

TIMBER LANDING

DISCLOSURE STATEMENT

Dated: November 17, 2023

TIMBERLANDING 3 AT FERNIE ALPINE RESORT

DEVELOPER

RESORTS OF THE CANADIAN ROCKIES INC.

Address for Service

c/o Rockies Law Corporation
Suite 201 – 907 Baker Street
Cranbrook, British Columbia, V1C 1A4

Business Address

1505 -17th Avenue S.W.
Calgary, Alberta, T2T 0E2

Real Estate Agents

The lots will be marketed by the Developer's in-house sales staff or such real estate agents as the Developer may engage from time to time. Some of the employees of the Developer may not be licensed under the British Columbia Real Estate Services Act and are not acting on behalf of any purchaser of a lot.

DISCLAIMER:

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

This Disclosure Statement relates to a development property that is not yet completed. Please refer to section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____, who has confirmed that fact by initialling in the space provided here.

INITIAL HERE

RIGHTS OF RESCISSION

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

A Purchaser may serve a notice of rescission by delivering or sending by registered mail a signed copy of the notice to:

- (a) the Developer at the address shown in the disclosure statement received by the Purchaser,**
- (b) the Developer at the address shown in the Purchaser's purchase agreement,**
- (c) the Developer's brokerage, if any, at the address shown in the disclosure statement received by the Purchaser, or**
- (d) the Developer's brokerage, if any, at the address shown in the Purchaser's purchase agreement.**

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

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LIST OF EXHIBITS

EXHIBITS

- Exhibit A Plan of Subdivision
- Exhibit B Section 219 Covenant (Build)
- Exhibit C Section 219 Covenant (Geotechnical & Plan)
- Exhibit D Title Searches (Parent Parcels)
- Exhibit E Rent Charge (Resort Services)
- Exhibit F Rent Charge (Lift Services)
- Exhibit G S219 Covenant (Utility & Right of Way Rent Charges)
- Exhibit H Option to Purchase
- Exhibit I Offer to Purchase and Agreement for Sale

1. THE DEVELOPER

1.1 Particulars of Incorporation

The Developer is a corporation amalgamated pursuant to the Canada Business Corporations Act. It was incorporated on December 21, 2000 and its federal incorporation number is 938808-07. The Developer is registered as an extra-provincial company in British Columbia under number A100476.

1.2 Purpose of Incorporation

The Developer was not incorporated specifically for the purpose of developing the Lands and has other assets in addition to the Lands. The Developer is a large private ski resort owner/operator that owns or controls six ski resorts across Canada, including Mont Ste.-Anne, Stoneham, Nakiska, Fernie, Kimberley and Kicking Horse. The Developer also owns and manages a number of hotels and golf courses throughout Canada.

1.3 Registered Office Address

The registered and records address of the Developer's head office is 1505 - 17 Avenue S.W., Calgary, Alberta, T2T 0E2. The Developer's address for service in British Columbia is Suite 201, 907 Baker Street, Cranbrook, British Columbia V1C 1A4.

1.4 Director

The sole director of the Developer, who is required to sign this Disclosure Statement by Section 14 of the Real Estate Development Marketing Act ("REDMA") and Section 9 of the regulations thereunder is Larry G. Moeller.

1.5 Developer's Background

- (a) The Developer has owned Fernie Alpine Resort and been engaged in land development at Fernie Alpine Resort since 2002 (21 years). The Developer is the owner of other real estate development lots and has experience in the development of other similar developments at Fernie Alpine Resort and Kimberley Alpine Resort. Except as aforesaid, neither the director nor any of the officers of the Developer has any experience in the development industry.
- (b) None of the Developer, the principal holder thereof or its respective directors and officers, to the best of the Developer's knowledge, within the ten years before the date of the Developer's declaration attached to this Disclosure Statement, has been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.
- (c) None of the Developer, the principal holder thereof or its respective directors and officers, to the best of the Developer's knowledge, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation

relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

- (d) None of the Developer, the principal holder thereof or its respective directors and officers, to the best of the Developer's knowledge, within the five years prior to the date of the Developer's declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
- (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud, nor subject to any penalties or sanctions imposed; or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 **Conflict of Interest**

The Developer is a related party of Fernie Alpine Resort Utilities Corporation (the "Utility Provider") which supplies water and sewer services to the Development. Such services are provided according to rates established from time to time by the Utility Provider and the Comptroller of Water Rights of British Columbia. Payment for such services is secured by a Rentcharge registered against the Lots (see section 4.4, "Proposed Encumbrances"). The Developer or a related party may construct a ski lift connecting the Development with the village area of Fernie Alpine Resort (see section 2.1, "General Description of the Development"), and to secure the cost of maintenance and operation of such lift intends to register a Rentcharge against the Lots (see section 4.4, "Proposed Encumbrances"). Except as aforesaid, none of the Developer, the principal holder thereof or and its respective directors and officers, and persons providing goods or service to the Developer or any holders of the development units in connection with the Development have any conflicts of interest that could reasonably be expected to affect a Purchaser's purchase decision.

2. **GENERAL DESCRIPTION**

2.1 **General Description of the Development**

- (a) Timberlanding is a residential area comprising 42 residential fee simple lots on Alpine Way at Fernie Alpine Resort in Fernie, BC.

The Development which is the subject matter of this Disclosure Statement is known as "**Timberlanding 3**" and comprises 42 lots which are shown as "Lots 2 – 25 and 27 - 44" (taken together, the "Lots") on the subdivision plan attached as Exhibit A. Lots

1 and 26 do not comprise part of the Development and are not offered for sale hereby. The lands on which the Development is situated (the "Lands") are within the Fernie Alpine Resort area (the "Resort Area") of which the Fernie Alpine Resort (the "Resort") is a part. The legal descriptions of the Lots are set out in Section 4.1. The civic addresses of the Lots will be assigned by the Regional District of East Kootenay (the "Regional District") upon issuance of building permits for each of the Lots.

The Development consists of bare land fee simple lots only.

If market conditions warrant, the Developer may, in the future, in its sole discretion, construct a ski lift in the area of the Development. If, as and when such a lift is constructed, its operation will be paid for by way of a Rentcharge to be registered against title to the Lots at the time of their first purchase. (See Section 4.4, "Proposed Encumbrances", item (c)). At this time, no decision has been made concerning the ski lift.

Purchasers are advised that the Developer makes no commitments in respect of any amenities or any further development at or near the Development, the Resort, or otherwise, except as expressly provided for herein.

By this Disclosure Statement, the Developer is marketing Lots 2 through 25 and 27 through 44. Lots 1 and 26 do not comprise part of the Development and are not offered for sale hereby.

- (b) The Development does not share any facilities or services with other developments at the Resort, other than water and sewer services which are provided by the Utility Provider.

2.2 Permitted Use

- (a) The Lands are within the geographical boundaries of the Regional District and are subject to its zoning bylaws. The applicable zoning bylaw is the "Regional District of East Kootenay – Elk Valley Zoning Bylaw #829, 1990" (the "Zoning Bylaw"). The Lots are zoned "Resort Residential" Zone: RS-2A. The permitted uses include single-family dwellings (which may include a secondary suite). Further, this zoning allows for a "home occupation", which means that the home can be used for an occupation, service, profession or craft that is clearly incidental to the use of the home for residential purposes, and may include a bed and breakfast or a family day care. Further details of home occupation are outlined in the Zoning Bylaw. Other than for home occupation, the Lots may not be utilized for commercial or other purposes not ancillary to residential purposes
- (b) The Lands are also subject to the "Fernie Alpine Resort Official Community Plan Bylaw #2362, 2012 (the "OCP") which is applicable to all land within the Resort Area.
- (c) In addition to the Zoning Bylaw and the OCP, the Lots are also subject to further restrictions on use as outlined in Section 4, including that the lands may not be

further subdivided, by way of a subdivision plan, bare land strata plan, or strata plan.

- (d) For further about and details about zoning requirements and permissible uses purchasers may contact

Regional District of East Kootenay
Planning and Development Services
19 – 24th Avenue South
Cranbrook BC V1C 3H8
Phone: 250-489-2791
Fax: 250-489-3498
Email: planningdept@rdek.bc.ca

2.3 Building Construction

- (a) The Lots consist of bare, unimproved land with no structures in place. Purchasers will be responsible for the construction of any improvements on a Lot.
- (b) Pursuant to the Zoning Bylaw and the OCP, purchasers of the Lots will be responsible to obtain their own development and construction approvals and permits as applicable. Further, pursuant to a Section 219 Covenant (Build) registered against each of the Lots, the form of which is attached hereto as Exhibit B, purchasers of the Lots will be required to obtain plan, design and obtain building approval from the Developer prior to submission to the Regional District for its plan and building approval process.
- (c) An owner wishing to develop a Lot will also be required to adhere to the following restrictions:
- a. Geotechnical Restrictions – Both the OCP and Section 219 Covenant (Geotechnical) restrict development on areas of the Lots.
 - i. OCP: Requires that a development permit be obtained for any development on an area with a slope equal to or exceeding 15%. To obtain the development permit, a Lot owner must provide a geotechnical investigation conducted to the satisfaction of the Regional District. With the exception of minor lot grading, development is not permitted on areas where the slope is in excess of 30%.
 - ii. Section 219 Covenant (Geotechnical): This Covenant, a copy of which is attached hereto as Exhibit C, requires adherence to the recommendations contained in a Geotechnical Assessment Report prepared by D. A. Clapp, P. Eng., dated May 3, 2023 (the “Geotechnical Report”). This Geotechnical Report is appended to the Section 219 Covenant (Geotechnical) at Exhibit C. The Geotechnical Report divides the Development into four distinct “Geo-Zones”. Lots which are located in Geo-Zones 1, 2 and 3 are considered by the Report to be suitable for development but site specific

geotechnical investigation is required and particular drainage techniques are recommended by the Report, among other things. Geo-Zone 4 is not considered suitable for development. According to the Geotechnical Report Lots 2 through 25 and Lots 32 through 36 are located in Geo-Zone 2; Lots 39 to 40 and 43 to 44 are located in Geo-Zone 3; Lots 1, 37 and 38 are located in partly in Geo-Zone 2 and partly in Geo-Zone 4; and Lots 41 and 42 are located partly in Geo-Zone 3 and partly in Geo-Zone 4.

- (d) Prior to any construction on the Lots, a purchaser must obtain a building permit from the Regional District as set out above.

3. SERVICING INFORMATION

3.1 Utilities and Services

- (a) **Water & Sewerage:** The Development is serviced by a water system provided by the Utility Provider. The Utility Provider will bill each Lot owner for water use. A purchaser is responsible for connection fees to connect water services to any improvement constructed on a Lot. Each Lot is serviced to the lot line with water. Sanitary sewers will be installed to the lot line of each Lot. A purchaser is responsible for connection fees to connect sewer services to any improvement constructed on a Lot. The sewer system is maintained and operated by the Utility Provider. The cost of the sewer utility is billed by the Utility Provider to the owner of a Lot. The current connection fee payable by each purchaser for the connection of water and sewer service is **\$27,500.00 per Lot plus G.S.T.** The connection fee is payable at the time of closing of the purchase of a Lot.
- (b) **Electricity:** The Development is serviced with electricity by British Columbia Hydro and Power Authority adjacent to the lot line. Each Lot will be separately metered for electricity. A purchaser of a Lot will be responsible for any fees for turning on or off such electricity service and extending electrical services to any improvement constructed on a Lot.
- (c) **Natural Gas:** A natural gas line is installed adjacent to the lot line of each Lot by Fortis BC. The natural gas service provider is Fortis BC. Connection and usage charges or the Lots will be the responsibility of the individual purchaser.
- (d) **Fire Protection:** The Development is provided fire protection by the City of Fernie Fire Department under arrangements made between the Regional District and the City of Fernie.
- (e) **Telephone:** Telephone service is provided to each Lot by Telus Communications and telephone service will be provided by Telus Communications on application and on payment by an owner of the usual application, hook-up and usage charges.

- (f) Access: Access to the Resort Area is from Highway #3 onto Ski Hill Road. Access to the Development is from Ski Hill Road, Timberline Crescent and Alpine Way within the Resort Area.

4. TITLE AND LEGAL MATTERS

4.1 Legal Description

The legal descriptions of the lands from which the Lots will be created is as follows:

PID: 017-470-013

Lot 1 District Lots 4128 and 8901 Kootenay District Plan NEP19500 Except Plan EPP76410 and EPP122547 (“Lot 1 Plan NEP19500”),

PID: 018-357-326

Lot 1 District Lot 4128 Kootenay District Plan NEP20673 (“Lot 1”),

and

PID: 018-357-334

Lot 2 District Lot 4128 Kootenay District Plan NEP20673 (“Lot 2”)

A portion of the Development, specifically the area comprising Lots 1 through 25 requires a re-alignment of Alpine Way. This re-alignment will require the concurrent closure and transfer to the Developer of a portion of Alpine Way (the “Closed Road Portion”). The Developer has made application for such road closure and expects it to be registered concurrently with the subdivision plan for the Development.

4.2 Ownership

The Developer is the registered owner of Lot 1 Plan NEP19500, Lot 1 and Lot 2.

The Crown is the registered owner of the Closed Road Portion. A portion of the lands owned by the Developer will be dedicated as road (shown as “Alpine Way new”) on Exhibit “A” will be dedicated by the Developer in exchange for the Closed Road Portion.

4.3 Existing Encumbrances and Legal Notations

The following legal notations and encumbrances are presently registered in the Land Title Office against title to Lot 1 Plan NEP19500, Lot 1 and Lot 2:

I. Existing Encumbrances as to Lot 1 NEP19500:

(a) Statutory Right of Way CA6917549 in favour of Fernie Alpine Resort Utilities Corporation.

