1 Legal Description
- The Development comprises the Phase One Strata Lots and the Phase Two Strata Lots 13-36. Full legal descriptions for each Phase One Strata Lot and the Lands are set out on Exhibit "S1 as are the anticipated legal descriptions for the Phase 2 Strata Lots and the Phase 3 Strata Lots".
- The Phase Two Strata Lots 13 to 36 and the Phase Three Strata Lots 37 to 43 and 45 to 51 are currently a portion of the Lands.
- (l) Section 4.3 Existing Encumbrances and Legal Notations is deleted and replaced with the following
- "As of the date of this disclosure statement the legal notations, charges and encumbrances that are registered against title to the Lands and all or some of the Phase One Strata Lots, the Phase Two Strata Lots the Phase 3 Strata Lots are set out on Exhibit "S1".
- (m) Encumbrances proposed in connection with Phases 3 through 6 are Easements charging the Lands in favour of the Strata Corporation providing access to those portions of the Lands intended to be designated as common area roads in Phases 4 to 6 of the Strata Corporation and for works required for the provision of utilities.
- (n) Section 5.1 is deleted and replaced with the following:
- "Installation of the services and utilities for the Phase One Strata Lots was completed prior to June 30, 2010. Installation of the services and utilities for the Phase Two Strata Lots will be completed between May 1, 2017 and July 31, 2017 and installation of the services for the Phase Three Strata Lots will be completed between May 1, 2018 and July 31, 2018. "
- (o) Section 6.1 is deleted and replaced with the following:
- "The Phase One Strata Plan was deposited in the Land Title Office on August 17, 2010 concurrently with the deposit of the Form P Phasing Declaration. The Approving Officer for the Ministry of Transportation issued a Proposed Subdivision Preliminary Layout Approval for Phases 2 to 6 on December 8, 2016."
- (p) Section 7.2 is amended by adding the following:

"The Developer intends to use the form of Purchase Agreement attached as Exhibit C3 for the Phase 3 Strata Lots ("**Phase 3 Purchase Agreement**").

As required by the Superintendent of Real Estate, certain provisions in the Phase 3 Purchase Agreement are described below. However, purchasers should read the Phase 3 Purchase Agreement before signing it and should not rely solely on the description below. Where there is a difference between the information in this Disclosure Statement and the executed Phase 2 and Phase 3 Purchase Agreement, the Phase 2 and Phase 3 Purchase Agreement will prevail.

All goods and services tax payable with respect to the purchase and sale of a Strata Lot will be for the account of the Purchaser."

(a) Termination Provisions.

Under section 2 of Schedule A of the Phase 2 Purchase Agreement and the Phase 3 Purchase Agreement, if the Completion Date (as defined therein) has not occurred by the specified outside completion date (the "**Outside Completion Date**"), the Purchase Agreement will be terminated unless the Phase 2 Purchase Agreement or the Phase 3 Purchase Agreement, as the case may be, is extended by agreement or as provided in the Phase 2 Purchase Agreement or the Phase 3 Purchaser Agreement.

(b) Extension Provisions.

Section 2 of Schedule A to the Phase 2 Purchase Agreement and of the Phase 3 Purchase Agreement provides that if the Developer is delayed from time to time in completing construction of the Development as a result of events or circumstances beyond the Developer's control, the time in which the Developer must do anything under the Purchase Agreement is extended for a period equivalent to the period of delay, and specifically the Outside Completion Date is extended for such period.

There are no provisions in the Purchase Agreement which allow the purchaser to require or refuse an extension of the Completion Date or which allows the Developer to seek a fee or increased purchase price in order to agree to any such extension.

(c) Assignment Provisions.

A purchaser may not assign the purchaser's interest in the Purchase Agreement, the Phase 2 Purchase Agreement or the Phase 3 Purchase Agreement without the written consent of the Developer and payment of a fee to the Developer. If the assignment is to a spouse, a parent, corporation owned by the Purchaser, or to an adult child of the Purchaser or a corporation wholly owned by the Purchaser then the Purchaser is required to provide a statutory declaration identifying the relationship of the proposed assignee to the Purchaser and the Purchaser will be required to pay an administrative fee of \$500 to the Developer.

(d) Interest on Deposits.

Under section 1 of Schedule A to the Phase 2 Purchase Agreement, and to the Phase 3 Purchase Agreement interest on deposit monies, if any, will be for the benefit of the Purchaser unless the Purchaser defaults in any of the Purchaser's obligations under the Purchase Agreement, in which case interest, if any, will be paid to the Developer. In any event, there is no obligation on the Developer to invest deposit monies in an interest-bearing account.

Each prospective purchaser who wishes to purchase a Strata Lot must, after receiving and reviewing this Disclosure Statement, execute the Purchase Agreement, pay the initial deposit to the Developer's Solicitors "in trust" or to the Developer's realtor in trust concurrently with submitting the Purchase Agreement to the Developer's agent for acceptance, and pay all other deposits and the balance of the purchase price for the Strata Lot in accordance with the Purchase Agreement.

All deposits must be paid by certified personal cheque, bank draft or money order acceptable to the Developer and the party receiving the same in trust."

(q) the following are added as Exhibits:

"The exhibits attached to this Disclosure Statement are as follows:

Exhibit "A3"	Proposed Phase Three Strata Plan (Preliminary)
Exhibit "B2"	Phase 3 Budget
Exhibit "C3"	Purchase Agreement for the Phase Three Strata Lots
Exhibit "D2"	Proposed Schedule of Unit Entitlement for the Phase Three Strata Lots
Exhibit "E3"	Schedule of Voting Right for Phase 3 Strata Lots
Exhibit "G"	Sketch Plans of Common Facilities in Phase Three
Exhibit "K2"	Explanatory Plan of Building Envelopes, Phase 3
Exhibit "Q2"	Rent Charge for Water (proposed)
Exhibit "R2"	Rent Charge for Sewer (proposed)
Exhibit "S1"	Legal Description of and permitted encumbrances
Exhibit "U"	Plan for Amendment to the Phasing Declaration
Exhibit "V"	Plan for Right of Way Charging Common Property

2. Deemed Reliance


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

Declaration

The foregoing declarations disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia as of May 15, 2017.

28165 YUKON INC.

Per:


Authorized Signatory

DIRECTOR OF 28165 YUKON INC.


David Ehrhardt

SUNNY PARADISE HOLDINGS INC.

Per:

Authorized Signatory

DIRECTOR(S) OF SUNNY PARADISE HOLDINGS INC.

FORNACIS LTD.

Per:

Authorized Signatory

Per:

Authorized Signatory

GEMINORUM LTD.

Per:

Authorized Signatory

Per:

Authorized Signatory

The foregoing declarations disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia as of May 15, 2017.

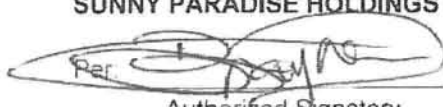

28165 YUKON INC.

Per: _____
Authorized Signatory

DIRECTOR OF 28165 YUKON INC.



David Ehrhardt

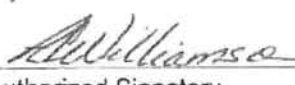

SUNNY PARADISE HOLDINGS INC.

Per:  
Authorized Signatory

DIRECTOR(S) OF SUNNY PARADISE HOLDINGS INC.

FORNACIS LTD.

Per:  
Authorized Signatory

Per:  
Authorized Signatory

GEMINORUM LTD.

Per:  
Authorized Signatory

Per:  
Authorized Signatory

DIRECTORS OF FORNACIS LTD.

Ian Goring

Fabrizio Tuletta

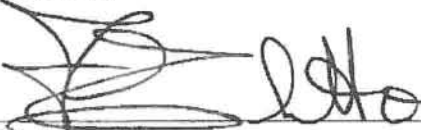
Lynn Kelly

Beecham Braynen

Ian Atkins

DIRECTORS OF GEMINORUM LTD.



Ian Comins

Fabrizio Tuletta

Lynn Kelly

Beecham Braynen

Ian Atkins

EXHIBIT "A3"

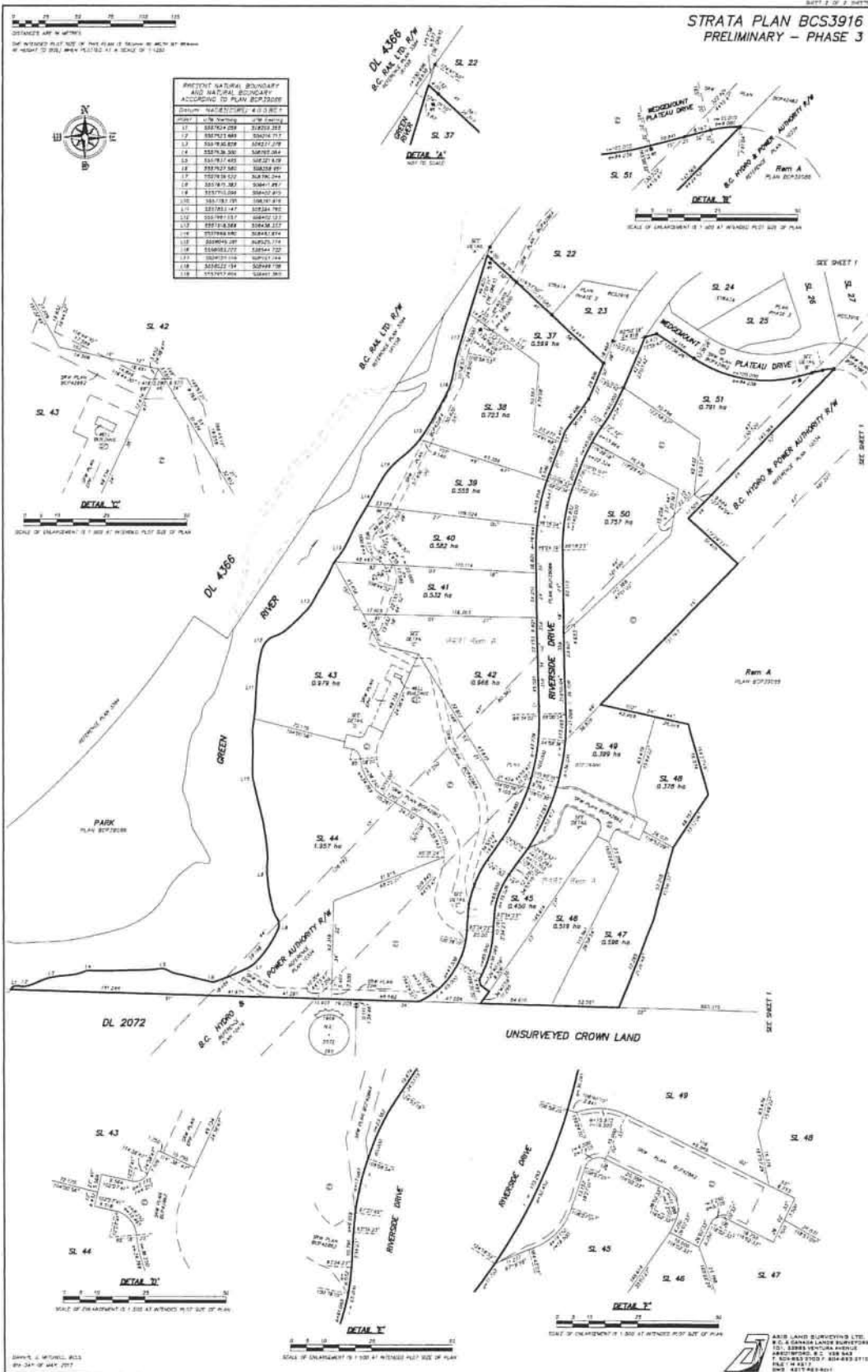


EXHIBIT "B2"