(b) Covenant CA6917570 in favour of Her Majesty the Queen in Right of the Province of British Columbia and Regional District of East Kootenay.

(c) Statutory Right of Way CB173349 in favour of British Columbia Hydro and Power Authority.

(d) Statutory Right of Way CB173350 in favour of Telus Communications Inc.

(e) Statutory Right of Way CB187172 in favour of Fernie Alpine Resort Utilities Corporation.

II. Existing Encumbrances as to Lot 1:

(a) Covenant XG23184 in favour of Her Majesty the Queen in Right of the Province of British Columbia and Regional District of East Kootenay.

(b) Covenant XG23188 in favour of Her Majesty the Queen in Right of the Province of British Columbia and Regional District of East Kootenay.

(c) Statutory Right of Way XG26294 in favour of British Columbia Hydro and Power Authority.

(d) Statutory Right of Way XG26295 in favour of BC Tel.

III. Existing Encumbrances as to Lot 2:

(a) Covenant XG23184 in favour of Her Majesty the Queen in Right of the Province of British Columbia and Regional District of East Kootenay.

(b) Mortgage KP109918 in favour of Bank of Montreal. This charge is to be discharged from title by the Lender when the Lot is purchased.

(c) Mortgage and Assignment of Rents KR63168/KR63169 in favour of 3848175 Canada Inc. This charge is to be discharged from title by the Lender when the Lot is purchased.

(d) Mortgage and Assignment of Rents KR63170/KR63171 in favour of 3848175 Canada Inc. This charge is to be discharged from title by the Lender when the Lot is purchased.

Title Searches for Lot 1 Plan NEP19500, Lot 1 and Lot 2 are included at Exhibit D. Prospective purchasers are advised to review thoroughly all of the above encumbrances with their legal advisor prior to the expiration of any rescission period.

4.4 Proposed Encumbrances

The following additional encumbrances may be registered in the Land Title Office by the Developer against title to the Lots:

(a) Section 219 Covenant (Geotechnical): This Covenant, a copy of which is attached

- hereto as Exhibit C, requires adherence to the recommendations contained in a Geotechnical Assessment Report prepared by D. A. Clapp, P. Eng., dated May 3, 2023 (the "Geotechnical Report"). This Geotechnical Report is appended to the Section 219 Covenant (Geotechnical) at Exhibit C. The Geotechnical Report divides the Development into four distinct "Geo-Zones". Lots which are located in Geo-Zones 1, 2 and 3 are considered by the Report to be suitable for development but site specific geotechnical investigation is required and particular drainage techniques are recommended by the Report, among other things. Geo-Zone 4 is not considered suitable for development. According to the Geotechnical Report Lots 2 through 25 and Lots 32 through 36 are located in Geo-Zone 2; Lots 39 to 40 and 43 to 44 are located in Geo-Zone 3; Lots 1, 37 and 38 are located in partly in Geo-Zone 2 and partly in Geo-Zone 4; and Lots 41 and 42 are located partly in Geo-Zone 3 and partly in Geo-Zone 4. A Site Specific No Build Covenant delineating the areas of Lots 1, 37, 38, 41, and 42 which are located in Geo-Zone 4, may, if required by the Approving Authority, be registered against title to such Lots.
- (b) Section 219 Covenant (Build) in favour of the Developer. A Section 219 Covenant (Build) is proposed to be registered against each of the Lots, the form of which is attached hereto as Exhibit B. An owner wishing to develop a Lot will be required to adhere to the restrictions and design guidelines as set out in the Section 219 Covenant (Build) and to post a Security Deposit for construction compliance (**currently \$25,000.00**) and pay a Design Review fee (**currently \$7,500.00 plus G.S.T.**) in accordance with the Covenant at the time of closing of the Purchase and Sale of the Lot;
- (c) Rent Charge (Resort Services) in favour of the Developer, the form of which is attached as Exhibit E. Pursuant to this encumbrance, the Developer provides services to the Resort Area, including the Lots. Services which are the subject of this Rent Charge include street lighting, garbage removal and compound maintenance, tennis court and maintenance, cross-country ski trails and grooming, residential ski way trails and grooming, village beautification, signage, construction and maintenance of the village trail network, and fire infrastructure maintenance, all within the Resort Area;
- (d) Rent Charge (Lift Services) in favour of the Developer, the form of which is attached as Exhibit F. Pursuant to this encumbrance, owners of Lots pay an annual amount for the maintenance and operation of a ski lift which may be constructed at a future date (see Section 2.1 above);
- (e) Section 219 Covenant for Right of Way and Rent Charges in favour of the Utility Provider, a copy of which is attached hereto as Exhibit G. These will provide rights of way and provision for payment for water and sewer services as provided by the Utility Provider. (See section 3.1(a) "Utilities & Services" above)
- (f) Option to Purchase in favour of the Developer, in the form attached hereto in Exhibit H, granting the Developer the option to re-purchase a Lot for ninety per cent (90%) of

the agreed sale price of the Lot plus the cost of any improvements thereon, at cost, in the event (whichever first occurs) that:

- a. the Purchaser offers the Lot for sale to any party prior to the date which is the third anniversary of the date the Purchaser takes title to the Lot; or
 - b. the Purchaser does not obtain a Building Permit and Approval to Construct (as such is defined in Section 219 (Build) Covenant referred to in 4.4(a) above) by the date which is the third anniversary of the date the Purchaser takes title to the Lot; or
 - c. if the Building Permit and Approval to Construct are obtained within the time required by paragraph 4.4(f)b. above, construction of a residential dwelling in accordance with the Section 219 (Build) Covenant is not commenced and completed by the date which is 36 months from the date the Approval to Construct is obtained, whichever is later;
- (g) Any other charge or encumbrance required by a public authority or public or private utility in order to permit the Lot to be created and/or to allow the provision of energy, communications, water, sewer or other services to the Lot.

4.5 Outstanding or Contingent Litigation or Liabilities

There is no outstanding or contingent litigation or liabilities in respect of the Development or against the Developer that may affect the Lots or owners of the Lots.

4.6 Environmental Matters

(a) Flooding Dangers

The Developer is not aware of any flooding dangers in respect of the Lands or any restrictions or requirements of the Province, the Regional District or any other applicable governmental authority relating to flood protection in respect of the Development.

(b) Condition of Soil and Subsoil or other Environmental Matters

The Developer is not aware of any dangers connected with the Development in respect of the condition of the soil or subsoil or other environmental matters affecting the Lots, except as provided for in the Geotechnical Report.

Purchasers are advised to conduct their own due diligence including, but not limited to, geotechnical and/or environmental matters in respect of the Lots and the Development, and the Developer makes no warranty, express or implied, as to environmental or geotechnical matters.

5. CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

Construction commenced June 2023. The subdivision of the Lots is anticipated to be completed

between September 1, 2024 and December 1, 2024. Purchasers are advised construction of a portion of the services or that a portion of the services required to be completed in connection with the Development may not be complete as at the time of subdivision and may be bonded in accordance with the provisions of the *Local Government Act* (See 7.3, “Developer’s Commitments”, below). **Purchasers are advised to expect noise, dust, equipment, excavations and interruptions to access during construction of any facilities which are the subject of bonding.**

Construction and servicing of future development lands surrounding the Development shall be completed at the discretion of the Developer having regard to economic feasibility, market demand, and technical considerations. **The Developer makes no representations or warranties with respect to any future development of lands beyond the Development whatsoever.**

5.2 Warranties

The Developer makes no warranties with respect to the Lots or the Development. The benefit of any warranty from any supplier of goods or services to the Developer will not be passed on to purchasers of the Lots.

6. APPROVALS AND FINANCES

6.1 Development Approval

The Ministry of Transportation and Infrastructure (“MOTI”) has issued a Preliminary Layout Review for the subdivision to create the Lots on September 5, 2023.

A portion of the Development, specifically the area comprising Lots 1 through 25 requires a re-alignment of Alpine Way. This re-alignment will require the concurrent closure and transfer to the Developer of a portion of Alpine Way. The Developer has made application for such road closure and expects it to be registered concurrently with the subdivision plan for the Development.

6.2 Construction Financing

The Developer will utilize its own financial resources to create and service the Development and does not intend on borrowing funds to do so.

7. MISCELLANEOUS

7.1 Deposits

All deposits and other money received from a purchaser of a Lot shall be held in trust by the law firm Rockies Law Corporation in Cranbrook, British Columbia, or by licensed Real Estate Brokerages that may be retained to market the Lots, in the manner required by the *Real Estate Development Marketing Act* (British Columbia).

7.2 Purchase Agreement

Form of Agreement

The Developer intends to use the form of purchase agreement attached as Exhibit I.

(a) Termination Provisions

The form of purchase agreement used by the Developer and included herewith as an exhibit may not be terminated except in the following circumstances:

- i. It is not accepted by the Developer pursuant to Section 1.10 thereof;
- ii. The Purchaser's conditions precedent described in Section 1.6 are not waived or declared fulfilled in writing;
- iii. Upon the default of the Purchaser in completing the purchase and sale thereunder in a timely manner; or
- iv. If the Outside Date (as defined in the Purchase Agreement) has passed without the Developer having issued written notice of the Completion Date as specified in paragraph 3 of Schedule A of the Purchase Agreement, or the Developer, in its sole discretion, determines that it is not possible or not economic to complete the construction of the Lot by Outside Date.

(b) Extension of Time

The purchase agreement provides that the Developer can extend the Completion Date (as defined in the Purchase Agreement) from time to time until the later of the time that the Lot is ready to be occupied and the time that title to the Lot has been raised. This provision requires the Developer to use commercially reasonable efforts to obtain permission to legally occupy the Lot and to raise title to the Lot.

The purchase agreement also provides that the Completion Date may be extended by the Developer for a period equivalent to the amount of time lost in completion of construction of the Lot by reason of unforeseen circumstances including, without limitation, time lost from strikes, lockouts, climatic conditions, acts of Governmental Authorities, fire, explosion, Acts of God, or other circumstances beyond the exclusive control of the Developer. The Developer may continue to extend the Completion Date pursuant to the above until such time the Lot is actually capable of being legally occupied and title is raised to the Lot.

Any other extensions of the Completion Date may only be made with the mutual agreement of the Developer and the Purchaser.

There are no provisions permitting the Purchaser to unilaterally extend the Completion Date.

(c) Assignment

The purchase agreement provides that it cannot be assigned without the consent of the Developer, which consent may be arbitrarily withheld. This means that the Developer may

refuse to allow an assignment or may require a fee in order to agree to an assignment.

(d) Interest on Deposits

The purchase agreement provides that interest on deposits, if any, shall be credited to the Developer and the Developer's solicitors shall not be under any obligation to place any deposits in any interest bearing trust account.

(e) Fees/Deposit Due on Closing

Concurrently with the completion of the purchase and sale of a Lot, a Purchaser must also pay the following to the Developer:

- i. Water/Sewer connection fee (see 3.1(a) of this Disclosure Statement), currently \$27,500.00 plus G.S.T.;
- ii. Design Review Fee (see 4.4(b) of this Disclosure Statement), currently \$7,500.00 plus G.S.T.; and
- iii. Construction Compliance Deposit (see 4.4(b) of this Disclosure Statement), currently \$25,000.00,

all of which must be paid by wire transfer, certified cheque, bank draft or solicitor's trust cheque. These fees are subject to change in the Developer's discretion.

7.3 Developer's Commitments

A portion of the services required to be completed in connection with the Development, such as paving of roads and sidewalks, and installation of "shallow services" such as gas and electricity (taken together, the "Incomplete Works") may not be completed at the time of subdivision of the Lots. In such circumstances the Developer may elect to post a bond (the "Bond") with the Regional District and/or MOTI in the amount of 125% of the estimated cost of completion of the Incomplete Works in order to obtain the signature of the Approving Officer to the plan of subdivision of the Development. In such case purchasers will, in accordance with the terms of the purchase agreement, be required to complete the purchase and sale. In the event the Developer does not complete the Incomplete Works within 12 months of the date of subdivision, the Regional District and/or MOTI may, but is not required to, demand payment of the Bond and apply the proceeds thereof to completion of the Incomplete Works by its own contractors. **In such event there can be no assurance that the Bond will be sufficient to ensure completion of the Incomplete Works or that the Regional District and/or MOTI will complete the Incomplete Works at any particular time, or at all. Purchasers are advised to expect noise, dust, equipment, excavations and interruptions to access during construction of any incomplete works.**

7.4 Other Material Facts

None.

STATEMENT RE: DEEMED RELIANCE

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

DEVELOPER'S DECLARATION

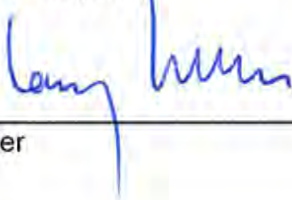
The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of November 17, 2023.

RESORTS OF THE CANADIAN ROCKIES INC.,



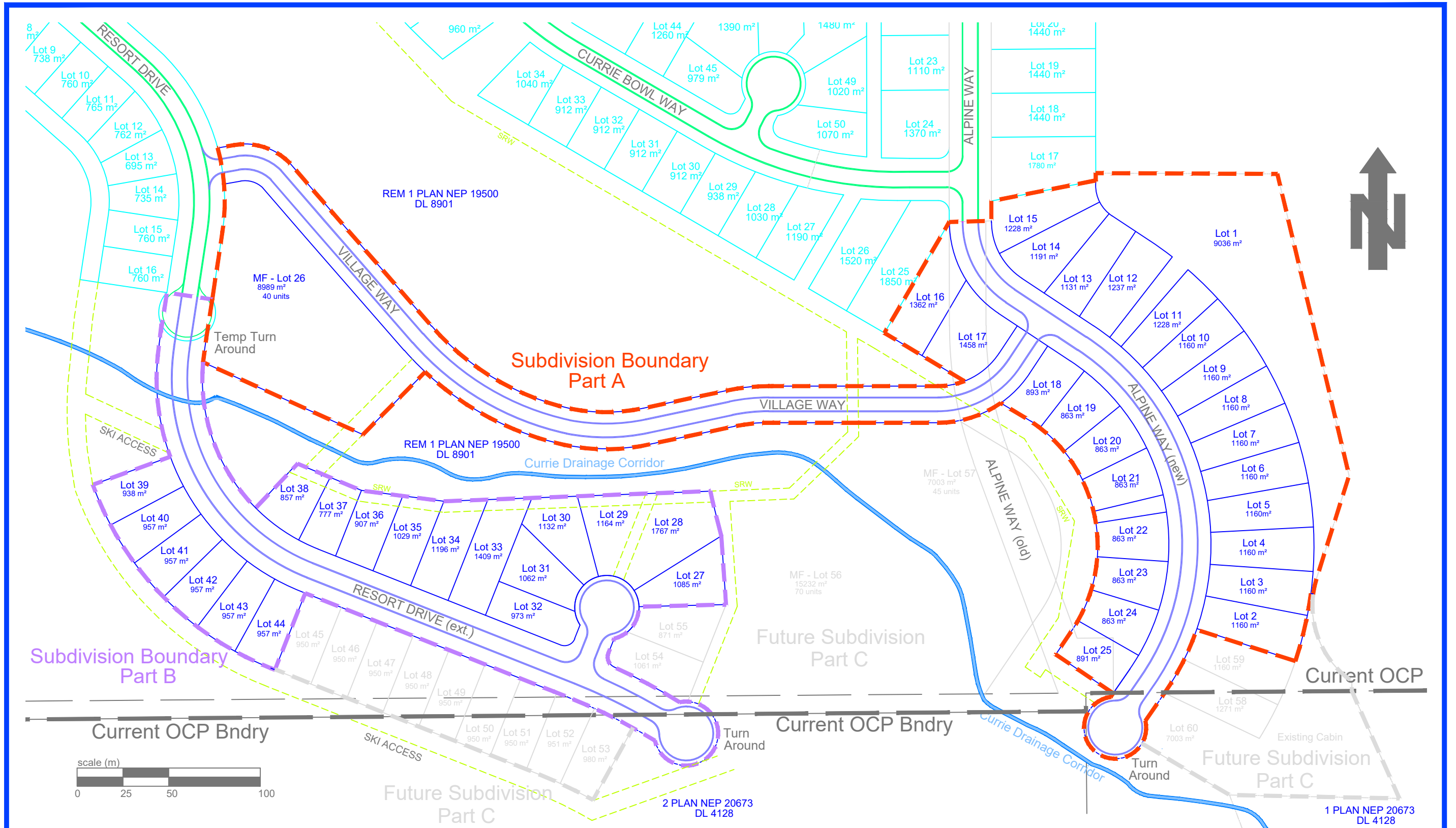
Per: Larry Moeller
Authorized Signatory

The Director of RESORTS OF THE CANADIAN ROCKIES INC.,
in his personal capacity:



Larry Moeller

EXHIBIT A



Timberlanding 3 - Plan of Proposed Subdivision

Resorts of the Canadian Rockies Inc.

SECTION 219 COVENANT (BUILD)

BETWEEN:

RESORTS OF THE CANADIAN ROCKIES INC.,
INC. NO. **A100476**
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2

(the “Grantor” or “Owner”)

AND:

RESORTS OF THE CANADIAN ROCKIES INC.,
INC. NO. **A100476**
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2

(“RCR” and/or the “Grantee”)

AND:

FERNIE ALPINE RESORT UTILITIES CORPORATION
(Incorporation No. A0063131)
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2

(“FARUC”)

(taken together, the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situated at Fernie Alpine Resort, British Columbia and more particularly described in item 2 of Part of this Instrument (the “Lands”);

- B. In accordance with section 219 of the *Land Title Act*, a covenant of a negative or positive nature may be registered against title to the land subject to the covenant in favour of any person designated in accordance with such provision, on terms and conditions he or she thinks proper, as covenantee, and, subject to the *Land Title Act*, is enforceable against the covenantor and the successors in title of the covenantor even if the covenant is annexed to land owned by the covenantee;
- C. The Grantee has been designated under section 219(3)(c) of the *Land Title Act*, evidence of which designation has been registered in the Kamloops/Nelson Land Title Office;
- D. The Grantee requires that the Owner enter into this Covenant with the Grantee in accordance with section 219 of the *Land Title Act* and the Owner has agreed to do so; and
- E. The Grantee hereby attests that the Lands encumbered by this Covenant do not lie within the Agricultural Land Reserve.

THEREFORE, in consideration of the amount of \$1.00 now paid by the Grantee to the Owner, the covenants and agreements set out herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby covenant and agree as follows:

ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this Covenant, the following terms have the following meanings:

- (1) “Action” means any demand, claim, cause of action, action, suit or proceeding of any kind or nature whatsoever, and whether brought or made in a court proceeding, arbitration proceeding or otherwise.
- (2) “Approval to Construct” has the meaning assigned to such term in section 4.1(5).
- (3) “Auxiliary Building” means a Building that is ancillary or subordinate to the Building containing the principal use on a parcel.
- (4) “Basement” means the space in a Building between two floor levels, the lower of which is situated between 0.6 metre and 1.5 metres below Grade.
- (5) “BC Building Code” means The British Columbia Building Code 2012, as amended, superseded and in effect from time to time.
- (6) “BC Electrical Code” means The British Columbia Electrical Code 2012, as amended, superseded and in effect from time to time.

- (7) “BC Fire Code” means The British Columbia Fire Code 2012, as amended, superseded and in effect from time to time.
- (8) “Building” means any structure that encloses or shelters a use, including, without limitation, any garage.
- (9) “Business Day” means a day that is not a Saturday, a Sunday, a statutory holiday in British Columbia, Easter Monday or Boxing Day.
- (10) “Certificate of Completion” has the meaning assigned to such term in section 5.5.
- (11) “Covenant” and “this Covenant” mean the General Instrument, together with these Terms of Instrument, as may be modified and supplemented in the General Instrument.
- (12) “Damage” means any loss, cost, damage, expense or liability of any kind or nature whatsoever, including that in respect of negligence, negligent misrepresentation or mis-statement, failure to warn, nuisance or other tort, personal injury, death, contract damage or debt, economic loss, consequential damage and any legal or other professional fee or disbursement in respect of any of the foregoing and any tax on any of the foregoing.
- (13) “Design Criteria” means the building design criteria attached as Schedule B hereto.
- (14) “Develop” means to carry out any Improvement or to otherwise change the use of any land, Building or structure, or to carry out any construction, engineering or other operations whatsoever on, in, over or under land or land covered by water, including removal or deposit of soil, and site clearing, grading and excavation, but does not include the maintenance or repair of any existing works, structures or Buildings and “Development” has a corresponding meaning.
- (15) “Development Approval” means any inspection, review, approval, certificate, authorization, permission or acceptance carried out, made, issued or granted by the Grantee or any Grantee’s Representatives, including, without limitation, any Approval to Construct or Certificate of Completion.
- (16) “Grantee” means Resorts of the Canadian Rockies Inc., the party described as the “Grantee” in the General Instrument, being the grantee under this Covenant, and the successors and assigns thereof.
- (17) “Grantee’s Representatives” means any person who is a Related Person to the Grantee and any person duly authorized to represent the Grantee or any Related Person, including any officer, director, employee, agent, contractor, subcontractor, consultant or advisor of the Grantee or any Related Person so authorized.

- (18) “Dwelling Unit” means two or more rooms used or intended to be used for residential accommodations, containing cooking, sleeping and sanitary facilities, and which has no more than one set of cooking facilities.
- (19) “Emergency Services” means any emergency services or programs, including any police, fire, ambulance or 911 services.
- (20) “General Instrument” means any *Land Title Act* General Instrument (including any Form C, Form D or Form E included therein) which incorporates this Terms of Instrument.
- (21) “Improvements” means all Buildings, structures, works, utilities, services, landscaping and other improvements whatsoever, by whomsoever made, which are at any time and from time to time affixed to or erected or constructed in, on, under or above the Lands (including all Services and Facilities situated in, on, under or above the Lands) or affixed to any other Improvement.
- (22) “Interest Rate” means the interest rate equal to the Prime Rate plus 4% per annum.
- (23) “Lands” means the lands legally described in item 2 of the *Land Title Act* Form C (including any Form E attached thereto) which incorporates this Terms of Instrument, including any lot, strata lot (including any bare land strata lot), common property, limited common property or other parcel into which such lands may be subdivided and including the surface, under-surface and ground water on, in or under such lands.
- (24) “*Land Title Act*” means the *Land Title Act* (British Columbia), as amended from time to time.
- (25) “Law” means any law, statute, regulation, bylaw, resolution, ordinance, code, standard, policy, guideline, notice, appointment, directive, decision, order or lawful requirement of, or issued by or under the direction or authority of, any Lawful Authority.
- (26) “Lawful Authority” means any federal or other government or governmental authority, office or official having jurisdiction, including any authorized delegate, appointee, board, bureau, commission, department, administrative agency or regulator body thereof, including any police or fire authority.
- (27) “Lot” includes any lot or parcel into which the Lands or a Lot are divided, whether by subdivision plan, strata plan, bare land strata plan or otherwise howsoever and includes the common property of any strata plan or bare land strata plan.

- (28) “Obligation” means any duty, obligation or liability whatsoever, including that arising under any acknowledgement, covenant, agreement, representation, warranty, release, indemnity, breach or default.
- (29) “Occupancy” means the use or intended use of a Building or portion thereof for the shelter or support of persons, animals or property and “occupation” and “occupy” have corresponding meanings, unless the context requires otherwise.
- (30) “Owner” means the party described as the “Grantor” in the General Instrument, being the grantor of this Covenant, and the successors in title thereof, including the owner or owners of each Lot.
- (31) “Lot Line” means the legal boundary of a Lot as show on a plan deposited at the Land Title Office.
- (32) “Party” means a party to this Covenant and “parties” means any or all of them.
- (33) “Person” means any individual, corporation, body corporate, partnership, joint venture, association, society, or unincorporated organization or any trustee, executor, administrator or other legal representative.
- (34) “Plans and Specifications” has the meaning the assigned to such term in section 4.2.
- (35) “Premises” means the Lands or a Lot and the Improvements.
- (36) “Prime Rate” means:
 - (a) the floating annual rate of interest expressed as a percentage established from time to time by the main branch in Vancouver, British Columbia of the Royal Bank or its successor, or such other bank as may be designated by the Grantee, acting reasonably (the “Bank”), as the base rate it will use to determine rates of interest charged by it for Canadian dollar commercial demand loans made by it in Canada and designated by the Bank as its “prime rate”; or
 - (b) if at any time the Bank does not exist or does not publish its “prime rate,” then the “Prime Rate” will be the “prime rate” published by another Schedule A bank designated by the Grantee, acting reasonably and if no “prime rate” is so published, then such other rate as is established by the Grantee, acting reasonably.
- (37) “Project” means a Single Family Home.
- (38) “Related Person” in respect of any person, means:

- (a) any affiliate of such person, within the meaning of the *Business Corporations Act* (British Columbia) or the *Canada Business Corporations Act*;
 - (b) any associate of such person, within the meaning of the *Business Corporations Act* (British Columbia) or the *Securities Act* (British Columbia); and
 - (c) any partnership, including a limited partnership, in which such person is a partner.
- (39) “Security Deposit” has the meaning assigned to such term in section 4.4.
- (40) “Services and Facilities” means all on-site and off-site services, utilities, amenities and facilities in respect of or for the use of the Premises, including any roads, curbs, walkways, sidewalks, trails, street lighting, parks, common areas, community facilities, recreation facilities, water, sanitary sewer, garbage or solid waste removal or disposal, storm drainage or other drainage facilities, natural gas, propane, fuel, telephone, electricity, lighting, cablevision, communication, heating, energy, geothermal energy, ventilation or air conditioning services and facilities.
- (41) “Site Development Criteria” means the site development criteria attached as Schedule A hereto.

1.2 Lot by Lot Basis. With respect to each Lot:

- (1) the Obligations of the Owner of any Lot will only be those Obligations which are applicable in respect of that Owner’s Lot or any other Lot owned by that Owner and, without limiting the generality of the foregoing, the Owner of any Lot will only be liable for the payment to the Grantee of any amount payable under this Covenant in respect of that Owner’s Lot or any other Lot owned by that Owner;
- (2) the Owner of any Lot will not be affected by any default under this Covenant relating to another Lot other than a default by that Owner or a default in respect of that Owner’s Lot or the Improvements thereon; and
- (3) the rights and remedies of the Grantee under this Covenant may only be exercised by the Grantee in respect of any Lot for which there has been a default under this Covenant.

1.3 Headings and References. The headings used in and the organization of this Covenant are solely for convenience of reference and will not in any way affect, limit, amplify or modify any of the terms or conditions hereof and will not be used in any way in the interpretation hereof. Any reference in this Covenant to an Article, section, subsection, paragraph or

Schedule will mean an Article, section, subsection, paragraph or Schedule of this Covenant, unless otherwise expressly provided.

- 1.4 Non-limiting. The word “including”, when following any statement, will be construed broadly, to refer to all other things that could reasonably fall within the scope of such statement, whether or not non-limiting language (such as “without limitation” or “without limiting the generality of the foregoing”) is used with reference thereto.
- 1.5 Number. In this Covenant, the singular includes the plural and the plural the singular, as the context permits or requires.
- 1.6 References to Laws. A reference in this Covenant to any Law includes and is a reference to all amendments made thereto as in force from time to time, and to any Law that may be passed which has the effect of supplementing or superseding any such Law, and any regulations or other requirements made pursuant to any of the foregoing.
- 1.7 Terms Mandatory. The words “will”, “shall” and “must” will be construed as being mandatory.
- 1.8 Schedules. The following are the Schedules to this Covenant:
 - Schedule A - Site Development Criteria
 - Schedule B - Design Criteria
 - Schedule C - Grantee’s Current Fee and Security Deposit Schedule

ARTICLE 2 – USE AND SUBDIVISION

- 2.1 Permitted Uses.