WedgeWoods Whister - Strata Corporation BCS3916 Phases One - Three

First Year Strata Budget starting 2017

	October 1, 2017	September 30, 2018
	Proposed Budget	Per Month
INCOME		
Strata Fees	53,254	\$ 4,438
EXPENSES		
Bank Service Charges	\$410	\$34
Insurance	\$4,700	\$392
Management and Accounting	\$5,640	\$470
Meeting Expenses	\$240	\$20
Legal	\$1,000	\$83
Office	\$250	\$21
Repairs and Maintenance	\$2,040	\$170
Snow Removal	\$8,800	\$733
Utilities - Garbage/Mail/Sign	\$525	\$44
Landscaping	\$6,650	\$554
Miscellaneous	\$350	\$29
Amenity Costs	\$4,300	\$358
Garbage	\$10,080	\$840
Other	\$2,945	\$245
Subtotal	\$47,930	\$3,994
Subtotal	\$47,930	\$3,994
Contingency Reserve	\$5,325	\$444
Total	\$53,255	\$4,438
Number of Lots	51	51
Per Lot	\$1,044	\$87

EXHIBIT "C3"

PURCHASE AGREEMENT WEDGE WOODS PHASE 3 BARE LAND STRATA LOTS

"Vendor"	28165 Yukon Inc. Burnaby B.C. V6E 1Z9 Telephone: (604) 540-1540	BARE LAND STRATA LOT: Civic Address:				
"Purchaser"	_____ _____ Telephone (Home): _____ Telephone (Work): _____ E-Mail: _____ Fax: _____ SIN #: _____ Purchaser is a resident of _____ (country)	_____ _____ Telephone (Home): _____ Telephone (Work): _____ E-Mail: _____ Fax: _____ SIN #: _____ Purchaser is a resident of _____ (country)				
"Property"	The Strata Lot being purchased is the proposed Strata Lot _____, shown on the preliminary strata plan attached as an exhibit to the Disclosure Statement (as hereinafter defined), to be part of the WedgeWoods Whistler Development (the "Development") to be created as part of the parcel of land currently legally described as PID 027-752-330 Lot A District Lot 2247 Group 1 NWD Plan BCP39086 except Phase 1 Strata Plan BCS3916.					
Purchase Price and Deposit(s): "Purchase Price" \$ _____ (GST or the Federal and the Provincial components of HST will apply to this sale. GST, HST or other similar taxes are not included in the Purchase Price) "Deposit" \$ _____ "Completion Date" See section 2 of Schedule A hereto "Outside Completion Date" See section 2 of Schedule A hereto						
The Purchaser acknowledges receipt of an electronic copy of the Disclosure Statement dated December 5, 2012 amended March 13, 2013, January 4, 2017 and May 15, 2017 (collectively the "Disclosure Statement") in accordance with section 8 of Schedule A of this Contract.		<table border="1"> <tr> <th>Date of receipt</th> <th>Initials</th> </tr> <tr> <td> </td> <td> </td> </tr> </table>	Date of receipt	Initials		
Date of receipt	Initials					
THE PURCHASER HEREBY OFFERS to purchase the Property for the Purchase Price on the terms contained in this Contract, including the terms set out in Schedule A which form part of and are hereby incorporated into this Contract. The Purchaser's offer contained herein is open for acceptance until 6:00 p.m. on _____, 2017 and upon acceptance will form a binding Contract. This Contract may be executed and delivered in counterparts and by telecopy.						
DATED: _____, 2017 WITNESS:	_____ Name _____ Address _____ witness as to all signatures	_____ PURCHASER _____ PURCHASER				

23554414.2 May 23, 2017 - 12:27 PM Purchase Agreement Wedge

28165 Yukon Inc. and Paradise Investment Trust hereby accept the Purchaser's offer herein and agrees to sell the Property to the Purchaser in accordance with this Contract.

DATED:	_____, 2017	28165 YUKON INC. Per: _____
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SCHEDULE A

ADDITIONAL TERMS

1. Deposit. The Purchaser will pay the Deposit to the Vendor's Solicitors, Miller Thomson LLP ("Vendor's Solicitor"), in trust or to the Developer's Real Estate Agent as the Vendor may directly, concurrently with the Purchaser's offer herein and/or upon the removal of the Purchaser's Subject Conditions set forth on Schedule "D". The Purchaser acknowledges and agrees that the Vendor's Solicitors may direct the Purchaser's Real Estate Agent to remit any deposit monies it receives to the Vendor's Solicitors. Interest on the Deposit(s) (less a reasonable administrative fee charged by the Vendor's Solicitors not to exceed \$100) will be for the benefit of the Purchaser unless the Purchaser defaults on any of the Purchaser's obligations hereunder, in which case the Vendor may, at its election, retain the Deposit and interest thereon as liquidated damages, the parties hereby agreeing that such amount constitutes a genuine pre-estimate of damages. The Vendor's Solicitors will not accept any deposit or other payment by credit card.
2. Payment of Purchase Price and Completion Date. The Purchaser will pay the balance of the Purchase Price by certified cheque or bank draft on the date (the "Completion Date") established by the Vendor or the Vendor's solicitors, by written notice to the Purchaser or the Purchaser's solicitors, as a date on which a separate title for the Strata Lot will have been issued by the British Columbia Land Title and Survey Authority (the "Land Title Office"), provided that the Vendor or the Vendor's Solicitors will give not less than 14 days' notice thereof. The notice of the Completion Date delivered to the Purchaser or the Purchaser's solicitors may be based on the Vendor's estimate as to when a separate title for the Strata Lot will have been issued, and if on the Completion Date so established a separate title has not been issued for the Strata Lot, then the Vendor may delay the Completion Date from time to time as required by the Vendor until a separate title has been issued, by notice of such delay to the Purchaser or the Purchaser's solicitors, provided that the Vendor will give the Purchaser or the Purchaser's solicitors not less than 2 days' notice of such extended Completion Date. If the Completion Date has not occurred within one year of the date of the acceptance of this Offer by the Vendor (the "Outside Completion Date"), this Agreement will be terminated unless all parties agree in writing to extend, provided that, if the Vendor is delayed from depositing the strata plan creating title to the Strata Lot (the "Strata Plan") as a result of any event or circumstance whatsoever beyond the reasonable control of the Vendor, then the Outside Completion Date will be extended for a period equivalent to such period of delay. The Vendor currently estimates that the Closing Date will occur between May 1, 2018 and July 1, 2018 (the "Estimated Date Range"). The Purchaser acknowledges that there are many factors that impact the length of time required to construct a development and that the Estimated Date Range is provided as a matter of convenience only. The Purchaser further acknowledges that the Estimated Date Range is not legally binding on the Vendor and the Completion Date will be determined as set out above and the Completion Date may be sooner or later than the Estimated Date Range.
3. Possession and Adjustments. The Purchaser will have vacant possession of the Property on the day following the Completion Date after payment of the Purchase Price, free from all encumbrances except those contemplated in the Disclosure Statement reservations and/or encumbrances pursuant to the original Crown Grant or any applicable statutory provision and financial encumbrances (including claims of builders lien) to be discharged as set out in section 5 below. The Purchaser will assume all taxes, rates, assessments and other charges (including an adjustment of pre-paid insurance premiums) from and including the Completion Date and all adjustments will be made as of the Completion Date. If the amount of any such taxes, rates or assessments have been levied in respect of a parcel greater

than the Property, the portion thereof which shall be allocated to the Property will be determined by prorating the total amount among all strata lots in that part of the Development for which the same have been levied on the basis of the applicable unit entitlement in each case.

4. Lien Holdback. That portion, if any, of the Purchase Price required by law to be held back by the Purchaser in respect of potential builders' lien claims (the "Lien Holdback") will be paid to the Vendor's Solicitors on the Completion Date. The Lien Holdback will be held by the Vendor's Solicitors in trust pursuant to the *Strata Property Act* (British Columbia) and the *Builders Lien Act* (British Columbia), with interest for the benefit of the Vendor, solely in respect of builders' lien claims registered in the Land Title Office in connection with work done at the behest of the Vendor. The Vendor's Solicitors are authorized to pay to the Vendor on the earlier of (i) the 56th day after the Completion Date and (ii) the 56th day after the date of issuance of the certificate of completion under the *Builders Lien Act* for the general construction contract for Phase 2 of the Development, the Lien Holdback plus interest earned thereon less the amount representing builders' lien claims filed against the Property of which the Purchaser or the Purchaser's solicitor notify the Vendor's Solicitors in writing by 1:00 p.m. that day. The Purchaser hereby authorizes the Vendor and the Vendor's Solicitors to do all things necessary to discharge any builders' liens, including bringing court proceedings in the name of the Purchaser, provided that any such proceedings will be solely at the expense of the Vendor.
5. Completion/Risk/Time. The Purchaser's solicitors will prepare and deliver the required Form A Transfer (the "Transfer") and Statement of Adjustments to the Vendor's Solicitors at least five days prior to the Completion Date. The Vendor will not be required to execute or deliver any other agreements, transfer documents, certificates, statutory declarations or assurances whatsoever. Following the delivery of such documents to the Vendor, the Vendor will execute, or cause to be executed, and deliver to the Purchaser's solicitors the Transfer and the Statement of Adjustments on the condition that the Purchaser's solicitors pay to the Vendor's Solicitors or as they may direct the balance of the adjusted Purchase Price on the Completion Date by way of a certified cheque or bank draft, and a goods and services tax certificate in the form required by the Vendor, if applicable, forthwith upon receipt of a satisfactory post-registration index search in accordance with this Contract, or return such documents unregistered. The Purchaser acknowledges and agrees that the transfer of title to the Property may be subject to various financial encumbrances (collectively the "Vendor's Financial Encumbrances") relating to the Vendor's financing for the Development and any claims of builders' lien provided that the Vendor's Solicitors undertake to cause to be registered in the Land Title Office a partial discharge of the Vendor's Financial Encumbrances insofar as they charge the Property within a reasonable time after receiving the balance of the adjusted Purchase Price payable to the Vendor on closing and to advise the Purchaser's Solicitors of registration particulars of such partial discharge(s) when available. The parties acknowledge and agree that the foregoing undertakings relating to the partial discharge of the Vendor's Financial Encumbrances shall be the only undertakings with respect thereto. The Property will be at the Vendor's risk until 12:01 a.m. on the Completion Date and thereafter at the Purchaser's risk. Time will be of the essence of this Contract and will remain of the essence notwithstanding the extension of any of the dates herein.
6. Costs/GST. The Purchaser will pay all taxes, costs and expenses in connection with the completion of the sale and purchase of the Property, including any goods and services taxes or other similar taxes (collectively "GST") payable, other than the costs of the Vendor incurred in clearing title to the Property of financial encumbrances. If the Purchaser is registered for GST purposes on the Completion Date and provides the Vendor on or before

the Completion Date with a certificate as to the Purchaser's GST registered status in the form required by the Vendor, and it is permitted under applicable legislation or regulations the Purchaser shall be entitled to self-assess the GST payable and, in such event, the Purchaser will account directly to the applicable taxing authority in respect thereof and the Vendor shall have no responsibility therefor.

7. Miscellaneous Agreements. This Contract is the entire agreement between the parties and there are no representations, warranties, conditions or collateral agreements, express or implied, whether made by the Vendor, any agent, employee or representative of the Vendor or any other person including, without limitation, arising out of any marketing material including sales brochures, models, representative view sets, show room displays, photographs, illustrations or renderings provided to the Purchaser or made available for his viewing, other than those contained herein or in the Disclosure Statement. The Vendor hereby warrants that the Property does not contain urea formaldehyde foam insulation. The representations and warranties contained herein will survive completion and the conveyance of the Property to the Purchaser for a period of one year thereafter. This Contract will be governed by and construed in accordance with the laws of British Columbia. If the Purchaser is comprised of more than one person, the covenants and obligations of all parties comprising the Purchaser are joint and several.
8. Receipt for Disclosure Statement. The Purchaser acknowledges that the Purchaser has consent to and has received an electronic copy of the Disclosure Statement on the date indicated on the face page of this Contract and has been given an opportunity to read the Disclosure and that this Contract constitutes a receipt in respect thereof. The Purchaser has also had the opportunity to ask questions of, and receive answers from the Vendor concerning the Development, and to obtain such additional information as is necessary to verify the accuracy of the information contained in the Disclosure Statement in order for the Purchaser to evaluate the merits and risks of the purchase of the Property and, except for this Contract and the Disclosure Statement, the only documents, if any, delivered or otherwise furnished to the Purchaser in connection with the offering and sale of the Property were documents which, individually or collectively, constitute an offering memorandum, prospectus, disclosure statement or similar document.
9. Prohibition Against Assignment. The Purchaser may not directly or indirectly assign the Purchaser's interest in this Contract or direct the Vendor to transfer title to the Property to any third party without the written consent of the Vendor, which may be withheld by the Vendor in its sole and absolute discretion. Any such assignment will not release or discharge the Purchaser from any of the Purchaser's duties or obligations under this Contract even if this Contract is subsequently amended.
10. Section 116 of the Income Tax Act

The Vendor has filed with Revenue Canada all information required for a certificate of compliance as required by Section 116 of the Income Tax Act and have obtained a Qualified Business Exemption from the Canada Revenue Agency therefore the Vendor is not obliged to provide a Section 116 Clearance Certificate for the sale of the Property.
11. Notices. Any notice to be given to the Purchaser, including any amendment to the Disclosure Statement, will be well and sufficiently given if deposited in any postal receptacle in Canada or the Purchaser's country of residence addressed to the Purchaser and sent by airmail, postage prepaid, or delivered by hand or transmitted by telecopy to the Purchaser at the address set out above or to the Purchaser's solicitors at their office and shall be deemed to have been received if delivered or transmitted, when delivered or transmitted and if

mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after such mailing.

12. Use of Agreements by the Vendor. The Purchaser acknowledges and agrees that the Vendor may, without the consent of the Purchaser and without advising the Purchaser, provide a copy of this Agreement of Purchase and Sale to the Vendor's lenders and financial institutions that require it as a condition of the provision of financing.
13. No Vendor's Liability for Construction. The Purchaser acknowledges and agrees that the Vendor is not under any circumstances liable for any construction undertaken by the Purchaser on the Property. In the event that the Purchaser elects to enter into a construction contract with any contractor introduced to the Purchase by the Vendor or any of its agents or consultants, and/or the Purchaser elects to utilize any design plans or information provided by the Vendor to the Purchaser and/or its contractor the Purchaser does so entirely at its sole risk and agrees that the Vendor shall not be liable to the Purchaser for any acts or omissions of such contractor or for any errors or omissions in the design plans or information.

**SCHEDULE B
SUBJECT CONDITIONS**

Purchaser's Subject Conditions.

The Purchaser's obligation to complete the transactions contemplated by the Purchase Agreement is subject to the conditions, which are for the sole benefit of the Purchaser, that on or before 5:00 p.m. (Vancouver time) on _____ the Purchaser is satisfied, in its sole and absolute discretion with the terms and conditions of any financing it requires to purchase the Property.

Consideration for Purchaser's Conditions.

In consideration of \$10 non-refundable paid by the Purchaser to the Vendor, it agrees not to revoke its acceptance of the Purchaser's offer contained herein while this Agreement remains subject to any of the Purchaser's Conditions set out above.

Vendor's Subject Condition.

The Vendor's obligation to complete the transactions contemplated by this Contract is subject to the condition (the "Vendor's Subject Condition"), which is for the sole benefit of the Vendor, that on or before the Outside Completion Date it has obtained all consents and approvals required from any governmental authority or entity, including but not limited to the Provincial Ministry of Transportation, the approving officer and the Squamish Lillooet Regional District, to enable the Developer to register in the Land Title Office the Strata Plan and the Form P Phasing Declaration.

Binding Contract.

If the Purchaser advises the Vendor in writing on or before the Purchaser's Subject Condition Removal Date that the Purchaser's Subject Condition is satisfied or waived and the Vendor advises the Purchaser in writing on or before the Outside Completion Date that the Vendor's Subject Condition is satisfied or waived, then this Contract will become an unconditional contract for the purchase and sale of the Property. If either party does not deliver written notice that its subject condition has been satisfied or waived by the applicable date, then the Deposit and accrued interest earned thereon shall be returned to the Purchaser and this Agreement shall be null and void, and each of the parties hereto shall have no further obligations to, nor rights against, the other in respect of this Contract.

**EXHIBIT
"D2"**

Strata Property Act
FORM V
SCHEDULE OF UNIT ENTITLEMENT
(Sections 245 (a), 246, 264)

Re: Strata Plan BCS3916 (Phase 3)

being a strata plan of: Lot A District Lot 2247 Group 1 New Westminster District Plan BCP39086
 Except Phase One Strata Plan BCS3916 and Phase Two Strata Plan BCS3916

Parcel Identifier: 027-752-330

BARE LAND STRATA PLAN

The unit entitlement for each bare land strata lot is one of the following as set out in the following table:

- ☒ (a) a whole number that is the same for all of the strata lots in the strata plan as set out in section 246 (6) (a) of the *Strata Property Act*.

OR

- ☐ (b) a number that is approved by the Superintendent of Real Estate in accordance with section 246 (6) (b) of the *Strata Property Act*.

.....
Signature of Superintendent of Real Estate

Strata Lot No.	Sheet No.	Total Area in ha	Unit Entitlement	% *of Total Unit Entitlement**
37	2	0.569	1	
38	2	0.723	1	
39	2	0.555	1	
40	2	0.582	1	
41	2	0.532	1	
42	2	0.966	1	
43	2	0.979	1	
44	2	1.957	1	
45	2	0.450	1	
46	2	0.519	1	
47	2	0.596	1	
48	2	0.378	1	
49	2	0.399	1	
50	2	0.757	1	
51	2	0.791	1	
Total number of lots: 15		Total unit entitlement:	15	

* expression of percentage is for informational purposes only and has no legal effect
** not required for a phase of a phased strata plan

Date [month day, year].

.....
Signature of Owner Developer

.....
Signature of Superintendent of Real Estate
(If submitted under Section 264 of the Act)

EXHIBIT "E3"

Strata Property Act

FORM W SCHEDULE OF VOTING RIGHTS

(Sections 245(b), 247, 248, 264)

Re: Strata Plan BCS3916, being a strata plan of:

027-752-330

Lot A District Lot 2447 Group 1 New Westminster
District Strata Plan BCP39086 Except Phase
One Strata Plan BCS3916

The strata plan is composed of 0 non-residential strata lots, and 15 residential strata lots.

The number of votes per strata lot is one of the following, as set out in the following table.

- ☒ (a) the number of votes per residential strata lot, if any, is 1, and the number of votes per nonresidential strata lot is calculated in accordance with section 247(2)(a)(ii) of the *Strata Property Act*.
- ☐ (b) the strata plan is composed entirely of nonresidential strata lots, and the number of votes per strata lot is calculated in accordance with section 247(2)(b) of the *Strata Property Act*.
- ☐ (c) the number of votes per strata lot is approved by the Superintendent of Real Estate in accordance with section 248 of the *Strata Property Act*.

Signature of Superintendent of Real Estate

Strata Lot No.	Type of Strata Lot (Residential or Nonresidential)	Sheet No.	Number of Votes
37	Residential	1	1
38	Residential	1	1
39	Residential	1	1
40	Residential	1	1
41	Residential	1	1
42	Residential	1	1

43	Residential	1	1
44	Residential	1	1
45	Residential	1	1
46	Residential	1	1
47	Residential	1	1
48	Residential	1	1
49	Residential	1	1
50	Residential	1	1
51	Residential	1	1
Total number of strata lots: 15			Total number of votes: 15

Date _____, 2017

28165 YUKON INC., by its
Authorized Signatory

Signature of Owner Developer

EXHIBIT "G1"

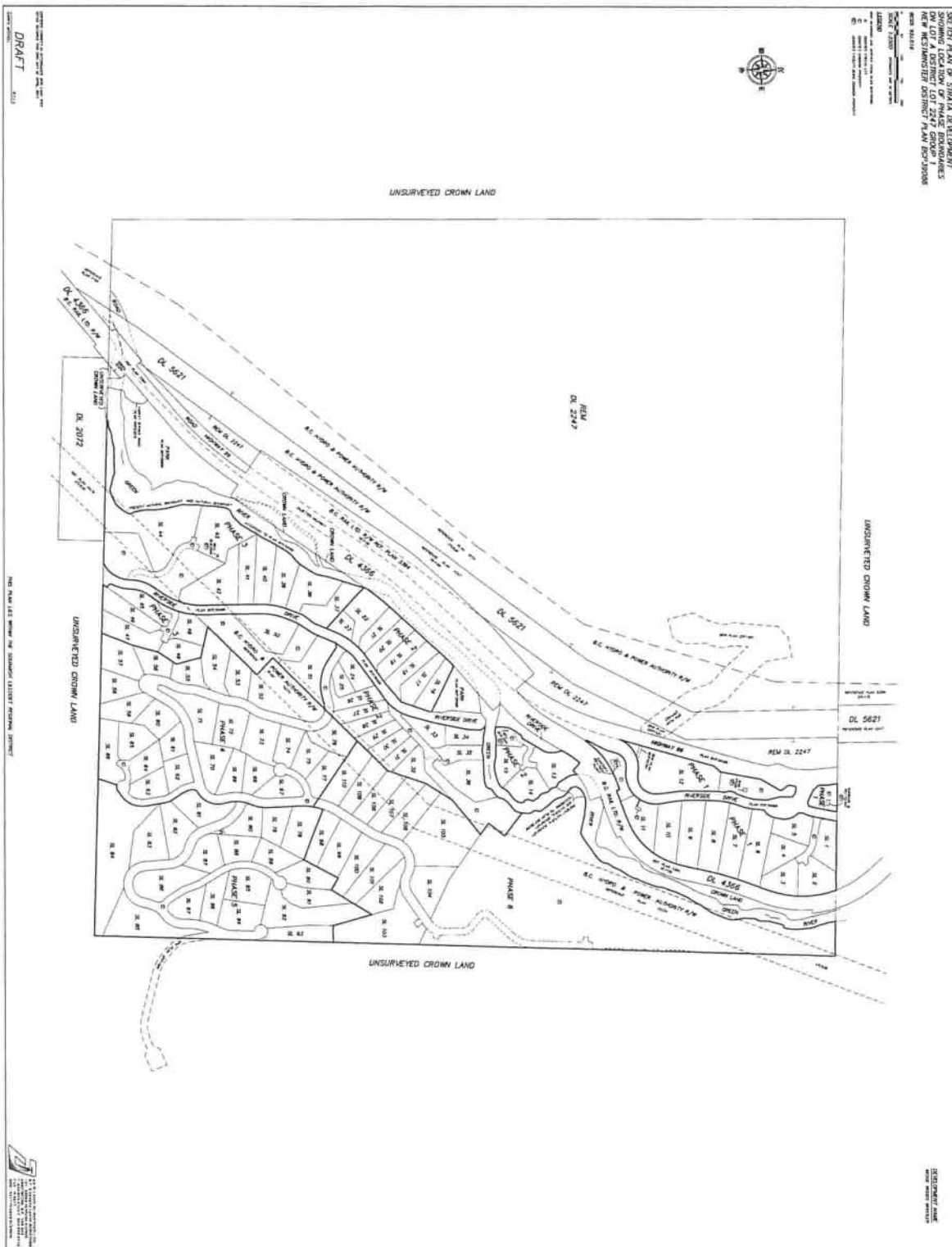


EXHIBIT "K2"