An Owner shall comply with all applicable zoning bylaws, any official community plan, or other law or regulation of any competent governmental authority relating to the Lands or a Lot.
- 2.2 Specific Restrictions on Use. Without limiting the generality of section 2.1, the Owner acknowledges and agrees that:
 - (1) no temporary structure, trailer or temporary residence will be permitted within or on a Lot or the Lands except with the prior written consent of the Grantee in its absolute discretion and the Grantee may require the posting of security or impose other requirements as a result of any such consent;
 - (2) no unlicensed vehicle, recreational vehicle, snowmobile, boat, commercial vehicle, house trailer, travel trailer, boat trailer, snowmobile trailer or other trailer whatsoever, manufactured home, mobile home, sea can, trailer home camper, other

vehicle or structure designed for or capable of providing overnight accommodation, commercial truck or other commercial vehicle, machinery or equipment will be permitted within the Lands, except within wholly-enclosed garages or other Buildings;

- (3) the Owner will not install or use any propane tanks or similar tanks (other than in connection with a propane barbeque).
- (4) the Owner will not keep or permit any person to keep any horses, cattle, sheep, pigs or any other farm animal or domesticated farm animal on his or her Lot or any other Lot or anywhere else within the Lands.

2.3 Signage. No signage of any kind visible from anywhere outside the Premises will be permitted within the Lands, except the following:

- (1) a small and unobtrusive sign maximum of 2 sq. ft. identifying a home owner or property name;
- (2) a standard realtor's "For Sale" sign or reasonable "For Sale by Owner" sign maximum of 20" x 30" when the Premises are for sale; and
- (3) signage identifying the house number for a Lot.

No other signage of any kind visible from anywhere outside the Premises will be erected or installed without the prior written approval of the Grantee, in its absolute discretion.

2.4 Restriction on Subdivision. The Owner will not subdivide a Lot, by way of subdivision plan, bare land strata plan, or strata plan, except by way of consolidation with another Lot.

ARTICLE 3 – GENERAL RESTRICTIONS ON AND REQUIREMENTS FOR DEVELOPMENT

3.1 General Restrictions and Requirements. The Owner will not Develop, occupy or use or permit any person to Develop, occupy or use the Premises or any portion thereof except:

- (1) in compliance with all applicable Laws, including, without limitation, zoning bylaws, the BC Building Code, BC Electrical Code, BC Plumbing Code and BC Fire Code;
- (2) in compliance with:
 - (a) the Plans and Specifications approved in accordance with section 4.19;

- (b) any requirements set out in the Approval to Construct in connection with such Development;
 - (3) all terms, conditions and requirements set out in this Covenant; and
 - (4) all encumbrances or charges registered against title to a Lot .
- 3.2 Requirements for Approval to Construct and certificate of Completion. The Owner will not:
 - (1) Develop or cause or permit any person to Develop the Premises or any portion thereof unless an Approval to Construct has been issued in accordance with section 4.5; or
 - (2) occupy or use or cause or permit any person to occupy or use the Premises or any portion thereof for any purpose other than in accordance with this Covenant and unless a Certificate of Completion is issued by a competent governmental authority.
- 3.3 Roads and Services. The Owner will not occupy or use or permit any person to occupy or use the Premises or any portion thereof for any purpose other than the Development of the Premises in accordance with this Covenant unless and until water, sanitary sewer, storm sewer and electricity services have been installed in accordance with this Covenant. Water and Sanitary services are available through FARUC and all residents are required to connect to water and sewer services supplied by FARUC.
- 3.4 Wastewater Pump Stations. Developments are encouraged to set grades accordingly to utilize a gravity feed line from the Building to the main sewer line. In cases where this is not possible, no Building on any Lot may be occupied or used until any required pumpstation works have been completed and are operable in accordance with the applicable Building or Plumbing Code. Any required pumpstation works will be designed, installed, operated, inspected, maintained and repaired by and at the expense of the Owner in respect of the Lot and the Grantee will not have any duty or obligation whatsoever in respect thereof.

ARTICLE 4 – REQUIREMENTS FOR APPROVAL TO CONSTRUCT

- 4.1 Restriction on Development. No portion of the Premises will be Developed, and the Owner will not carry out or permit to be carried out any Development in respect to any portion of the Premises until:
 - (1) the Owner has submitted to the Grantee all of the following:

- (a) an application for an Approval to Construct in respect of the Development, in the form established by the Grantee, if any;
 - (b) the Plans and Specifications in respect of the proposed Development, as set out in section 4.2;
 - (c) the Grantee's fees, charges and deposits, as described in section 8.1;
 - (d) the Security Deposit, as set out in section 4.4; and
 - (e) such further and other documents, instruments and assurances as may be required by the Grantee, acting reasonably.
- (2) the Owner has obtained any permit, licence or other approval required by any applicable Lawful Authority in connection with the Development and provide the Grantee with reasonable evidence thereof, if requested by the Grantee;
 - (3) the Owner has satisfied any other reasonable requirements of the Grantee; and
 - (4) the Grantee has issued an Approval to Construct for the Development in accordance with this Covenant.
- 4.2 Plans and Specifications. Except as otherwise permitted herein, prior to carrying out any Development, the Owner will provide to the Grantee for its review the plans, specifications, samples and other documents and materials described in Schedule B and any other plans, specifications, samples and other documents as are required by the Grantee (the "Plans and Specifications") in respect of the proposed Development. The Plans and Specifications must describe the proposed Development in reasonable detail.
- 4.3 Fees. At the time of the delivery to the Grantee of any Plans and Specifications for approval by the Grantee in connection with any Development, the Owner will pay to the Grantee its fees established by the Grantee, acting reasonably, in accordance with section 8.1.
- 4.4 Security Deposit. At the time of the delivery to the Grantee of any Plans and Specifications for approval in connection with any Development, the Owner will post with the Grantee a security deposit (the "Security Deposit") in the form of a clean, irrevocable letter of credit issued by a financial institution satisfactory to the Grantee and in the form and content approved by the Grantee, acting reasonably, in accordance with section 8.1. The Owner may, at his or her election, post the Security Deposit by way of a certified cheque or bank draft, in which case the Grantee will deposit such amount in a trust account or certificate of deposit, with interest earned for the benefit of the Owner, unless the Security Deposit is forfeited to the Grantee in accordance with the terms hereof. The Security Deposit will be held by the Grantee to secure the Owner's obligation to complete the

Development that is subject to the Security Deposit within the time set out in the Covenant, and:

- (1) all of the Security Deposit will be absolutely forfeited to the Grantee if the Owner does not satisfy any of its obligations set out in any of sections 5.1 to 5.3 within the times set out therein;
- (2) for a default in respect of any obligation other than an obligation set out in sections 5.1 to 5.3, the Security Deposit, or the relevant portion thereof, as applicable, will be absolutely forfeited to the Grantee on account of any damages payable to the Grantee in accordance with this Covenant in respect of a matter occurring prior to the time that the Security Deposit is returned to the Owner, without prejudice to any other right or remedy of the Grantee, including, without limitation, the right to damages in excess of the amount of the Security Deposit; and
- (3) subject to sections 4.4(1) and (2), the Security Deposit, or any remaining portion thereof, if any, will be returned to the Owner if the Owner satisfies all of its obligations set out in sections 5.1 to 5.3 within the times set out therein, provided that if the Owner has satisfied all of such obligations other than those in respect of the completion of landscaping and the Owner is not able to complete the landscaping obligations due to seasonal considerations, the Grantee will return to the Owner all but 50% of the Security Deposit.

If at any time any Security Deposit or any portion thereof is forfeited to the Grantee, the appropriate Owner will replenish the Security Deposit or the forfeited portion, as applicable, forthwith upon demand by the Grantee.

4.5 Grantee's Review of Plans/ Issuance of Approval to Construct.

- (1) The Grantee will review and consider any Plans and Specifications submitted to the Grantee in a reasonably timely manner and either approve of or reject such Plans and Specifications and provide the Owner with written notice thereof. If the Grantee rejects any Plans and Specifications, the Grantee will provide the Owner with written reasons for such rejection.
- (2) No Development shall proceed until approval is given and the owner has received an Approval to Construct by the Grantee.
- (3) In considering whether or not to approve of any Plans and Specifications, the Grantee may consider such factors as it considers relevant, including, without limitations, the following:
 - (a) Building siting and setbacks;

- (b) screening and Building Height;
- (c) provision of parking, including the amount, location and standards thereof;
- (d) general architectural aesthetics;
- (e) landscaping;
- (f) exterior layout;
- (g) conformance with the Site Development Criteria, Design Criteria and Landscaping Criteria, as amended from time to time;
- (h) exterior materials and colours;
- (i) the use of water conservation equipment, materials and methods, all of which are required by the Utility Corporation;
- (j) the use of BC Hydro PowerSmart measures; and
- (k) compliance with encumbrances registered against title to a Lot;
- (l) compliance with the Design Criteria as specified in Schedule B.

For greater certainty, the Grantee will not review the Plans and Specifications with respect to compliance with any applicable code or Law, including the BC Building Code, construction materials that do not relate to the design criteria as specified in Schedule B, roof slopes or snow dump, or any geotechnical aspects that may affect the construction or erection of any building or structure on a Lot.

- (4) If the Grantee rejects any Plans and Specifications, the Grantee may, in its absolute discretion, as part of such rejection, make recommendations for modifications to such Plans and Specifications and may discuss its reasons for rejection or recommendations with the Owner.
- (5) The Owner may modify the Plans and Specifications and re-submit them to the Grantee for approval in accordance with section 4.1 of this Covenant, in which case this section 4.5 will apply to such re-submitted Plans and Specifications.
- (6) Provided that the Owner has complied with this Article 4, if the Grantee approves of any Plans and Specifications, the Grantee will issue a permit (an “Approval to Construct”) in respect of the Development or Improvement contemplated thereby, in the form established by the Grantee.
- (7) The Grantee will have the full authority to determine, in the absolute discretion of the Grantee, whether or not to approve any Plans and Specifications, provided

always that the Grantee will act in good faith and will not act arbitrarily. Without limiting the generality of the foregoing, the Grantee, in its absolute discretion, may waive compliance with any of the restrictions or requirements set out in this Covenant, but no such waiver will be effective unless it is made in writing.

- 4.6 Conditions to Approval of Plans and Specifications. The Grantee may place conditions upon the approval of any Plans and Specifications and the Owner will comply with any such conditions. Without limiting the generality of the foregoing, in the case of any Development resulting in a material change to any existing Improvements, the Grantee may restrict or prohibit occupancy of Improvements until the completion of the Development and the issuance of a new Certificate of Completion in respect thereof.
- 4.7 Revisions to Plans and Specifications. If there are any material alterations to any approved Plans and Specifications, the Owner will submit such alterations to the Grantee for review and approval in accordance with section 4.1 as if they were in respect of new Development.
- 4.14 Alterations, Maintenance and Repairs. Subject to section 4.1, no material alteration to or modification, maintenance or repair of any Improvement will be carried out unless Plans and Specifications are submitted to and approved by the Grantee in accordance with this Covenant and unless the Owner complies with all other provisions of this Covenant in respect thereof as if it were a new Improvement.
- 4.15 Role of FARUC. Notwithstanding anything in this Covenant to the contrary, FARUC's rights and obligations in this Covenant shall be restricted to matters pertaining to the provision of water and sewer services in respect of a Development only and all other matters in respect of a Development shall be dealt with solely by RCR.

ARTICLE 5 – COMPLETION OF DEVELOPMENT

5.1 Time Deadline for Carrying Out of Project on the Lots. The Owner agrees that for each Lot:

- (1) The Owners shall submit the Plans and Specifications and receive the Approval to Construct within thirty-six (36) months from the date of registration of the transfer of title of the Lot to the Owner; and
- (2) The Owner shall complete the construction, including landscaping, within thirty-six (36) months from the date of issuance of the Approval to Construct,

failing which the Security Deposit, or such portion thereof as is payable in accordance with Section 10.4(1), will be absolutely forfeited to the Grantee, as damages without prejudice to any other right or remedy of the Grantee, including, without limitation, the right to claim any amount in excess of any Security Deposit, and exercise of the option to re-purchase the Lot in accordance with any Option to Purchase registered thereon, provided that the forfeited Security Deposit shall be deducted from the amount otherwise payable to the Owner.

5.2 Time Limit on Approved Plans and Specifications. Once any Plans and Specifications in respect of any Development have been approved by the Grantee, if the Owner does not either;

- (1) commence carrying out of such Development within 36 months of issuance of such approval, as evidenced by the issuance of an Approval to Construct and the on-site commencement of excavation, footings and foundations; or
- (2) complete such Development within 36 months of the issuance of such approval, as evidenced by a Certificate of Completion in respect thereof,

the Security Deposit, or such portion thereof as is payable in accordance with section 10.4(1), will be absolutely forfeited to the Grantee as damages, without prejudice to any other right or remedy of the Grantee, including, without limitation, the right to claim any amount in excess of the Security Deposit, the Approval to Construct in respect of such Plans and Specifications will be deemed to be void and the Owner must re-submit to the Grantee Plans and Specifications in respect of such Development, or any uncompleted part thereof, and fulfil any other requirements under this Covenant as if the Owner was carrying out new Development, including provision of a further Security Deposit.