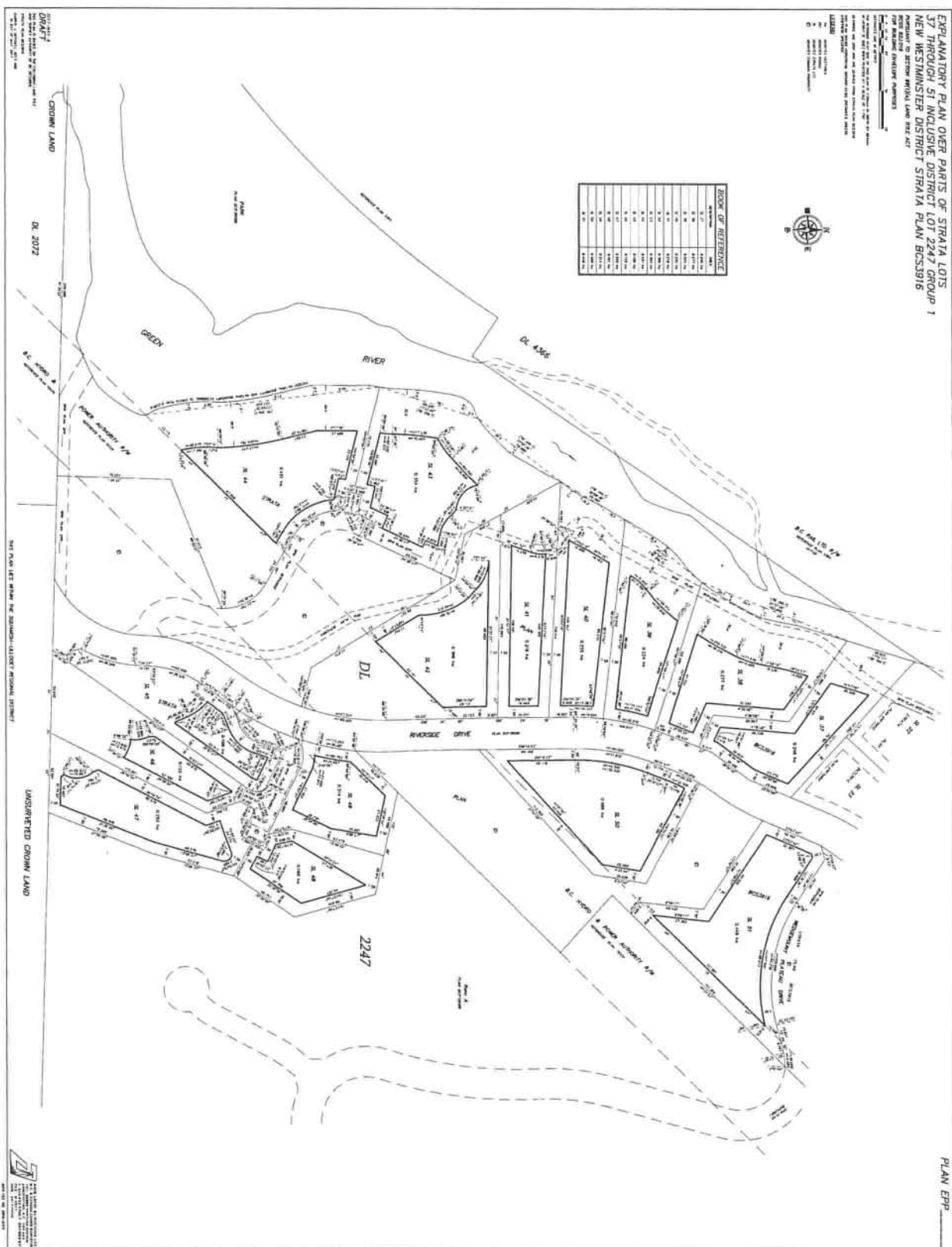


EXHIBIT "Q2"

FORM_C_V22 (Charge)

LAND TITLE ACT

FORM C (Section 233) CHARGE

GENERAL INSTRUMENT - PART 1 Province of British Columbia

LOCK

PAGE 1 OF 12 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

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

Import Profile

Lynn Ramsay, Q.C., Miller Thomson LLP

400, 725 Granville Street

604.687.2242

Client No: 010437 File No: 54355.5152

28165 / 2373008 & 23729706

Vancouver

BC V7Y 1G5

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
-
- [PID] [LEGAL DESCRIPTION]

SEE SCHEDULE

STC? YES ☐

Pick up STC?

Use 30 Parcel Schedule

Use 3 Parcel Schedule

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Use Schedule

SEE SCHEDULE

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

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

Use Schedule

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

Use Schedule

28165 YUKON INC.

5403 BUCKINGHAM AVENUE

BURNABY

V5E 1Z9

BRITISH COLUMBIA

CANADA

Incorporation No

57097A

Joint Tenants?

7. ADDITIONAL OR MODIFIED TERMS:

N/A

Use Schedule

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.

Officer Signature(s)

Execution Date		
Y	M	D
17		

Transferor(s) Signature(s)

28165 YUKON INC., by its
authorized signatory(ies):

Name:

Name:

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. 1996, c.124, 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.

More Signatures

FORM D1_V22

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 2 of 12 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
17		
17		

28165 YUKON INC., by its authorized signatory(ies):

Name: _____

Name: _____

MOUNTAIN ADVENTURE LTD., by its authorized signatory(ies):

Name: _____

Name: _____

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. 1996, c.124, 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.

More Signatures

FORM E_V22

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 3 OF 12 PAGES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND

Related Plan Number: **BCS3916**

STC for each PID listed below? YES ☐

[PID] [LEGAL DESCRIPTION – must fit in a single text line]

NO PID NMBR STRATA LOT 37 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 38 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 39 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 40 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 41 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 42 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 43 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 44 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 45 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 46 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 47 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 48 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 49 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 50 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 51 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916

Additional 30 Parcel Schedule

Additional 3 Parcel Schedule

FORM_E_V22

**LAND TITLE ACT
FORM E
SCHEDULE**

PAGE 4 OF 12 PAGES

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Rent Charge		
Priority Agreement		Granting the Rent Charge contained in this Instrument priority over Mortgage BB1186415 and Assignment of Rents BB1186416

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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More Pages

FORM_E_V22

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 5 OF 12 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. TRANSFEROR(S):

28165 YUKON INC. (Inc. No. 57097A) of 5439 Buckingham Avenue, Burnaby, B.C. V5E 1Z9
MOUNTAIN ADVENTURE LTD. (a corporation incorporated under the laws of Commonwealth of the Bahamas) having an office at 4 West Bay Street, P.O. Box N-7788, Nassau, Bahamas (as to priority)

More Pages

TERMS OF INSTRUMENT – PART 2

THIS AGREEMENT made this 6th day of April, 2017

BETWEEN:

28165 YUKON INC., 5403 Buckingham Avenue, Burnaby, British
Columbia, V5E 1Z9

(the "Grantor");

AND

28165 YUKON INC., 5403 Buckingham Avenue, Burnaby, British
Columbia, V5E 1Z9

(the "Grantee").

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the Lot;
- B. The Grantee operates a works and system for the provision of water service to the Lot and from other lands located in the Squamish Lillooet Regional District of British Columbia (the "Waterworks System").
- C. The Grantee is a water utility within the meaning of the *Water Utility Act* and is therefore subject to regulation by the Comptroller of Water Rights in all matters including tariff rules, rates and charges;
- D. The Grantee has been granted a Certificate of Public Convenience and Necessity by the Comptroller of Water Rights of the Province of British Columbia to operate the Waterworks System;
- E. The Grantee has installed a Waterworks System to service the Lot;
- F. The Grantor must pay an annual water availability service charge being the Annual Fee for the Lot until such time as the Grantor shall make application to connect the Lot to the Waterworks System operated by the Grantee and thereafter, the Grantor shall pay to the Grantee the greater of the Annual Fee and the User's Fee.
- G. As security for the Grantor's covenant and agreement to pay the greater of the Annual Fee and User's Charge, the Grantor has agreed to grant to and in favour of the Grantee a Rent Charge to be registered against the Lot as a financial charge on the terms and conditions set out in this Agreement.

THEREFORE in consideration of the premises, the terms and conditions herein contained \$1.00 now paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledge by the Grantor, the parties agree as follows:

1. DEFINITIONS:

In this Agreement:

- (a) "Agreement" means this agreement as it may be amended or supplemented from time to time;

- (b) **"Annual Fee"** means the annual water availability service charge to the Grantee for the Lot determined and set in accordance with the Tariff filed by the Grantee;
- (c) **"Due Date"** means that date which is specified in a Payment Notice;
- (d) **"Comptroller of Water Rights"** means the comptroller of water rights appointed pursuant to the *Water Utility Act* and the *Utilities Commission Act*;
- (e) **"Grantor's Obligations"** means all of the covenants, agreements, obligations, duties, covenants, conditions, provisos of the Grantor under this Agreement;
- (f) **"Indebtedness"** means all amounts payable by the Grantor under this Agreement, whether for principal, interest, compound interest or otherwise including the Annual Fee and User's Charge;
- (g) **"Interest Rate"** means 18% per annum;
- (h) **"Lot"** means each strata lot and premises described in item 2 of the attached Form C General Instrument – Part 1;
- (i) **"Payment Notice"** means any notice in writing given by the Grantee to the Grantor from time to time specifying the total amount to be paid by the Grantor for the Lot and the Due Date for payment and the Interest Rate;
- (j) **"person"** means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative;
- (k) **"Rent Charge"** means the rent charge granted under Section 4 of this Agreement;
- (l) **"Tariff"** means the latest water tariff applicable to the Lot and filed by the Grantee with the Comptroller of Water Rights and available for inspection at the Grantee's office;
- (m) **"User's Charge"** means the fee for use of water determined and set in accordance with the Tariff filed by the Grantee;

2. PAYMENT OF FEES

- (a) Until such time as the Lot is connected to the Waterworks System, the Lot will be subject to the Annual Fee. The Annual Fee will be payable monthly on the first day of the month. The Grantee will issue a Payment Notice to the Grantor no later than May 1st of each year setting out the Annual Fee to be paid for the ensuing 12 month period and the dates on which such fees are payable.
- (b) From such time as the Lot is connected to the Waterworks System, the Lot will be subject to the greater of the Annual Fee and the User's Charge. Such sum will be payable monthly on the first day of the month. The Grantee will issue a Payment Notice to the Grantor no later than May 1st of each year setting out the amount to be paid for the ensuing 12 month period and the dates on which such fees are payable

3. GRANTOR'S COVENANTS

The Grantor covenants and agrees with the Grantee to pay to or to the order of the Grantee at such address as the Grantee may from time to time direct:

- (a) the amount specified in any Payment Notice given by the Grantee to the Grantor from time to time and the Grantor will pay such amounts all on or before the Due Date;
- (b) interest on the amount to be paid under section 3 (a) above at the Interest Rate, both before and after maturity, default and judgment, from the Due Date until the Payment Notice is paid in full which interest will be paid on demand; and
- (c) any interest not paid when due hereunder will be added to the principal amount owing hereunder and will bear interest at the Interest Rate;

and the Grantor further covenants and agrees with the Grantee:

- (d) to indemnify and save harmless the Grantee and its officers, directors, employees, agents, licensees, permittees and others for whom the Grantee is responsible at law, whether or not any of them have been negligent, from and against all damages (including, but not limited to, special, exemplary or consequential damages), costs (including, but not limited to, legal costs on a solicitor and own client basis), losses (including, but not limited to, economic losses and losses from property damage, personal injury or death), expenses, claims, demands, suits, causes of action and judgment suffered or incurred by the Grantee or any of its officers, directors, employees, agents, licensees, permittees or others for whom the Grantee is responsible at law by reason of, arising out of, relating to or in any way attributable to any breach, default, non-observance or non-performance of any of the Grantor's Obligations; and
- (e) that the Indebtedness will be secured by the Rent Charge as a first financial charge against the Lot.

4. GRANT OF RENT CHARGE

As owner of the Lot, the Grantor hereby charges the Lot with payment to the Grantee of the Indebtedness. This Rent Charge will be registered as a financial charge against title to the Lot in priority to all other financial charges and encumbrances subsequently registered and the Indebtedness will have priority to all amounts payable pursuant to any other financial charges and encumbrances subsequently registered.

5. GRANTEE'S REMEDIES

The Grantor agrees that:

- (a) if the Grantor defaults in payment of all or any part of any part of the Indebtedness for any period of 60 days or more, then the Grantee may, at any time thereafter enter upon the Lot and distrain for the instalment or instalments in arrears and the distress or distresses then and there found to take, lead, drive, carry away and impound and the same to impound, take, hold and keep until the Indebtedness, together with all costs and charges incurred by such distress or in obtaining payment of Indebtedness shall be fully paid and satisfied;

- (b) if the Grantor defaults in payment of all or any part of any part of the Indebtedness for any period of six months or more, then the Grantee may, at any time thereafter, upon not less than 30 days' written notice to the Grantor, may foreclose upon the Lot and may cause the Lot to be sold, as if the Grantee were a mortgagee exercising a power of sale, provided that:
 - (i) the Grantor does not, before the completion of any sale of the Lot, pay the full Indebtedness owing, including interest, and all costs payable in connection with the exercise by the Grantee of its rights and remedies; and
 - (ii) the money realized by reason of any sale described above must be applied by the Grantee firstly to pay the actual costs incurred in respect of any notice, proceedings and sale, secondly to satisfy the Indebtedness and thirdly to pay the surplus, if any, to the Grantor;
- (c) despite the above provisions for enforcement of the payments due under this Agreement, the Grantee, at its option, may bring or take legal action against the Grantor for payment in any court of competent jurisdiction;
- (d) the Grantee may exercise any other right or remedy available at law or in equity in respect of the enforcement of a rent charge; and
- (e) the Grantor will pay for all of the Grantee's costs in connection with the enforcement of this Agreement, including, without limitation, all costs of sale and legal fees and disbursements on a solicitor and own client basis

provided that no legal proceedings shall be commenced in any court seeking any remedy against the Lot without written consent of the Comptroller of Water Rights

6. CHANGES IN RATES

The Grantor covenants and agrees with the Grantee that a copy of this Rent Charge shall be filed as a rate schedule to the approved Tariff of the Grantee and that the amount of the Rent Charge and any arrears stated herein may be amended by order of the Comptroller of Water Rights in the manner provided for the fixing of rates under the *Water Utility Act*.

7. REMEDIES CUMULATIVE

The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee:

- (a) all rights and remedies of the Grantee under this Agreement are cumulative and are in addition to and do not exclude any other right or remedy provided in this Agreement or otherwise allowed by law;
- (b) all rights and remedies of the Grantee may be exercised concurrently, without the Grantee making any election, but will not give rise to duplicative liability of the Grantor; and
- (c) the Grantee may obtain from a court of competent jurisdiction injunctive relief in respect of any breach or anticipated breach by the Grantor of any of the Grantor's Obligations.

8. SUBDIVISION / EFFECT OF AGREEMENT

This Agreement, the Rent Charge and the rights herein granted will run with the Lot and each part into which the Lot may be subdivided, and the term "Grantor" includes the owner of each subdivided part of the Lot and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lot and each part into which it may be subdivided. Notwithstanding anything contained in this Agreement, if the Lot is subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided part of the Lot, including a default with respect to any amount payable in connection with any subdivided part of the Lot, will not be a default with respect to any other part of the Lot for which there has not been a default and the Grantee will not be entitled to exercise any of its rights or remedies under this Agreement except with respect to the subdivided part(s) of the Lot for which there has been a default.

9. AMENDMENT

This Agreement may only be amended by an agreement in writing duly executed and delivered by the Grantee and the Grantor of all parts of the Lot to which the amendment relates.

10. NO WAIVER

No condoning, excusing or overlooking of any default nor any delay in proceeding or failure to proceed in the case of any default under this Agreement will operate as a waiver of or otherwise affect in any way any rights or remedies under this Agreement or at law. No waiver of any rights or remedies will be inferred from anything done or omitted to be done by any party except by an express waiver in writing. No waiver in respect of any matter or thing will operate as a waiver in respect of any other matter or thing.

11. TIME OF THE ESSENCE

This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia, which is the proper law hereof, and the courts of British Columbia will have the exclusive jurisdiction with respect to all matters arising under or in respect of this Agreement.

12. GOVERNING LAW

Time is of the essence of this Agreement and will remain of the essence notwithstanding any extension of time given under or in connection with this Agreement.

13. NOTICES

All notices under this Agreement must be given in writing and delivered in accordance with this provision. The parties agree that:

- (a) any notice to the Grantor may be sent to the Grantor's address according to Land Title Office records in respect of the Lot or delivered to the Grantor; and
- (b) all notices to the Grantee must be sent to the Grantee at the address set out above or such other address as the Grantee may notify the Grantor in accordance with the terms hereof at any time and from time to time.

Notices will be sent by delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth day (excluding weekends and statutory holidays in British Columbia) after the mailing thereof, if sent by registered mail from a post office in British Columbia. If there is any disruption of mail services, all notices will be delivered or sent by electronic transmission rather than mailed. In any court proceedings, any notice may be given in accordance with any requirements for service provided for pursuant to the Supreme Court Rules of the Province of British Columbia.

14. TRANSFER OF LANDS

All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lot or any part thereof and the Rent Charge granted hereunder will continue to charge the Lot notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lot or any part of the Lot where such duty or obligation arises after the Grantor has ceased to be the owner of the Lot or that part of the Lot, as applicable.

15. RELEASE

The Grantee shall not release the Lot from this Rent Charge without the approval of the Comptroller of Water Rights.

16. FURTHER ASSURANCES

The Grantor will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be required by the Grantee at any time and from time to time in order to evidence or give full force and effect to the terms, conditions and intent of this Agreement.

17. TRANSFER BY GRANTEE

The Grantee may mortgage, charge, transfer or assign any of its rights under this Agreement to a mortgagee, trustee for bond holders, purchaser, Grantee or assignee all at such times and on such terms and conditions as the Grantee deems appropriate in its sole discretion. If the Grantee assigns its interest under this Agreement, and to the extent that the assignee has assumed the covenants and obligations of the Grantee under this Agreement, then the Grantee will, without further written agreement, be freed and relieved of all liability on such covenants and obligations.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement by signing on the *Land Title Act* Forms C and D attached hereto.

Consent and Priority Agreement

For \$1.00 and other good and valuable consideration, MOUNTAIN ADVENTURE LTD., the registered holder of the following financial charges registered in the Vancouver/New Westminster Land Title Office:

Mortgage BB1186415
Assignment of Rents BB1186416

("Security")

against title to the lands charged by the within charge, for themselves and their successors and assigns, hereby consent to the granting and registration of the within charge and grants priority to the within charge over the Security and their rights, title and interest in and to the lands charged by the within charge in the same manner and to the same effect as if the within charge had been executed, delivered and registered prior to the execution, delivery and registration of the Security and prior to the advance of any money under the Security.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargee has executed the Land Title Form C which is attached hereto and forms part of this Agreement.

EXHIBIT "R2"

FORM_C_V22 (Charge)

LAND TITLE ACT
FORM C (Section 233) CHARGE

GENERAL INSTRUMENT - PART 1 Province of British Columbia

LOCK

PAGE 1 OF 13 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

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

Import Profile

Lynn Ramsay, Q.C., Miller Thomson LLP
400, 725 Granville Street

604.687.2242

Client No: 010437 File No: 54355.5152

28165 / 23810585 & 23810646

Vancouver

BC V7Y 1G5

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
-
- [PID] [LEGAL DESCRIPTION]

SEE SCHEDULE

STC? YES ☐

Pick up STC?

Use 30 Parcel Schedule

Use 3 Parcel Schedule

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Use Schedule

SEE SCHEDULE

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

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

Use Schedule

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

Use Schedule

28165 YUKON INC.

5403 BUCKINGHAM AVENUE
BURNABY

V5E 1Z9

BRITISH COLUMBIA
CANADA

Incorporation No
57097A

Joint Tenants?

7. ADDITIONAL OR MODIFIED TERMS

N/A

Use Schedule

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.

Officer Signature(s)

Execution Date

Y	M	D
17		

Transferor(s) Signature(s)

28165 YUKON INC., by its
authorized signatory(ies):

Name:

Name:

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. 1996, c.124, 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.

More Signatures

FORM D1_V22

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 2 of 13 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
17		
17		

28165 YUKON INC., by its authorized
signatory(ies):

Name: _____

Name: _____

MOUNTAIN ADVENTURE LTD., by its
authorized signatory(ies):

Name: _____

Name: _____

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. 1996, c.124, 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.