5.3 Completion of Development Once Commenced. Once any Development has been commenced on any Lot:

- (1) the Owner will diligently carry out such Development in accordance with the approved Plans and Specifications and not unduly delay or discontinue the carrying out of such Development; and
- (2) the Owner will complete such Development, as evidenced by the issuance of a Certificate of Completion in respect thereof within the 24 month period after the commencement of such Development, as evidenced by the issuance of an Approval to Construct and the on-site commencement of excavation, footing and foundations,

failing which the Security Deposit, or such portion thereof as is payable in accordance with section 10.4(1), will be absolutely forfeited to the Grantee as damages, without prejudice to any other right or remedy of the Grantee, including, without limitation, the right to claim any amount in excess of any Security Deposit, and exercise of the option to re-purchase the Lot in accordance with any Option to Purchase registered thereon, provided that the forfeited Security Deposit shall be deducted from the amount otherwise payable to the Owner.

- 5.4 Owner's Obligations Upon Completion. Upon completion of any Development for which the Grantee has approved Plans and Specifications in accordance with Article 4, the Owner will deliver to the Grantee a Final Inspection Certificate or Certificate of Occupancy issued by a competent governmental authority.
- 5.5 Issuance of Certificate of Completion. Subject to section 5.6, upon delivery of the documents set out in section 5.4, the Grantee will deliver to the Owner a certificate of completion (the "Certificate of Completion") in respect of the Development, in the form and content established by the Grantee.
- 5.6 Grantee's Discretion to Withhold Certificate. Notwithstanding sections 5.4 and 5.5, the Grantee may withhold the issuance of any Certificate of Completion in respect of any Development if the Owner has not completed the Development in accordance with the requirements set out in or arising under this Covenant.

ARTICLE 6 – COMPLIANCE WITH LAWS/CONSTRUCTION PRACTICES

- 6.1 Compliance with Laws. The Owner will:
- (1) observe and comply with all Laws applicable to the Owner's Premises or the Owner; and
 - (2) procure and comply with all necessary permits, licences and other authorizations from time to time required by any Lawful Authority with respect to the Owner's

Premises or any Development, maintenance, use or occupation thereof or any business or undertaking conducted thereon or therefrom,

6.2 Construction Practices. In carrying out any Development, the Owner will comply with all of the following:

- (1) no work will be carried out except between the hours of 8:00 a.m. and 6:00 p.m. on Business Days and between the hours of 10:00 a.m. and 6:00 p.m. on any day that is not a Business Day;
- (2) the Owner will comply with all construction, development, burning and other restrictions imposed by any Lawful Authority, including those related to fire and forestry practices; and
- (3) the Owner will carry out all work in accordance with good construction practices and, without limiting the generality of the foregoing:
 - (a) the Owner will not damage any other lands adjacent to or in the vicinity of a Lot and if the Owner does cause any such damage, the Owner will forthwith repair the same, failing which the Grantee may do so at the expense of the Owner in accordance with the procedures set out in section 10.3 and may apply the Owner's Security Deposit in respect thereof, all without prejudice to any the other right or remedy of the Grantee;
 - (b) the Owner will use reasonable efforts to minimize noise, dust and other nuisances and disruptions;
 - (c) the Owner will use all reasonable efforts to ensure the protection of trees, vegetation, watercourses and other parts of the environment; and
 - (d) the Owner will not store any construction equipment or materials excepting on the Owner's Lot, and will not store any construction equipment or materials on any adjacent Lots or roads.
 - (e) the Owner and anyone for whom the Owner is responsible at law, including but not limited to the Owner's contractors, workers, and invitees shall comply at all times with the Construction Traffic Management Plan attached hereto as Schedule "D".
- (4) **the Owner hereby authorizes and directs the Grantee to at the sole risk and expense of the Owner and not the Grantee, conduct the repairs referred to in 3(a) above and to move to a location determined by the Grantee in its sole discretion without liability to the Owner, any equipment or materials in breach of section 3(d) above, and in any such case the Grantee shall be entitled**

to forfeiture of the Security Deposit together with payment of the cost of any such remediation conducted by the Grantee.

6.3 In addition to and not in substitution for any of the other provisions of this Covenant, it is agreed that the Grantee will not be unreasonably withholding its approval of the proposed plans of the Grantor/Owner or, if such approval has been issued, it shall be revoked at the sole option of the Grantee, in the following circumstances:

- (a) The Grantor/Owner owes any money to the Grantee pursuant to any agreement it may have with the Grantee, and/or any encumbrance on the Servient Tenement, including but not limited to a Rentcharge, Option to Purchase, or other document;
- (b) The Grantor/Owner is in breach of any provision of any agreement between it and the Grantee including but not limited to the registration and observance of a Rentcharge or Option to Purchase against the Servient Tenement, as required by the Grantee in its standard form; and/or
- (c) The Grantor/Owner, in proceeding with the construction of any improvement on the Servient Tenement, causes nuisance to adjacent property, violates the provision of any applicable law or by-law of the Regional District of East Kootenay (the "RDEK"), or carries on any construction operations in violation of the provisions of Schedule A;

and in each case any deposits placed by the Grantor/Owner with the Grantee shall be immediately forfeited to the Grantee.

ARTICLE 7 – MAINTENANCE, LANDSCAPING, NUISANCE, WASTE AND RUBBISH

7.1 Maintenance and Repair of Premises. The Owner will, at the expense of the Owner, at all times, repair, renew, replace and maintain:

- (1) all Improvements forming part of the Owner's Premises in a good and workmanlike manner to reasonable and safe standards of upkeep and repair and in accordance with this Covenant and all applicable Laws, including all work to remedy any defects in construction or of a structural nature; and
- (2) all landscaped and open areas within the Owner's Premises in a neat, tidy, clean and attractive condition,

in every respect as would a careful owner in occupation, excepting reasonable wear and tear only insofar as is not inconsistent with the foregoing. The Owner will not cause or permit any Improvement on Lot to deteriorate or become unsightly or incompatible with the general character of the neighbourhood in which the Lands are situated, whether as a result of lack of regular and reasonable upkeep, maintenance and repair, or for any other reason whatsoever.

- 7.2 Landscaping of Premises. The Owner will maintain, keep up and replace any landscaping, trees and other vegetation within the Owner's Premises in a good and workmanlike manner, in accordance with reasonable landscaping standards, having regard to the landscaping that was approved by the Grantee.
- 7.3 Damaged Improvements. The Owner will not permit any damaged Improvements within the Owner's Premises to remain in its damaged state unless the Owner is diligently pursuing reasonable steps to either repair the damaged Improvement to its pre-damaged condition or to completely remove the damaged Improvement and restore and clean up the Owner's Premises in a good and workmanlike manner forthwith after such removal, all in accordance with this Covenant and any applicable Laws.
- 7.4 Nuisance. The Owner will not cause, permit or suffer any nuisance to be created on or to emanate from the Owner's Premises, however caused.
- 7.5 Waste. The Owner will not cause, permit nor suffer the commission of any waste at, on, within or in respect of the Owner's Premises.
- 7.6 Rubbish. The Owner will not cause, permit or suffer any rubbish, garbage, waste or debris on or within the Owner's Premises, except as may be reasonably necessary in accordance with the uses permitted under this Covenant and in accordance with any Law. All rubbish, waste and debris must be kept in suitable containers and in any event not in an unsightly manner. Any rubbish, garbage, waste or debris outside of a Building must be kept in a bear-proof container or facility. The Owner will be diligent about the removal of any such rubbish, garbage, waste or debris from the Owner's Premises and will recycle all materials which may reasonably be recycled.
- 7.7 Construction Site Clearing Waste. All stumpage and other waste from site clearing or Development will not be burned anywhere within the Lands and will be removed to and disposed of at an area designated or approved by the Grantee in accordance with any requirements of the Grantee, including any requirements in respect of disposal charges.

ARTICLE 8 – GRANTEE'S FURTHER RIGHTS AND POWERS

8.1 Grantee's Fees, Charges and Deposits. Prior to carrying out any Development, the Owner will:

- (1) pay any fees as may be reasonably charged by the Grantee for any review, consent or approval required or given pursuant to or in connection with the proposed Development; and
- (2) post any deposits and security as may be reasonably required by the Grantee.

The Grantee's schedule of such fees, charges and deposits as of the date of this Covenant is set out in Schedule C hereto and the Owner acknowledges and agrees that such fees, charges and deposits are reasonable and appropriate. All fees and charges do not include GST or any other tax or charge thereon and the Owner will pay all GST and other taxes and charges payable on all fees and charges.

8.2 Delegation. The Grantee may delegate to any person or committee or group of persons any of the Grantee's functions, rights, powers, authorities, remedies, duties or obligations under this Covenant.

8.3 Grantee's Access. The Owner acknowledges and agrees that the Grantee and the Grantee's Representatives may enter onto the Premises, with or without any required vehicles, machinery and equipment, for any of the following purposes:

- (1) inspecting the Premises or any portion thereof for the purpose of confirming whether or not the Owner is carrying out its Obligations under this Covenant, any other agreement between the Owner and the Grantee or pursuant to any Law; or
- (2) exercising any of the rights of or performing any of the Obligations of the Grantee under this Covenant,

provided that in so doing the Grantee and the Grantee's Representatives will take reasonable steps to minimize any interference or inconvenience to the Owner and will exercise such rights during normal working hours and provide the Owner with reasonable prior written notice of the exercise of such rights except in the case of an emergency.

8.4 Grantee's Approvals and Consents. Notwithstanding any approval or consent whatsoever given by the Grantee under or in connection with this Covenant, by such approval or consent the Grantee will not be deemed:

- (1) to have waived or impaired any Obligation of any person arising under this Covenant or any letter, assurance or document in connection herewith; or
- (2) to have waived or impaired any right or remedy of the Grantee arising under or in connection with this Covenant,

and no such approval or consent will be construed as approval of or consent to any similar or other matter or thing or as an indication of the circumstances under which the Grantee will give such an approval or consent.

- 8.5 No Requirement to Inspect or Enforce. The Grantee will not be required to inspect any Development whatsoever on a Lot the Lands or any other lands adjacent to or in the vicinity of the Lands. All building inspections are the responsibility of the Owner to coordinate with the RDEK.
- 8.6 Grantee's Right to Waive. The Grantee, in its absolute discretion, may waive compliance with any Obligation under this Covenant or any other covenant in respect of a Lot, the Lands or any other lands adjacent to or in the vicinity of the Lands, all on any terms and conditions as may be established by the Grantee in its absolute discretion. No such waiver may be enforced against the Grantee or used in any defence against the Grantee unless it is made in writing.

ARTICLE 9 – INDEMNITIES

- 9.1 Indemnities. The Owner hereby agrees to indemnify and hold harmless the Grantee and the Grantee's Representatives, Officers, Directors and employees from and against any and all actions, suits, demands, proceedings, costs, charges, damages, legal fees and any and all other claims whatsoever arising from or relating to:
- (1) any act or omission by any Owner under or in connection with this Covenant;
 - (2) any use, occupation, conduct or management of the Premises, or from any work or thing whatsoever done in, on or about the Premises, whether by the Owner or any other person;
 - (3) any condition of or within the Premises or emanating from the Premises;
 - (4) any breach or default on the part of the Owner in the performance or observance of any Obligation or agreement on the part of the Owner to be performed or observed pursuant to the provisions of this Covenant;
 - (5) any person occupying, using or being in, on or about the Premises, whether with or without the knowledge or permission of the Owner;
 - (6) any accident, injury or death whatsoever to any person or damage to property occurring in, on, or about the Premises;
 - (7) the issuance of any Development Approval or Certificate of Completion;

- (8) any Development whatsoever;
- (9) the exercise or failure to exercise any power, duty, authority or discretion under or in connection with this Covenant, including the issuance of or failure to issue any Development Approval, any inspection or any confirmation of compliance or conformity with this Covenant or any Development Approval or any failure to inspect or confirm, or the enforcement of or failure to enforce any of the Grantee's rights or remedies under this Covenant or any other covenant in respect of any lands adjacent to or in the vicinity of a Lot or the Lands;
- (10) any Services and Facilities and any Emergency Services, including the use of, the provision of, the failure to provide or the interruption of any Services and Facilities or Emergency Services;
- (11) any advice, comforts or assurances given in respect of a Lot or the Lands or the premises or any part thereof or any Development thereof; and
- (12) the neglect or failure, for any reason, to discover any breach or default under or to enforce any of its rights under this Covenant or any Development Approval,

and the Owner hereby releases the Grantee and the Grantee's Representatives, Officers, Directors and employees from and against any and all actions, suits, demands, proceedings, costs, charges, damages, legal fees and any and all other claims whatsoever arising from or relating to the forgoing.

This section 9.1 will survive any release or termination of this Covenant.

9.2 No Reliance on Grantee / Owner is Responsible. Without limiting anything contained in section 9.1, the Owner acknowledges and agrees that:

- (1) all Obligations of the Owners under this Covenant and all work carried out by or required to be carried out by the Owners under or in connection with this Covenant will be carried out at the sole cost and expense of the Owners and the Owner will bear all costs and expenses of compliance with the terms and conditions of this Covenant; and
- (2) the Owner has relied and will rely exclusively on themselves and their own consultants and that neither the Grantee nor any of the Grantee's Representatives has made or will make, by any act or omission, including the issuance of any Development Approval, any representation, warranty or statement whatsoever that any Improvements are without fault or defect or fit for their intended purpose.