More Signatures

FORM_E_V22

LAND TITLE ACT
FORM E

SCHEDULE

PAGE 3 OF 13 PAGES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND

Related Plan Number: **BCS3916**

STC for each PID listed below? YES ☐

[PID] [LEGAL DESCRIPTION – must fit in a single text line]

NO PID NMBR STRATA LOT 37 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 38 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 39 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 40 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 41 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 42 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 43 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 44 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 45 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 46 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 47 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 48 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 49 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 50 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916
NO PID NMBR STRATA LOT 51 DISTRICT LOT 2247 GROUP 1 NWD STRATA PLAN BCS3916

Additional 30 Parcel Schedule

Additional 3 Parcel Schedule

FORM_E_V22

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 4 OF 13 PAGES

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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Rent Charge

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		Granting the Rent Charge contained in this Instrument priority over Mortgage BB1186415 and Assignment of Rents BB1186416

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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More Pages

FORM_E_V22

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 5 OF 13 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. TRANSFEROR(S):

28165 YUKON INC. (Inc. No. 57097A) of 5439 Buckingham Avenue, Burnaby, B.C. V5E 1Z9
MOUNTAIN ADVENTURE LTD. (a corporation incorporated under the laws of Commonwealth of the Bahamas) having an office at 4 West Bay Street, P.O. Box N-7788, Nassau, Bahamas (as to priority)

More Pages

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

RENT CHARGE–SEWER SERVICES

BETWEEN

28165 YUKON INC., 5403 Buckingham Avenue, Burnaby, British
Columbia, V5E 1Z9

("Grantor");

AND

28165 YUKON INC., of 5403 Buckingham Avenue, Burnaby, British
Columbia, V5E 1Z9

("Grantee").

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the Lot.
- B. The Grantee will operate the systems and facilities, including the treatment plant, machines, pipes, equipment and anything used or required to provide treatment of the sewage generated from the Lot and from other lands located in the Squamish Lillooet Regional District of British Columbia (collectively called the "Community Sewer System").
- C. To obtain all necessary permits and approvals for operation of the Community Sewer System the Grantee requires that the Grantor covenant and agree to:
1. establish, over time, a reasonable reserve fund for the periodic replacement of the components of the Community Sewer System or portions thereof;
 2. contribute an amount, not to exceed \$10,000 per Lot, to the unexpected costs of repair or replacement of the Community Sewer System or portions thereof;
 3. acknowledge that the Grantee may from time to time:
 - (a) authorize governmental authorities access to the monies in the reserve fund for the purposes of repair or replacement of the Community Sewer System or portions thereof; and
 - (b) assign to governmental authorities this Rent Charge and the obligations of the Grantor hereunder.
- D. The Grantee has agreed to maintain the Community Sewer System in order to provide service to the Lot in the future upon condition that the Grantor pays a sewer treatment fee or availability charge for the Lot in an amount established by the Grantee annually, contribute to the reserve fund and to contribute to any unexpected operating costs and to the costs of repair or replacement of the Community Sewer System or portions thereof.

E. As security for the Grantor's covenant and agreement to:

1. pay an annual fee which will include a contribution to a reserve fund;
2. contribute to any unexpected costs of repair or replacement of the Community Sewer System or portions thereof; and
3. contribute, from time to time as the Grantee acting reasonably determines is necessary, to the unexpected costs operating costs the Community Sewer System or portions thereof;

the Grantee has requested and the Grantor has agreed to grant to and in favour of the Grantee a Rent Charge to be registered against the Lot as a first financial charge on the terms and conditions set out in this Agreement.

THEREFORE in consideration of the premises, the terms and conditions herein contained \$1.00 now paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledge by the Grantor, the parties agree as follows:

1. DEFINITIONS

In this Agreement:

"**Agreement**" means this agreement as it may be amended or supplemented from time to time;

"**Annual Fee**" means the annual charge once the Lot is connected to the Community Sewer System for the Service Fee and the Reserve Fund both, established annually by the Grantee acting reasonably;

"**Costs**" means collectively the Unexpected Costs, the Annual Fee and the Unexpected Operating Costs and the contributions to be made by the Grantor to the Reserve Fund;

"**Due Date**" means that date which is specified in a Payment Notice;

"**Grantor's Obligations**" means all of the covenants, agreements, obligations, duties, covenants, conditions, provisos of the Grantor under this Agreement;

"**Indebtedness**" means all amounts payable by the Grantor under this Agreement, whether for principal, interest, compound interest or otherwise including the Costs;

"**Interest Rate**" means the rate of interest determined by the Grantee in its sole discretion and specified in a Payment Notice which rate of interest will not exceed the prime rate of interest determined by HSBC Bank Canada from time to time plus 5% per annum calculated monthly not in advance;

"**Lot**" means each strata lot and premises described in item 2 of the attached Form C General Instrument – Part 1;

"**Lot's Share**" means for each Lot the Costs from time to time divided by 108 or such higher number as represents the estimated number of single family residential lots, to be served by the permitted flow rates of the Community Sewer System;

"Payment Notice" means any notice in writing given by the Grantee to the Grantor from time to time specifying the total amount to be paid by the Grantor for the Lot and the Due Date for payment and the Interest Rate;

"person" means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative; and 5 of this Agreement;

"Reserve Fund" means the fund to be established by the Grantee so that there are funds available to the Grantee for the periodic replacement of the treatment plant and all installations and equipment which comprise the Community Sewer System and for extraordinary repairs and contingencies related to any of them;

"Service Fee" means the annual charge for a Lot connected to the Community Sewer System being the Lot's Share of all costs attributable to the annual estimated costs of operation, maintenance and administration of the Community Sewer System;

"Unexpected Costs" means costs incurred or to be incurred by the Grantee with respect to any unexpected and extraordinary repairs to and/or replacement of any component of the Community Sewer System. An unexpected cost will be a cost which is not included within the regular operating budget of the Grantee for the period when the unexpected cost will be incurred and which is in excess of the Reserve Fund, provided that the total Lot's Share for any Lot for Unexpected Costs shall not exceed the sum of \$10,000 for each Lot plus any applicable interest at the Interest Rate;

"Unexpected Operating Costs" means costs incurred by the Grantee with respect to any unexpected and extraordinary cost which are not included in the then applicable operating budget of the Grantee, provided that such costs will be determined by the Grantee acting reasonably.

2. FEES

Each Lot which is connected to the Community Sewer System will be subject to an Annual Fee. The Annual Fee will start and be prorated in the quarter of the year in which the Sewage Treatment Plant starts its operation. The Annual Fee for the first year shall be \$1,020 for each Lot and shall be payable three times per year on the first day of January, May and September. For each successive year, the Grantee shall issue a Payment Notice to the owner of each Lot no later than December 1st of each year setting out the Annual Fee to be paid for the ensuing 12 month period and the dates on which such fees are payable.

3. GRANTOR'S SHARE OF UNEXPECTED COSTS

The Grantor's share of the Unexpected Costs shall, at any given time be calculated by dividing the amount of the Unexpected Costs by 108 or such greater number of lots which are serviceable by the Community Sewer System.

4. PAYMENT OF COSTS

The Grantor covenants and agrees with the Grantee to pay to or to the order of the Grantee at such address as the Grantee may from time to time direct:

- (a) the amount specified in any Payment Notice given by the Grantee to the Grantor from time to time as being the Annual Fee and/or the amount required by the Grantee for the Costs, and/or the Unexpected Costs and/or the Unexpected Operating Costs and/or the Reserve Fund and the Grantor will pay such amounts all on or before the Due Date;
- (b) interest on the amount to be paid under section 3 (a) above at the Interest Rate, both before and after maturity, default and judgment, from the Due Date until the Lot Share is paid in full which interest will be paid on demand; and
- (c) any interest not paid when due hereunder will be added to the principal amount owing hereunder and will bear interest at the Interest Rate;

and the Grantor further covenants and agrees with the Grantee:

- (d) to indemnify and save harmless the Grantee and its officers, directors, employees, agents, licensees, permittees and others for whom the Grantee is responsible at law, whether or not any of them have been negligent, from and against all damages (including, but not limited to, special, exemplary or consequential damages), costs (including, but not limited to, legal costs on a solicitor and own client basis), losses (including, but not limited to, economic losses and losses from property damage, personal injury or death), expenses, claims, demands, suits, causes of action and judgment suffered or incurred by the Grantee or any of its officers, directors, employees, agents, licensees, permittees or others for whom the Grantee is responsible at law by reason of, arising out of, relating to or in any way attributable to any breach, default, non-observance or non-performance of any of the Grantor's Obligations; and
- (e) that the Indebtedness shall be secured by the Rent Charge as a first financial charge against the Lots.

5. GRANT OF RENT CHARGE

As owner of the Lot, the Grantor hereby charges the Lot with payment to the Grantee of the Indebtedness. This Rent Charge will be registered as a financial charge against title to the Lot in priority to all other financial charges and encumbrances subsequently registered and the Indebtedness will have priority to all amounts payable pursuant to any other financial charges and encumbrances subsequently registered.

6. RESERVE FUND

The Grantee covenants and agrees that upon receipt of payment of the Annual Fee it will contribute from such Annual Fee the sum established, from time to time, by any government authority as the amount, if any, to be contributed to in the Reserve Fund, which Reserve Fund will be maintained in a Canadian chartered bank or credit union.

The Grantor acknowledges that the Grantee may from time to time;

- (a) authorize governmental authorities access to the monies in the reserve fund for the purposes of repair or replacement of the Community Sewer System or portions thereof; and
- (b) assign to governmental authorities this Rent Charge and the obligations of the Grantor hereunder to pay the Indebtedness or any portion thereof.

7. UNEXPECTED OPERATING COSTS.

The Grantee covenants and agrees that it shall use all reasonable commercial efforts to ensure that the budget which is used to determine the Annual Fee is as comprehensive and as accurate as possible so as to minimize the potential for Unexpected Operating Cost.

8. GRANTEE'S REMEDIES

The Grantor agrees that:

- (a) if the Grantor defaults in payment of all or any part of any part of the Indebtedness for any period of 60 days or more, then the Grantee may, at any time thereafter enter upon the Lot and distrain for the instalment or instalments in arrears and the distress or distresses then and there found to take, lead, drive, carry away and impound and the same to impound, take, hold and keep until the Indebtedness, together with all costs and charges incurred by such distress or in obtaining payment of Indebtedness shall be fully paid and satisfied;
- (b) if the Grantor defaults in payment of all or any part of any part of the Indebtedness for any period of six months or more, then the Grantee may, at any time thereafter, upon not less than 30 days' written notice to the Grantor, may foreclose upon the Lot and may cause the Lot to be sold, as if the Grantee were a mortgagee exercising a power of sale, provided that:
 - (i) the Grantor does not, before the completion of any sale of the Lot, pay the full Indebtedness owing, including interest, and all costs payable in connection with the exercise by the Grantee of its rights and remedies; and
 - (ii) the money realized by reason of any sale described above must be applied by the Grantee firstly to pay the actual costs incurred in respect of any notice, proceedings and sale, secondly to satisfy the Indebtedness and thirdly to pay the surplus, if any, to the Grantor;
- (c) despite the above provisions for enforcement of the payments due under this Agreement, the Grantee, at its option, may bring or take legal action against the Grantor for payment in any court of competent jurisdiction;
- (d) the Grantee may exercise any other right or remedy available at law or in equity in respect of the enforcement of a rent charge; and
- (e) the Grantor will pay for all of the Grantee's costs in connection with the enforcement of this Agreement, including, without limitation, all costs of sale and legal fees and disbursements on a solicitor and own client basis.

9. REMEDIES CUMULATIVE

The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee:

- (a) all rights and remedies of the Grantee under this Agreement are cumulative and are in addition to and do not exclude any other right or remedy provided in this Agreement or otherwise allowed by law;

- (b) all rights and remedies of the Grantee may be exercised concurrently, without the Grantee making any election, but will not give rise to duplicative liability of the Grantor; and
- (c) the Grantee may obtain from a court of competent jurisdiction injunctive relief in respect of any breach or anticipated breach by the Grantor of any of the Grantor's Obligations.

10. SUBDIVISION / EFFECT OF AGREEMENT

This Agreement, the Rent Charge and the rights herein granted will run with the Lot and each part into which the Lot may be subdivided, and the term "Grantor" includes the owner of each subdivided part of the Lot and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lot and each part into which it may be subdivided. Notwithstanding anything contained in this Agreement, if the Lot is subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided part of the Lot, including a default with respect to any amount payable in connection with any subdivided part of the Lot, will not be a default with respect to any other part of the Lot for which there has not been a default and the Grantee will not be entitled to exercise any of its rights or remedies under this Agreement except with respect to the subdivided part(s) of the Lot for which there has been a default.

11. FULL OR PARTIAL RELEASE

Within a reasonable time of the Grantee's receipt from the Grantor funds which total \$10,000, being the Grantor's share of the Unexpected Costs attributable to any Lot, the Grantee will execute and provide to the Grantor a registrable modification of this agreement releasing the Grantor for liability for payment of Unexpected Costs with respect to that Lot.

In the event that the Community Sewer System operated by the Grantee shall at any future time be taken over and operated by any public authority having taxing powers and the Grantee has received payment in full of the Indebtedness then the Grantee shall release each Lot from the Rent Charge.

12. AMENDMENT

This Agreement may only be amended by an agreement in writing duly executed and delivered by the Grantee and the Grantor of all parts of the Lot to which the amendment relates.

13. NO WAIVER

No condoning, excusing or overlooking of any default nor any delay in proceeding or failure to proceed in the case of any default under this Agreement will operate as a waiver of or otherwise affect in any way any rights or remedies under this Agreement or at law. No waiver of any rights or remedies will be inferred from anything done or omitted to be done by any party except by an express waiver in writing. No waiver in respect of any matter or thing will operate as a waiver in respect of any other matter or thing.

14. GOVERNING LAW

This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia, which is the proper law hereof, and the courts of British Columbia will have the exclusive jurisdiction with respect to all matters arising under or in respect of this Agreement.

15. TIME OF THE ESSENCE

Time is of the essence of this Agreement and will remain of the essence notwithstanding any extension of time given under or in connection with this Agreement.

16. NOTICES

All notices under this Agreement must be given in writing and delivered in accordance with this provision. The parties agree that:

- (a) any notice to the Grantor may be sent to the Grantor's address according to Land Title Office records in respect of the Lot or delivered to the Grantor; and
- (b) all notices to the Grantee must be sent to the Grantee at the address set out above or such other address as the Grantee may notify the Grantor in accordance with the terms hereof at any time and from time to time.

Notices will be sent by delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth day (excluding weekends and statutory holidays in British Columbia) after the mailing thereof, if sent by registered mail from a post office in British Columbia. If there is any disruption of mail services, all notices will be delivered or sent by electronic transmission rather than mailed. In any court proceedings, any notice may be given in accordance with any requirements for service provided for pursuant to the Supreme Court Rules of the Province of British Columbia.

17. TRANSFER OF THE LOT

All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lot or any part thereof and the Rent Charge granted hereunder will continue to charge the Lot notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lot or any part of the Lot where such duty or obligation arises after the Grantor has ceased to be the owner of the Lot or that part of the Lot, as applicable.

18. FURTHER ASSURANCES

The Grantor will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be required by the Grantee at any time and from time to time in order to evidence or give full force and effect to the terms, conditions and intent of this Agreement.

19. TRANSFER BY GRANTEE

The Grantee may mortgage, charge, transfer or assign any of its rights under this Agreement to a mortgagee, trustee for bond holders, purchaser, transferee or assignee all at such times and on such terms and conditions as the Grantee deems appropriate in its sole discretion. If the Grantee assigns its interest under this Agreement, and to the extent that the assignee has assumed the covenants and obligations of the Grantee under this Agreement, then the Grantee will, without further written agreement, be freed and relieved of all liability on such covenants and obligations.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement by signing on the *Land Title Act* Forms C and D attached hereto.

Consent and Priority Agreement

For \$1.00 and other good and valuable consideration, MOUNTAIN ADVENTURE LTD., the registered holder of the following financial charges registered in the Vancouver/New Westminster Land Title Office:

Mortgage BB1186415
Assignment of Rents BB1186416

("Security")

against title to the lands charged by the within charge, for themselves and their successors and assigns, hereby consent to the granting and registration of the within charge and grants priority to the within charge over the Security and their rights, title and interest in and to the lands charged by the within charge in the same manner and to the same effect as if the within charge had been executed, delivered and registered prior to the execution, delivery and registration of the Security and prior to the advance of any money under the Security.

As evidence of its agreement to be bound by the terms of this instrument, the Prior Chargee has executed the Land Title Form C which is attached hereto and forms part of this Agreement.

EXHIBIT "S1"

EXISTING ENCUMBRANCES AND LEGAL NOTATIONS

(a) As to the Lands and the Phase One Strata Lots:

(i) Legal Notations

BB1180553

Phased Strata Plan Declaration (as amended in the case of the Lands – see below).

BB1186419

Personal Property Security Act Notice filed by Mountain Adventure Ltd which will be discharged concurrently with the discharge of Mortgage and Assignment of Rents BB186415 and BB186416.

BB1253640

Notice of Permit under Part 26 of the Local Government Act, which expires November 30, 2011.

(ii) Charges

364958M

Right of Way in favour of BC Hydro and Power Authority with respect to various portions of a previous parcel. The areas in which Hydro can construct and maintain towers and wires do not extend into the Lands or the Phase One Strata Lots; however, certain ancillary rights do encumber the Lands and the Phase One Strata Lots, including the right to clear trees, construct roads and pass over the Lands and the Phase One Strata Lots as necessary to maintain the right of way area.

BB1225303 Section 219 Covenant in favour of the District which has been superseded with the Section 219 Covenant registered under number CA5158365 described below. The Developer will request a discharge of this Covenant from the District.

BB1253371

Section 219 Covenant in favour of the Ministry of Tourism, Sport and the Arts of the Province of British Columbia which locates Archaeological Sites located on Strata Lot 23. No construction or disturbance of the ground is permitted in the designated sites. A copy of this Covenant is attached as Exhibit "O".

BB1180546 and BB1180547

Statutory Right of Ways in favour of BC Hydro and Telus. The right of way area is shown on Plan BCP42862. As to Hydro, the rights of way allow the installation, replacement, maintenance and operation of works for transmitting and distributing electricity and telecommunications, including underground lines,

cables, conduits and pipes of every kind together with access nodes, cabinets, all ancillary appliances and fittings, above ground or underground transformers including any associated protective installations and related works. As to Telus, the rights of way allow the installation, replacement, maintenance and operation of all things and components using any type of technology or means necessary or convenient for the purpose of telecommunications and data transmission, including underground lines, cables, conduits and pipes of every kind together with access nodes, cabinets, all ancillary appliances and fittings, above ground or underground transformers including any associated protective installations and related works.

BB1180551

Statutory Right of Way in favour of BC Hydro. The right of way area is shown on Plan BCP42791, a copy of which is attached hereto as Exhibit "N". The right of way allows the installation, replacement, maintenance and operation of works for transmitting and distributing electricity and telecommunications, including underground lines, cables, conduits and pipes of every kind together with access nodes, cabinets, all ancillary appliances and fittings, above ground or underground transformers including any associated protective installations and related works.

BB1186415 and 1186416

Mortgage and Assignment of Rents in favour of Mountain Adventure Ltd. which will be discharged from title of each Strata Lot upon its transfer to a purchaser.

(b) As to the Lands only:

(i) Legal Notations

CA2642905 and CA5672793

Amended Phased Strata Plan Declaration, a copy of which is attached as Exhibit "M1".

BB3019906 and LB418628

Notices of Permits under Part 26 of the Local Government Act.

CA4124535

Notice of Permit under Part 26 of the Local Government Act which expires June 23, 2017.

CA5688769

Notice of Interest, Builders Lien Act.

(ii) Charges

B77188

Right of Way in favour of BC Hydro and Power Authority permitting installation,

maintenance, repair and replacement of works for the transmission and distribution of electricity.

BB1225298

Statutory Right of Way in favour of the District allowing unrestricted emergency use by the District and public vehicular and pedestrian use of the Statutory Right of Way Area as shown on Plan BCP42862. The Right of Way Area is the common area road adjacent to Strata Lots 1, 2, 3 and 5, Strata Plan BCS3916 and Strata Lot 4.

BB1180575

Statutory Right of Way in favour 28165 Yukon Inc. which may be discharged concurrently with or prior to filing the Preliminary Strata Plan for Phase Two.

CA3110110

Rent Charge in favour of 28165 Yukon Inc., a copy of which is attached as Exhibit "Q". The rent charge secures payment of the annual water availability fee and User's Fees as described in the Rent Charge.

CA4433571

Section 219 Covenant in favour of the District. Requires use of a specified covenant area, within a statutory right of way in compliance with the Geotechnical Report prepared by GeoPacific Consultants

CA5158365

Section 219 Covenant in favour of the District restricting development of the Lands to 96) parcels, (in addition to the 12 strata lots in phase 1 establishing the maximum floor area of each dwelling to be constructed on a strata Lot and providing and setting out restrictions on development including the requirement for a Qualified Environmental Profession during construction who must provide an environmental, monitoring report, collection and reuse of top soil, building permit application must be accompanied by approvals required under the Building Scheme, restriction on access gates, certificate of qualified professional that the lands may be used for its intended use. The Subdivision Plan and Geotechnical and Flood Hazard Report and update prepared by Trow Associates are schedules to the Covenant. A copy of the Restrictive Covenant is attached as Exhibit "P".

CA5567354

Claim of Builders Lien registered October 11, 2016 by Lethbridge Millwright & Welding Ltd which will be discharged from title of each Strata Lot upon its transfer to a purchaser

(c) As to the Phase One Strata Lots only:

(i) Legal Notations

BB1180573

Restrictive covenant annexed to the common property of the Phase One Strata Lots which prohibits removal of trees or vegetation from the non-disturbance areas on each Strata Lot as shown on the plan attached hereto as Exhibit "K", unless such trees or vegetation have been deemed hazardous and any trees which are removed do not in any five year period exceed 50% of the existing vegetation in the specified non-disturbance area and such removal does not comprise a clear-cutting of any portion of the non-disturbance area. The restrictive covenant is in favour of the Strata Corporation, whose approval is required prior to removal of any trees or vegetation in the non-disturbance area.

(ii) Charges

BB1180570

Declaration of Building Scheme, a copy of which is attached as Exhibit "L". The Building Scheme prohibits construction of any structure or improvement on a Strata Lot which does not comply with the Schedule of Restrictions contained in the Building Scheme and requires that the designated approving agent approve all plans and specifications for such structure or improvement. The Approving Agent is 0877103 B.C. Ltd., a company incorporated and controlled by the Developers at the time of incorporation. All plans and specifications submitted for approval must comply with the requirements set out in the Architectural Design Guidelines which form part of the Building Scheme.