ARTICLE 10 – DEFAULT AND REMEDIES

- 10.1 Owner's Covenants. All Obligations to be observed or performed by the Owner in favour of the Grantee under this Covenant will be deemed to be Owner's covenants and all the Obligations in favour of the Grantee in this Covenant are made on behalf of the Owner and the Owner's successors and assigns.
- 10.2 Grantee's General Remedies. If the Owner is in default in respect of any Obligation under this Covenant, the Grantee may do any or all of the following:
- (1) require the Owner to cease any work, use or activity giving rise to such default and to cause all others to cease such work and activity;
 - (2) require the Owner to carry out any work or activity reasonably required in order to rectify such default; or
 - (3) require the Owner to remove any Improvement or portion thereof in respect of which the breach relates,
- and the Owner will comply promptly and fully with any such requirement of the Grantee.
- 10.3 Grantee's Right to Cure Default. If the Owner fails to observe or perform any of the Owner's Obligations under this Covenant then, without limiting any other remedy of the Grantee, the Grantee may, at its option and upon not less than 30 days' written notice to the Owner, perform or cause to be performed the Obligation, but having commenced such work the Grantee will have no obligation to complete the fulfilment of such Obligation. The defaulting Owner will pay to the Grantee all reasonable costs and expenses incurred by the Grantee in performing the Obligation, together with the amount equal to 15% of such costs and expenses in respect of the Grantee's administrative costs, forthwith upon demand by the Grantee. The performance by the Grantee of any of the Owner's Obligations pursuant to this section 10.3 will not be acknowledgement or admission of any liability or responsibility on the part of the Grantee.
- 10.4 Damages. If the Owner is in default of any material Obligation under this Covenant, the Grantee may, upon notification to the Owner, assess the Owner the following amounts:
- (1) for defaults arising under sections 5.1 to 5.3:
 - (a) \$1,000 for the occurrence of such default for any Lot (\$1,000 per Lot per occurrence); and
 - (b) \$100 per day for any Lot for each day such default continues (\$100 per Lot per day), from and including the day of such default; and
 - (2) for any other material defaults:

- (a) \$2,000 for the occurrence of such default for any Lot (\$2,000 per Lot per occurrence), if the default is not fully cured within 10 days after receipt by the Owner of written notice from the Grantee of such default; and
- (b) \$500 per day for any Lot for each day such default continues (\$500 per Lot per day), from and including the date that is 10 days after the receipt by the Owner of written notice from the Grantee of such default,

and the Owner will pay any such assessments within 10 days after receipt by the Owner of written notice thereof. The Owner hereby agrees that such amounts constitute fair and reasonable damages for the harm caused as a result of a default of any material Obligation of the Owner under this Covenant. The Grantee may apply any Security Deposit toward the payment of such amount in accordance with section 4.4, without prejudice to any other right or remedy of the Grantee, including, without limitation, the right to claim any amount in excess of any Security Deposit.

- 10.5 Injunctive Relief. The Owner acknowledges and agrees that, without limiting any other right or remedy of the Grantee, the Grantee may obtain from a court of competent jurisdiction injunctive relief in respect of any breach by the Owner of any of the Owner's Obligations under this Covenant.
- 10.6 Arrears to Bear Interest. If any amount, including, but not limited to, any amount payable in accordance with section 10.3, owing by the Owner to the Grantee under this Covenant is not paid on the date on which it is due, then it will bear interest at the Interest Rate from the date the sum is due until the date of the payment by the Owner, but this stipulation for interest will not prejudice or affect any other remedies of the Grantee under this Covenant or otherwise, or be construed to relieve the Owner from any default in making any payment at the time and in the manner specified in this Covenant.
- 10.7 Rent Charge. The Owner, on behalf of itself and the Owner's successors and assigns, hereby grants to the Grantee a rent charge in respect of any amount payable by the Owner in accordance with this Covenant, which rent charge will be the absolute property of the Grantee and will be payable by the Owner forthwith upon demand, without deduction or set-off whatsoever. If at any time the owner is comprised of more than one person, then all such people will be jointly and severally bound by such rent charge.
- 10.8 Enforcement of Rent Charge. The Owner hereby agrees that:
- (1) If the Owner defaults in payment of all or any part of any amount payable under this Covenant for any period of 30 days after written notice from the Grantee in respect thereof, then without further notice the Grantee may, at any time thereafter, enter upon any part or parts of the Premises for which the Owner is in default of payment and may distrain for the amount in arrears, including interest payable in

accordance herewith, and the Grantee shall have all such remedies in respect thereof as if the Grantee were a landlord distraining for the rent in arrears, including, without limitation, the powers of seizure, removal and sale.

- (2) If the Owner defaults in the payment of all or part of any amount payable under this Covenant for any period of 90 days after written notice from the Grantee in respect thereof, then without further notice the Grantee may, at any time thereafter, appoint a receiver in respect of any part or parts of the Premises for which the Owner is in default of payment, and may foreclose upon such part or parts of the Premises and may cause such part or parts of the Premises to be sold, as if the Grantee were a mortgagee exercising a power of sale, provided that:
 - (a) such power of sale must not be exercised until after 30 days' prior written notice has been given to the Owner of such part or parts of the Premises;
 - (b) the Owner does not, before the completion of any sale of any part or parts of the Premises, pay the full amount owing, including interest thereon, together with all actual cost of any notice and proceedings; and
 - (c) the money realized by reason of any sale described above must be applied by the Grantee firstly, to pay actual costs incurred in respect of any notice, proceedings and sale, secondly, to pay the amounts owing to the Grantee hereunder and thirdly, to pay the surplus, if any, to the Owner.
 - (3) Despite the above provisions for enforcement of the payments due under this Covenant, the Grantee, at its option, may bring or take legal action for payment in any court of competent jurisdiction.
 - (4) The Grantee may exercise any other remedy available at common law in respect of the enforcement of rent charge.
 - (5) The Grantee may exercise any of its remedies hereunder concurrently and no exercise of any remedy will exclude the concurrent or subsequent exercise of any other remedy.
- 10.9 Remedies Cumulative. All rights and remedies of the Grantee under this Covenant are cumulative and are in addition to and do not exclude any other right or remedy provided in this Covenant or otherwise allowed by law. All rights and remedies of the Grantee may be exercised concurrently but will not give rise to duplicative liability of the Owner.

ARTICLE 11 – MISCELLANEOUS PROVISIONS

- 11.1 Owner to Act Reasonably. The Owner will act reasonably and in good faith at all times in connection with any matter arising under this Covenant and in respect of any Development or use of a Lot.
- 11.2 Entire Agreement. This Covenant constitutes the entire agreement between the parties with respect to the subject matter of this Covenant except as may be set out in any written document or agreement between any of the parties. There is no warranty, representation, collateral warranty, collateral agreement or other term or condition whatsoever in respect of this Covenant except as is expressly set out in this Covenant or in an agreement in writing duly executed and delivered by the relevant parties.
- 11.4 Amendment. This Covenant may only be amended by an agreement in writing signed by the Grantee and the Owner or Owners of all portions of the Premises to which the amendment relates. This Covenant may be amended with respect to any Premises by an agreement in writing signed by the Grantee and the Owner of those Premises. Without limiting the foregoing, this Covenant may be amended with respect to any Lot by an agreement in writing signed by the Grantee and the Owner or Owners of that Lot. No modification or amendment of any provision of this Covenant will be inferred from anything done or omitted by any of the parties except by an express agreement in writing duly executed and delivered by all of the parties.
- 11.5 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 Covenant will operate as a waiver of or otherwise affect in any way any rights or remedies under this Covenant 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.
- 11.6 Governing Law. This Covenant 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 Covenant.
- 11.7 Time of the Essence. Time is of the essence of this Covenant and will remain of the essence notwithstanding any extension of time given under or in connection with this Covenant.
- 11.8 Force Majeure. If pursuant to the provisions of this Covenant the Owner is required to do any act or thing (other than the payment of any amount of money) by a specified date, and the Owner is prevented from completing such act or thing by such date by any strike, lockout, other labour disturbance, embargo, war, fire, flood, earthquake, or other act of God, explosion, breakage of or accident to equipment or machinery, inordinate delay in obtaining approvals after the date of this Covenant, delay or failure of suppliers or carriers

or any other act or thing beyond the reasonable control of the Owner, in any case without the fault or neglect of the Owner, then the date by which the Owner is required to do such act or thing will be extended by the period of such delay, provided that the Owner gives written notice of such delay to the party in favour of whom the Owner is required to do such act or thing, setting out the cause of such delay in reasonable detail both:

- (1) within 30 days after the commencement of such delay; and
- (2) within 30 days after the end of such delay,

and the Owner will, at any time and from time to time, provide any further information in respect thereof as may be reasonably requested by the party in favour of who the Owner is required to do such act or thing.

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

- (1) any notice to any Owner may be sent to the Owner's address according to the Land Title Office records in respect of the Owner's Premises; and
- (2) 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 Owner in accordance with the terms hereof at any time and from time to time.

Notices will be sent by personal delivery, electronic transmission (including fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered by hand, (ii) upon receipt if sent by electronic transmission, or (iii) on the fifth Business Day after the mailing thereof, if sent by registered mail from a post office in British Columbia or Alberta.

11.10 Invalid Terms. If any part of this Covenant is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Covenant had been executed without the invalid portion.

11.11 Runs With the Lands / Binding Effect. This Covenant runs with the Lands and Premises and every part thereof into which the Lands and Premises may be subdivided. This Covenant will be for the benefit of and be binding upon:

- (1) the Owner's successors in title to the Lands and Premises or any part thereof, including all Owners of the Lots; and
- (2) the Grantee's successors and assigns,

and every reference in this Covenant to the Owner and the Grantee includes such persons, as applicable. Without limiting the foregoing, any outstanding amount payable pursuant to this Covenant in respect of any portion of the Lands will run with the portion of the Lands for which such amount is payable.

- 11.12 Release of Owners Upon Transfer of Title. The Owner will not be liable for any Obligation under this Covenant in respect of the Premises, or portion of the Premises, where such Obligation arises after the Owner has ceased to be the owner of the Premises, or that portion of the Premises, as applicable. Without limiting the generality of the foregoing, upon the transfer by any Owner of all of that Owner's interest in any Lot, the transferring Owner will not be liable for any Obligation under this Covenant in respect of that Lot which arises after the time of the completion of the transfer of all of that Owner's interest in such Lot.
- 11.13 Assignment by Grantee / Release. The Grantee may assign this Covenant to any person, provided that the Grantee satisfies any requirements set out in section 219 of the *Land Title Act*. Upon any assignment of this Covenant by the Grantee, the Grantee will be released from any and all further Obligations arising under this Covenant which arise after the time of such assignment.
- 11.14 Joint and Several. If a party is comprised of more than one person, then all Obligations of that party will be deemed joint and several Obligations of each such persons comprising that party.
- 11.15 Registration. The General Instrument will be registered by the Owner in the appropriate Land Title Office in priority to all financial encumbrances except those specifically consented to in writing by the Grantee in its discretion.

IN WITNESS WHEREOF the parties have executed and delivered this Covenant by signing the General Instrument.

SCHEDULE A

SITE DEVELOPMENT CRITERIA**1.0 Overview**

1.1 This Schedule A outlines criteria, which must be addressed by the Owner in the planning of any Development of any Lot. This comprehensive approach to planning the development of the Lands will ensure that the development of each individual Lot fits with the natural environment and forms part of a harmonious neighbourhood in keeping with the vision of Fernie Alpine Resort. The Grantee will consider conformances with this Schedule A in the consideration of any Plans and Specifications.

2.0 Building Siting

2.1 It is the Owner's responsibility to inspect the Lot to assess its specific potentials and constraints (both natural features and man-made conditions), to identify the location of easements and right-of-ways and to comply with the setback requirements, tree retention areas and similar restrictions established by the Grantee.

2.2 The Owner must consider the following when determining the proposed siting of any Building:

- (a) topography and shape of the Lot;
- (b) geology/soil conditions;
- (c) hydrology and planned or existing drainage systems;
- (d) existing vegetation and/or tree retention areas;
- (e) views into and out of the Lot – i.e. view corridors;
- (f) solar exposure;
- (g) snow management;
- (h) relationships to neighbouring properties, including minimizing overviews, shading, view blockage, noise and fumes and landscape degradations on neighbouring properties;
- (i) parking and driveway locations (see part 7.0 below); and
- (j) relationship between any buildings and any B.C. Hydro transformer kiosk to satisfy any B.C. Hydro requirements, standards, and guidelines,

and the Owner will provide the Grantee with any information required by the Grantee in connection with such items in any request for an Approval to Construct.

3.0 Lot Clearing, Trees and Landscaping

- 3.1 The Owner acknowledges that any existing natural vegetation represents a valued amenity to the development of the Lands. The Owner shall make best efforts not to cut down or remove any trees within 3 meters of a Lot Line, (the “Tree Retention Area”) and excepting one area of no more than 4 meters in width for the purpose of a drive way access from a road.
- 3.2 Notwithstanding section 3.1, the Owner may cut or permit the cutting of any tree within his or her Lot which is diseased, dead, damaged, destroyed by fire or other process of nature such that, in the reasonable opinion of the Owner, the tree poses an immediate risk or danger to persons or property, provided that where such a tree is cut down pursuant to this section, the Owner will promptly give the Grantee written notice of such cutting and shall complete all such cutting and re-vegetation as may reasonably be required by the Grantee and in accordance with the requirements set out in the Covenant.
- 3.3 Trees and other vegetation planted in snow dump areas shall be sufficiently durable to survive and grow with the adverse effects of snow dump.
- 3.4 The Grantee encourages landscaping plans that acknowledge and reflect Fire Smart practices.
- 3.5 Notwithstanding any other provision of this section 3.0, the Owner shall not conduct any landscaping or make any alterations to the Lot in the area of any Statutory Right of Way held by the Crown in Right of the Province of British Columbia or any other governmental authority without the express written consent of such governmental authority and the Grantee which may be withheld in such parties’ sole discretion.

4.0 Lot Grading and Drainage

- 4.1 Any grading within any Lot must be shown on the Plans and Specifications for the proposed Development of the Lot.
- 4.2 All grading must create minimal cut and fill situations. All cut and fill must be blended into the existing site conditions and must be within the Lot boundary.
- 4.3 Slope of cut and fill banks will be determined by soil characteristics for each specific Lot and must avoid erosion and promote re-vegetation opportunities, but in any case must be limited to a slope of no greater than 3H:1V.

4.4 New construction and re-grading within a Lot must direct drainage away from the Building and other Improvements situated on the Lot to proper channels of drainage that do not cause discharge of water onto adjacent property.

4.5 Run-off from roofs, ground, pavement and snow storage areas must be collected and directed to natural or improved drainage systems within the Lot.

5.0 Retaining Walls

5.1 Any wall greater than 1m in height requires the approval of a Registered Professional under seal.

6.0 Relationships to Neighbours and Streetscape

6.1 The design and siting for any proposed Building must respond to the existing and/or future planned development on adjacent Lots. Any proposed Building and any other Improvements to be situated on the Lots must take into consideration their effect on privacy, view lines and overshadowing of any of the neighbouring properties. Balconies, decks and large windows must be located away from the side property lines, unless otherwise permitted by the Grantee.

6.2 Any proposed Building shall be designed to create a harmonious yet interesting streetscape. The rooflines and level of eaves on existing or proposed Buildings on adjacent and nearby Lots must be considered, to avoid dramatic height changes between the proposed Buildings on any Lot and the rest of the Buildings along the street.

6.3 For Single Family Home developments, no basic exterior building design may be repeated within five Lots on the same street frontage.

7.0 Driveways, Parking and Garages

7.1 Each Lot must provide for its own adequate off-street parking within the Lot. For Single Family Home, the Owner must provide one parking space for each bedroom to be constructed within each Single Family Home. Such parking may be provided by properly graded outdoor parking spaces or an attached or detached garage containing up to three parking spaces, or a combination thereof.

7.2 Any outdoor surface parking spaces must be not less than 2.5 metres by 6.0 metres and be located so as to be easily cleared of snow.

7.3 Driveway widths, slopes, finishes and all other driveway and parking considerations shall be shown on the Plans and Specifications submitted for approval by the Grantee.

7.4 Driveways must be surfaced with crushed gravel, concrete or asphalt, unless otherwise permitted by the Grantee. Only two materials are allowed per driveway/parking area.

- 7.5 The driveway and surface parking areas shall not occupy more than 50% of the front yard. Only one driveway access with a maximum width of 4 metres per Lot is permitted from a road. All surface parking must be screened from the street and neighbouring properties with trees or other vegetation approved by the Grantee.
- 7.6 The Owner must design any garage so as to angle garage doors to face the side yard rather than the street to prevent the garage from dominating the streetscape, unless otherwise approved by the Grantee.
- 7.7 Garage design must be integral with the design of the Building.
- 7.8 Carports are prohibited.
- 7.9 Neither the Owner nor the Owner's invitees will park or permit any person to park any vehicle whatsoever anywhere on any road within the development.

8.0 Snow Management

- 8.1 The Owner must indicate on his or her Plans and Specifications submitted for approval by the Grantee where snow storage will occur for driveway and pathway clearing to ensure protection of the vegetation used for visual screening.
- 8.2 The Owner must indicate on his or her landscaping plans included in the Plans and Specifications all snow dump and snow shedding areas to ensure entries and access areas are protected.

9.0 Fences

- 9.1 Fences are permitted at the discretion of the Grantee. As detailed below, fences will only be permitted with a maximum height of 2.0 metres.
- 9.2 Chain link fencing will not be permitted.
- 9.3 Fencing for privacy for hot tubs, play equipment, and similar facilities must be in the rear yard of the Lot.
- 9.4 Construction of any proposed fence must be shown in detail on the landscaping plans included in the Plans and Specifications submitted for approval by the Grantee.
- 9.5 Fence finishing will complement any Buildings and other Improvements located on the Lot.

SCHEDULE B

BUILDING DESIGN CRITERIA

Capitalized terms not defined herein have the meaning assigned to such terms in the Covenant to which this Schedule B is attached.

1.0 Overview

- 1.1 The Design Guidelines for Fernie Alpine Resort will create an identifiable and cohesive design character for the resort by utilizing a fairly limited vocabulary of design features that reinforce the notion of a desirable mountain retreat and escape from the more mundane solutions of urban centres.
- 1.2 This Schedule outlines criteria that must be addressed by the Owner in the design and construction of Buildings and other Improvements on the Lots. This comprehensive approach to planning the neighbourhood in which the Lots are located will ensure that each Building and Auxiliary Building fits in with and complements both previous and subsequent projects so that development proceeds harmoniously and predictably. The Grantee will consider conformance with this Schedule B in the consideration of any Plans and Specifications.

2.0 Building Massing and Proportion

2.1 MASSING

Three-storey block-shaped Buildings with no variation in massing will not be approved, nor will extremely free form structures with no sense of unity. A dome structure is also not acceptable.

2.2 ARTICULATION

The relationships of the various building elements, (roofs, walls, wall openings) which make up the Building form must be carefully considered and will form an important part of the Grantee's decision as to whether or not to approve any particular Plans and Specification. The proportion and scale of these elements must be appropriate to the lot and the neighbouring Buildings along the street.

2.3 ROOF FORM

Roof forms and ridge lines should be broken up. The use of asymmetrical repetitive roof forms dormer and other architectural features is encouraged, as is a variety of roof heights. All of this is directed toward creating a softened scale to the building form and to step the building height down toward the ground.

3.0 Materials

- 3.1 An important aspect of the design of Buildings on a Lot is a preference for the consistent use of a small number of materials chosen for their durability and natural qualities. A variety of materials can add interest to a Building, but too many can create a garish appearance which draws too much attention away from the surrounding environment. Materials that are indigenous to the area are preferred.
- 3.2 The finish materials should be chosen to emphasize the Building's rural aesthetic, rather than an urban aesthetic.
- 3.3 Only three types of wall materials and one roofing material are permitted, unless otherwise approved by the Grantee. See Parts 5.0 and 7.4 for detailed material guidelines.
- 3.4 Materials must be complimentary to those of adjoining properties.
- 3.5 Primary exterior materials must be stone and/or wood.

4.0 Exterior Colour Schemes

- 4.1 All colour schemes must be approved by the Grantee in advance. A colour board and samples must be submitted by the Owner for review by the Grantee before a colour scheme can be approved.
- 4.2 No more than three colour shades should be used on a Building (not including the colour of the roofing material).
- 4.3 Proposed colour schemes should harmonize with the natural setting of Fernie Alpine Resort and compliment surrounding Buildings. Acceptable wood siding colour applications include paint and solid or semi-transparent stains. Peeled or shaped logs may be finished with varnish, clear or semi-transparent stains.
- 4.4 Rich colours may be used to highlight Building features such as doors, exterior window casings and trim, fascia boards, soffits, shutters and railings. The impact upon neighbouring properties must be considered when using strong, deep colours as accents.

5.0 Exterior Wall Design and Finishes

- 5.1 BUILDING BASE MATERIALS (ZERO TO TWO FEET ABOVE FINISHED GRADE)
 - 5.1.1 The area of wall from zero to two feet above finished grade must be protected from extreme weathering and staining resulting from snow accumulation.
 - 5.1.2 Wall finishes such as textured concrete, cultured stone or natural stone are recommended.
 - 5.1.3 Stucco, vinyl and aluminum siding are not acceptable exterior finish materials.

5.2 LOWER AND UPPER WALL MATERIALS

- 5.2.1 Lower and upper walls should convey a sense of human scale, and well-crafted constructions.
- 5.2.2 Upper wall material may differ from or be the same as the lower wall finishes.
- 5.2.3 The Grantee encourages the use of fire-resistant materials utilizing Fire Smart design concepts. The only acceptable finish materials for the lower and upper walls are metal siding, stone, cementitious-board siding in bevel or board-and-batten, in each case textured to have the appearance of wood, and in colors and finishes approved by the Grantee; peeled or shaped logs. Stone should be derived from rock types indigenous to the area. Siding may be horizontal or vertical. The width of the board and profile must be indicated on the Plans and Specifications submitted to the Grantee for approval. The pattern for any board and batten finish also must be indicated.
- 5.2.4 Stucco and vinyl siding are not acceptable exterior finish materials.
- 5.2.5 Walls should be heavily articulated with such features as recesses, balconies and bay windows. Large areas of unbroken wall, which are highly visible, are not acceptable.
- 5.2.6 The exterior finishes should be continuous around the Building or terminate at a logical juncture in the wall (i.e., at an inside rather than an outside corner).
- 5.2.7 Stone as a structural element (or stone facing to suggest structural elements) is encouraged whenever possible, and should extend vertically to include the second storey where appropriate.
- 5.2.8 The use of peeled logs as supporting or structural elements on non-log buildings is encouraged.
- 5.2.9 Iron and copper are the preferred external hardware materials. The use of shiny or chrome-finished hardware and other fitting is not encouraged and may be rejected by the Grantee.

6.0 Wall Openings and Appendages

Windows, doors, porches, decks and balconies form an important part of a Building's character and appearance. They should be well placed on the Building and Auxiliary Buildings. When used in combination, care should be taken to unify the composition and to fit to the scale of the Building façade.

6.1 WINDOWS

- 6.1.1 Window locations, proportion and style must be carefully considered. Heavy snowloads must be considered when placing lower level windows. Windows with very large expanses of uninterrupted glass (i.e., no mullions or muntin bars) are not encouraged.
- 6.1.2 Clear, frosted glass, etched and stained, is allowed. Solid coloured glass and reflective or mirrored glazing is not permitted.
- 6.1.3 Window and door frames may be wood, vinyl or aluminum clad. The finish colour is to be noted on the Plans and Specifications submitted for approval.

6.2 DOORS

- 6.2.1 Door openings should be protected from wind and accumulated snow. They are best located under large roof overhangs or in combination with well-designed porches, which convey a sense of shelter from the harsh climate. Any roof over or adjacent to doors must not shed snow or rain onto people below.
- 6.2.2 Doors should be of solid core wood (painted or stained) or insulated metal with a painted or approved prefinished colour.
- 6.2.3 Shiny, reflective metal external hardware is not encouraged.
- 6.2.4 Overhead sectional garage doors should be high quality steel (colour to be approved). Designs which incorporate windows and raised panels are encouraged, as they break up large expanses of the door. The Building face around the door should be well-articulated (recessed door, columns or brackets etc.) to reduce its visual impact and connect it to the architectural character of the Building.
- 6.2.5 Balconies should be recessed and/or have large overhanging roofs to protect them from snow build-up. Drainage from balconies should be designed to prevent unsightly staining of walls below. The visible underside of balconies should be painted, stained or finished in soffit material appropriate to the rest of the Building.
- 6.2.6 Porches should be an integral part of the Building design. Their proportion and the scale of the columns, posts and guardrails should be appropriate to the Building massing and should complement other features and details.
- 6.2.7 Terraces and stairs should be constructed of stone, concrete or pressure treated wood ties (alone or in combination). Surfaces may be stone, brick pavers, or concrete (alone or in combination).

7.0 Roof Design

7.1 ARCHITECTURAL FORM

Roof form is a key element in establishing the Building character, as well as an important factor in snow management. Roofs must be designed carefully to manage new snow shed, particularly in side setback areas. No snow should shed over entries or pedestrian ways.

7.2 ROOF SLOPE

7.2.1 Roofs must be designed to properly shed and/or retain snow. The function of devices such as snow retainer, snow splitters or roof crickets, the effects of roof pitch and the friction factor of roofing materials should all be considered when designing a roof for snow shedding or retention.

7.2.2 Flat, mansard, gambrel, conical, circular or dome roofs are not permitted.

7.3 ROOF CONSTRUCTION

7.3.1 Roof overhangs should be maximized to assist in creating the desired architectural character and to protect wall planes and doors and windows from rain and snow.

7.3.2 The roof design should incorporate the “cold roof” concept or other appropriate means for winter conditions and freeze/thaw cycles.

7.4 ROOFING MATERIALS

7.4.1 Acceptable roofing materials are high quality wood shingles or shakes. Composite wood shingles, shake-styled asphalt shingles, and metal roofs may be considered by the Grantee.

7.4.2 Acceptable roof colours are earth tones or other muted colours. Roof colours must be approved prior to construction.

8.0 Roof Details

8.1 The thoughtful placement and design of roof elements such as dormers, clerestories, skylights, chimneys, gable and eave details can contribute greatly to creating an interesting roofscape.

8.2 Dormers may have shed, gable or hip roofs with a slope that varies from the main roof. They can be located at the edge or within the field of the main roof. There should be adequate space between dormers (and other roof features) to avoid snow bridging.

8.3 Snow diverters or snow retainers (if used) should be an integral part of the roofscape, and should complement the roofing material colour.

8.4 Solar collectors must lie flat on the roof and may not be angled off the roof surface with supports.

- 8.5 Rooftop mechanical equipment or access stairways must be installed within the roof and not protrude above it. Antennas and satellite dishes are not permitted on any roof.
- 8.6 Chimneys and vents, which project through a sloped roof, must be durable and strong enough to handle the effects of snow build up and shedding. All projections from the roof must be fitted with substantial snow splitters or roof crickets.
- 8.7. All flashing and roof stacks or vents must be in a prefinished colour or painted to match or compliment the roof colour. Copper flashing is acceptable.
- 8.8 Eave overhangs should be designed to prevent water staining and protect walls, openings and entry areas from the elements. Gutters are not advisable. Landscaping should include drain rock/drain tile below the eave to handle run-off from the roof.
- 8.9 Deep, well detailed, fascia boards reflect the importance of the roof and are preferred design aesthetic, unless fascia boards are narrowed or eliminated to expose roof rafters and their butt ends.
- 8.10 Valley flashing shall be backed up by a continuous membrane to protect against water damage during freeze/thaw cycles. As a further protective measure, a membrane should be applied from the edge of the eave to at least one foot beyond the inside face of the exterior wall. This measure should be combined with proper ventilation and insulation at the roof to wall connection.
- 8.11 Wooden soffits should be suitably treated to compliment the Building. Aluminum and vinyl soffits are not permitted.