BB1180571

Section 219 Covenant in favour of the District and the Province of British Columbia as represented by the Minister of Transportation. The covenant was a requirement of the CPCN and the Provincial Design Guidelines for Rural Residential Community Water System. The covenant limits lawn and garden watering on each Strata Lot. The area of any Strata Lot which can be watered cannot exceed .04 hectares or 0.1 acres.

BB1180573

See description under Legal Notations above.

BB1180586

Section 219 Covenant in favour of the District and the Province of British Columbia as represented by the Ministry of Transportation and Infrastructure prohibiting construction of any buildings or improvements outside the boundaries of the building envelopes established for each Strata Lot. A plan showing the building envelopes and the location of the vehicular access for each Strata Lot is attached as Exhibit "K".

BB1180588

Rent charge with respect to the Water System, in the form attached as Exhibit "Q". The rent charge secures payment of the annual water availability fee and the fee for water use as further described in the rent charge.

CA3110112

Rent charge with respect to the Sewage System, in the form attached as Exhibit "R1". The rent charge secures payment of annual fees and other charges in respect of the Sewage System as further described in the rent charge.

(d) As to the Lands and Strata Lot 12 only:

(i) Legal Notations

None.

(ii) Charges

BB1225308

Statutory Right of Way in favour of the District charges the common property of the Strata Corporation and Strata Lot 12. Right of Way Area is shown on Plan BCP42864. Permits the District and members of the public the full free and uninterrupted right to use the Right of Way Area on foot or with bicycles, scooters and similar motorized vehicles of any kind and to use the benches, picnic areas and the recreation trail within the Right of Way Area.

CA3110108

Statutory Right of Way in favour of Wedgemount Power (GP) Inc. which allows the construction, operation, maintenance and replacement of buildings, structures, equipment and works required for the transmission of energy from Wedgemount Creek.

CA4522640

Mortgage of Statutory Right of Way CA3110108 in favour of Travelers Capital Corporation.

(e) As to Strata Lot 12 only:

(i) Legal Notations

None.

(ii) Charges

BB1225301

Section 219 Covenant in favour of the District over those portions of Strata Lot 12 shown on Plan BCP42863 for a Highway Buffer Area and a Riparian Area, each as defined therein. The Highway Buffer Area is those portions of Strata Lot 12 lying no less than 20 metres on both sides of Highway 99. The Highway Buffer must be preserved in its natural state and no vegetation, including trees, may be trimmed, pruned or removed and no structures of any kind located within that area without the consent of the District or as required by the Ministry of Transportation.. The Riparian Area is those areas which are no less than 30 metres from the natural boundary on both sides of Green River and Wedgemount Creek and no less than 15 metres from the natural boundaries of the ephemeral tributaries at the north and south ends of Strata Lot 12. The Riparian Area must

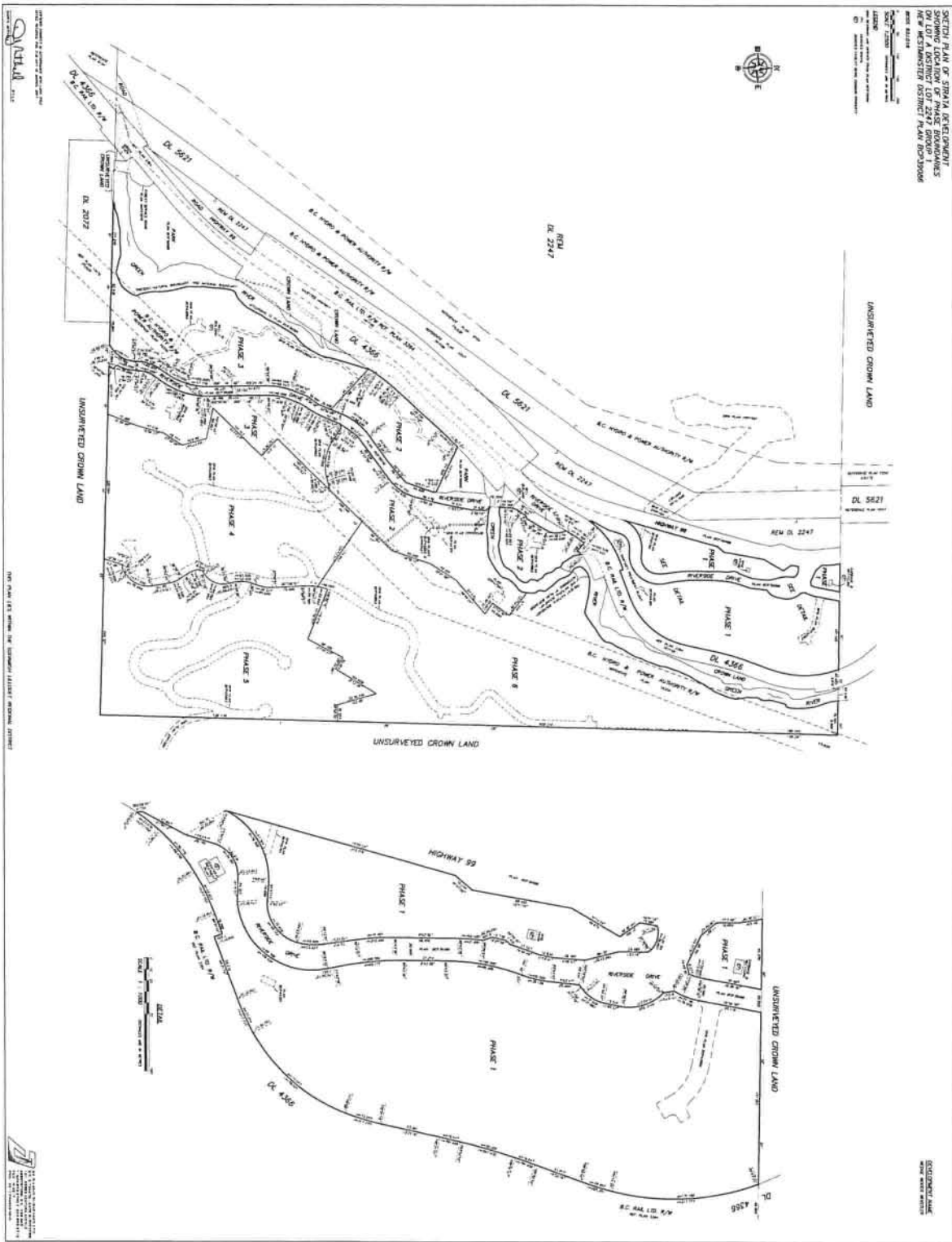
be preserved in its natural state and no vegetation may be removed unless it constitutes a fire hazard. The only permitted improvements are those allowed under the Zoning Amendment Bylaw 1036, 2007 and the improvements must be constructed so as to cause a minimum of disturbance to the natural drainage patterns of Strata Lot 12. No soil may be removed from or placed on the Riparian Area and no pesticides, herbicides or other deleterious substances may be used on Strata Lot 12.

Proposed Encumbrances

- (a) Encumbrances proposed in connection with Phases 2 and 3
- (i) As a condition of the Preliminary Layout Approval described in Section 6.1, an easement over portions of the Common Property providing access to the remainder of the Lands following the creation of the Phase Two Strata Lots, whether or not the Developer proceeds with subsequent phases of the Development.
 - (ii) A Section 219 Covenant in favour of the Ministry of Transportation prohibiting construction within the covenant area. The Covenant Area will be the portions of the Lands designated for use as a common area roadway.
 - (iii) A rent charge with respect to the Sewer System, substantially in the form attached as Exhibit "R2", against title to each Phase Two Strata Lot. The rent charge secures payment of the availability fee and the unexpected costs as described in the Rent Charge.
 - (iv) A rent charge with respect to the provision of water, substantially in the form attached as Exhibit "Q1".
 - (v) A Section 219 Covenant in favour of the District prohibiting building on a Strata Lot unless the Strata Lot is first serviced by an advanced wastewater treatment plan.
 - (vi) Declaration of Building Scheme, substantially in the form attached as Exhibit "L1" with such amendments as may be required by the District.
 - (vii) Section 219 Covenant in favour of the District and the Province as represented by the Minister of Transportation, substantially on the same terms and conditions as the covenant registered under number BB1180571 and described above.
 - (viii) Statutory Rights of Way charging the Common Property of the Strata Corporation in favour of the 28165 Yukon Inc. and the Utility Company permitting installation, maintenance, repairs and replacements of all works, structures and improvements required for the provision of water and sewage treatment and disposal.
 - (ix) If required as a condition of approval of the Strata Plan by the approving officer a Section 219 Covenant in favour of the District and the Province as represented by the Minister of Transportation, substantially on the same terms and conditions as the covenant registered under number BB1180586 and described above, prohibiting the construction of buildings on the Strata Lots outside the prescribed building envelopes, which are shown on Exhibit "K1" and "K2".

- (x) Access and utilities easements charging Strata Lots 20 and 21 in favour of Strata Lots 20, 21 and 22 and charging Strata Lot 26 in favour of Strata Lot 27. The easement will permit placement and maintenance of a driveway within the easement areas for access with and without motor vehicles and the placement, maintenance and works required for the provision of utilities. Portions of the easement areas may be used as snow dumps by the Strata Corporation. The Developer will install the driveway and works for utilities at its cost. The costs of maintaining the easement areas and any works will be shared equally by the Strata Lots entitled to use the same.
 - (xi) A Rent Charge in favour of 28165 Yukon Inc. with respect to the provision of water charging the remainder of the Lands after filing the Phase 2 Strata Plan.
 - (xii) statutory rights of way, charges and encumbrances required by any governmental authority as a condition of the approval of the strata plans for Phase 2 and/or Phase 3.
 - (xiii) A rent charge with respect to the provision of water, substantially in the form attached as Exhibit "Q2" charging the Phase 3 Strata Lots.
 - (xiv) A statutory right of way for the installation, maintenance and operation of works for the transmission of electricity over a portion of Lot A which will be included within the boundaries of Phases 3 and 4.
 - (xv) A Statutory Right of Way charging Strata Lot 43 in favour of the 28165 Yukon Inc. permitting, construction of, maintenance and replacement of the well building and access to the well building for the purposes of maintenance and replacement of the well building or any of its components;
 - (xvi) A Statutory Right of Way charging that portion of the Common Property shown on the Plan attached hereto as Exhibit V permitting the installation and maintenance of all works, whether on, above, over or under the right of way area, desirable for the transmission of electricity
- (b) Encumbrances proposed in connection with Phases 4 through 6
- (i) Easements charging the Lands in favour of the Strata Corporation providing access to those portions of the Lands intended to be designated as common area roads in Phases 4 to 6 of the Strata Corporation and for works required for the provision of utilities.
 - (ii) Rent Charges to secure the charges for provision of water and sewer treatment services and facilities.
 - (iii) Statutory rights of way, charges and encumbrances required by any governmental authority as a condition of the approval of the strata plans for Phases 4 through 6.

EXHIBIT "U"



PLAN EPP _____

Datum: NAD83(CSRS) 4.0, m, 1	
UTM zone 10	
UTM Northing.....	5550319.123
UTM Easting.....	509060.712
Pivot combined factor: 0.9994991	
Estimated horizontal positional accuracy: 0.03	