9.0 Chimneys

- 9.1 Chimneys must be appropriate to the massing and form of any Building or Auxiliary Building.
- 9.2 Chimney/Fireplace exterior finish materials must be natural stone or stone faced. Wood framed chimney/chase with a wood finish may be considered for “A” and “B” vents provided the chimney is not highly visible to common areas.
- 9.3 Chimneys and chases on the roof should be located near the ridge to reduce their required height and to protect against snow damage.
- 9.4 Highly visible chimneys projecting out from an exterior wall must be at least five feet wide at the base and may be reduced to a minimum of three feet wide above the eave line. Cantilevered chimneys are not permitted and all exterior wall chimneys must visually start at finished grade.

9.5 A direct wall “B” vent must be screened from public view by landscaping or man-made screens. Exposed metal must be finished or painted to match or complement the colour of the Building.

10.0 Decks, Terraces and Exterior Stairs

10.1 These are transitional elements which connect the Building to its surrounding landscape. Care should be taken to make this connection as strong as possible. Natural building materials should be used in their construction.

10.2 Decks must be of pressure treated wood construction (floor and guardrails) and should be connected to the ground with massive supports such as stone, substantial-sized log or large pressure treated wood posts.

10.3 Exterior stairs over two feet high should be incorporated into the overall form of the Building.

11.0 Storage and Garbage Containers

11.1 For Single Family Home Developments:

- (a) no Auxiliary Buildings or structures other than garages are permitted and outdoor storage is prohibited; and
- (b) Owners must provide ground level storage areas within the Building for firewood, bicycles, skis and similar items.

11.2 All garbage Buildings must be bear proof and built to standards approved in advance by the Grantee.

12.0 Utilities

12.1 Connection to all services and utilities must be underground and are the responsibility of the Owner. Connection, coordinating inspection with FARUC or other fees are also the Owner’s responsibility.

12.2 A maximum of two satellite dishes of maximum 24” diameter each may be attached to the side of a Building. Each dish must be sited to minimize visual impact, subject to reasonable reception requirements. The proposed location of any satellite dish must be indicated on the Plans and Specifications submitted for approval by the Grantee.

12.3 The Owners must use water conservation equipment (Low Flow Fixtures and Toilets), materials and methods and PowerSmart measures in any Development or use within their Lots.

13.0 Exterior Lighting

- 13.1 Lighting on Buildings shall not be installed except where necessary to provide safety or convenience and not for display. Such lighting must be kept to the minimum number of fixtures required and may not be high intensity lighting (100 watt bulb maximum). Floodlights are not permitted. The use of muted architectural lighting, such as soffit lighting, is acceptable.
- 13.2 Outdoor lighting on each Lot will illuminate the street number of the Building thereon so that it is clearly visible from the street.
- 13.3 If motion detectors are used, the timer must be set so that the light does not remain on longer than 15 minutes.
- 13.4 All lighting should be diffused, shielded, directional and concealed from neighbouring Lots and the street and all light emanating from any Lot must be directed so as to stay within the lot lines of the Lot to the extent reasonably possible.
- 13.5 Light fixtures on the Buildings must be appropriate to the overall theme of the neighbourhood. Acceptable materials include iron, copper and wood. Shiny, reflective metal finishes are not permitted. Frosted or etched glass lenses are acceptable. Brightly stained or coloured glass is not encouraged.

14.0 Hot Tubs, Play Equipment and Outdoor Furniture

- 14.1 Any permanent or temporary hot tubs, swings, slides, other play equipment or outdoor furniture within the Lands (including any common property) will require the prior written approval of the Grantee and any such items within a Lot must be within the Setback for such Lot and should be situated in the rear yard of the Lot. Any such items proposed must be included in reasonable detail in the landscaping plans submitted to the Grantee for review and approval.

SCHEDULE C

GRANTEE'S CURRENT FEE AND SECURITY DEPOSIT SCHEDULE

Part I. Fees

Fees for review by the Grantee of Plans and Specifications in connection with any application for an Approval to Construct in respect of any Development, including any alterations of existing Developments, are currently as follows:

1. for Single Family Home and developments:
 - (a) \$7,500.00 plus GST and any other applicable taxes, rates and charges on all of the above fees.

The above fees are in respect of one review of conceptual drawings (if any) and working drawings, the issuance of an Approval to Construct, one on-site inspection (if the Grantee exercises its right to inspect) and the issuance of a Certificate of Completion. For any other reviews, inspections, notices of deficiencies, etc. the Grantee will charge additional fees based on reasonable hourly rates established by the Grantee.

Part II. Security Deposits

The Security Deposit for each Single Family Home developments will be \$25,000.

Note: all fees and Security Deposits shown above are this in effect as of the date of the registration of the Section 219 Development Covenant to which this Schedule is attached. The Grantee reserves the right to change any such fees and Security Deposits and require other fees and deposits at any time.

Part III. Amounts Subject to Change

The above Fees and Security Deposit information is current as of October 1, 2023. The Grantee reserves the right in its discretion to revise the amount of the above Fees and Security Deposits to any other number it considers reasonable or necessary in its sole and unfettered discretion.

CONSENT TO PRIORITY

As to Lot 2

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918 registered in the Kamloops/Nelson Land Title Office on December 1, 2000, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 Canada Inc.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 Canada Inc.** hereby grants to the Covenantee priority over Mortgage No. KR63168 and Assignment of Rents KR63169 registered in the Kamloops/Nelson Land Title Office on July 12, 2001, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 Canada Inc.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 Canada Inc.** hereby grants to the Covenantee priority over Mortgage No. KR63170 and Assignment of Rents KR63171 registered in the Kamloops/Nelson Land Title Office on July 12, 2001, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

As to Lot 1

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage KR85494, extended by LB309620, registered in the Kamloops/Nelson Land Title Office on September 14, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

- END OF DOCUMENT -

Construction Traffic Management Plan



1. Traffic Management Plan Intent:

In recognition of the construction traffic volumes that will be generated by the Timber Landing Phase 3 subdivision, Resorts of the Canadian Rockies (“RCR”) will introduce a formal Traffic Management Plan (“TMP”). The duration of the TMP will be from the start of construction in 2023 until the subdivision is complete. Construction season typically runs from May through October annually on a weather dependent basis.

2. Safety Statement:

RCR considers the safety of employees, resort guests and members of the general public as an absolute priority. Following that fundamental the TMP was developed to govern site safety for Phase 3 of the Timber Landing development, along with the public rights of way leading to the development site.

3. Administration:

Contractors providing services to RCR as a condition of supply will be required to acknowledge, sign and adhere to the RCR Contractor Package, which this TMP will be appended to. The RCR Contractor Package requires daily start of day site safety briefings, a record of which will be maintained by RCR.

Contractors providing transportation services to Homeowners, utilizing the Construction Traffic Road will be required to acknowledge, sign and adhere to the RCR Contractor Package, which this TMP will be appended to.

Contractors providing transportation services to Homeowners, utilizing the Construction Traffic Road for Timber Landing Phase 2 are requested to advise and coordinate with RCR construction management re delivery dates and check in prior to utilizing the Construction Traffic Road.

Contractors providing transportation services to Homeowners, utilizing the Construction Traffic Road for Timber Landing Phase 3 are required to advise and coordinate with RCR construction management re delivery dates and check in prior to utilizing the Construction Traffic Road.

4. Communication:

The TMP will be shared with homeowners in Fernie Alpine Resort in three manners:

1. As an email issued by RCR prior to RCR construction annually.
2. A copy of the TMP will be available at www.skifernie.com
3. The Fernie Snow Valley Homeowners Association will circulate the TMP on an as needed basis.

On a regular and ongoing basis RCR will post updates on the Resort’s social media platforms, to include safety messages and progress updates.

Contractor packages will include cell phone contact information for RCR’s Construction Site Manager and the Resort’s Operational managers.

Entry point signage will include the phone number for the Resort's 24hr security service at 250-423-9086.

Entry point signage will include 911 as the first choice in the event of an emergency.

All information pieces will include the Resort's construction management email address: fernieconstruction@skifernie.com which will respond to non-urgent enquiries.

5. Site Access Route:

The TMP construction traffic route will follow Ski Hill Road to Parking Lot #4.

RCR construction traffic will not access Timber Landing via Timber Line Crescent. At the entries to Timber Line Crescent signage will be installed to discourage other (non "RCR") construction traffic. See Section 8 – Awareness Signage below.

6. Site Construction Traffic Routing:

At the southwest end of Parking Lot #4 a seasonal material laydown area will be established. There is an existing recreational trail from the southwest end of Parking Lot #4 as shown on the attached map. That trail will be enhanced for vehicle use and will be open on a weather dependent basis outside of ski season.

RCR reserves the right to use the existing road network in the unlikely event of a weather event that precludes the use of the construction road.

A speed limit of 15 kph will be posted and observed at all times on the Construction Traffic Road.

7. The TMP is applicable to:

a) RCR.

The TMP will be applicable to all RCR road and utility construction vehicles, including heavy equipment deliveries, earth moving on and off site, gravel delivery to site, deep utility delivery and construction, asphalt delivery and installation equipment.

RCR has less control over shallow utility construction. BC Hydro, Fortis BC and Telus will be asked to cooperate with the TMP.

b) Timber Landing Phase 3 homeowners.

The TMP will be appended to the Disclosure Statement issued to future homeowners as a part of the Purchase and Sale Agreements. Compliance with the TMP will be incorporated into the Construction

Security Deposit; RCR will have the option to exercise the Security Deposit terms for non-compliance on a \$2500 per occurrence basis.

As new home construction may run through winter months, the homeowner will have the option to utilize the existing road network.

Note that the existing roads may be subject to BC MOTI weight restrictions, and that any such weight restriction has precedence over the TMP content.

Requests for winter construction will be incorporated into the RCR Design Review process and will be reviewed on a case by case basis.

c) Timber Landing Phase 2 homeowners.

The TMP as a concept was agreed upon after the sales of Timber Landing Phase 2. As such there is no obligation on behalf of the homeowners to comply with the TMP.

The TMP will be shared with all Timber Landing Phase 2 homeowners, along with a request to participate as their contribution to an ongoing community driven traffic safety initiative.

8. Awareness Signage:

RCR will install for the duration of Timber Landing Development:

1. **No Construction Traffic access to Timber Landing** – entrance to Lower Timberline Crescent (“LTC”)
2. **No Construction Traffic access to Timber Landing** – entrance to Upper Timberline Crescent (“UTC”)
3. **No Construction Traffic** – northbound Alpine Way departing Timber Landing 3
4. **Children at Play** – adjacent to the pedestrian crossing southbound on LTC
5. **No Construction Traffic access to Timber Landing** – entrance to Resort Drive (“RD”)
6. **Construction Traffic** (with arrow) – on Fernie Ski Hill Road (“FSKR”) prior to the entrance to LTC
7. **Construction Traffic** (with arrow) – on FSHR prior to the entrance to UTC
8. **Construction Traffic** (with arrow) – on FSHR at the “Y” Junction
9. **Construction Traffic** (with arrow) – on FSHR prior to the entrance to RD
10. **Authorized Construction Traffic Only** – entry point to the Construction Road
11. **Site Information** – Contact information for Resort Security, and a 911 advisory
12. **Speed Limit 15 kph** – as needed on the Construction Road

Note that the signage described here is intended to encourage the use of the Construction Traffic Route.

See attached mapping for locations.

See Section 10 – Examples for sign designs and wording.

9. Interactive signage:

In 2022 RCR purchased a radar sign intended to encourage appropriate speeds for all road users. RCR will apply for a road side permit and will utilize the sign through the construction season. The intended locations are:

1. LTC – southbound lane between the junction with FSHR / LTC and LTC / Alpine Way (“AW”)
2. LTC – northbound lane between the junction with FSHR / LTC and LTC / AW
3. FSHR – eastbound (downhill) at the midpoint between the junctions of FSHR and LTC and UTC
4. FSHR – westbound (uphill) at the midpoint between the junctions of FSHR and LTC and UTC
5. FSHR – downhill lane just prior to the junction between FSHR and the FSHR extension into the Griz Inn
6. FSHR – uphill lane after the entrance to Park Lot #2 and before Resort Drive
7. Highline Drive (“HD”) – up and down hill lanes, uphill of the entrance to Lizard Creek Lodge
8. HD – downhill lane just prior to the junction with Boomerang Way

10. Signs

Construction signs will be selected from BC MOTI 2020 Traffic Management Manual for Work on Roadways, and will be manufactured to the appropriate standards.

General road signs are identified where appropriate.

a) No Construction Access



Where appropriate below this sign would be “No access to Timber Landing” or “No access to Timber Line Cres”.

b) **Construction Traffic Directional signage**



Wording to be changed to "Construction Traffic" with directional arrows as required.

c) **Children at Play, Pedestrian Crossing, and Speed Advisory**

SP-3



(60 x 60)

SP-5L



(60 x 75)

SP-7

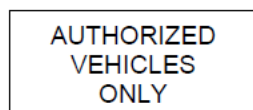
(45 x 30)

d) Construction - Speed Limit

Signage would show 15 km/h

e) Authorized Construction Traffic Only

Remove arrow, wording "Construction Site" add as below



f) Site information – non BC MOTI site information signage



CONSTRUCTION SITE

Authorized Personnel Only

SITE OFFICE: More information available at Guest Services
- Tamarack Building (9am-5pm)

FIRST AID: 250.423.9426 or 911

SECURITY: 250.423.9086

FIRST AID KITS: At **SITE OFFICE** or in
VEHICLES/ EQUIPMENT

FIRST AIDERS: **ON SITE**

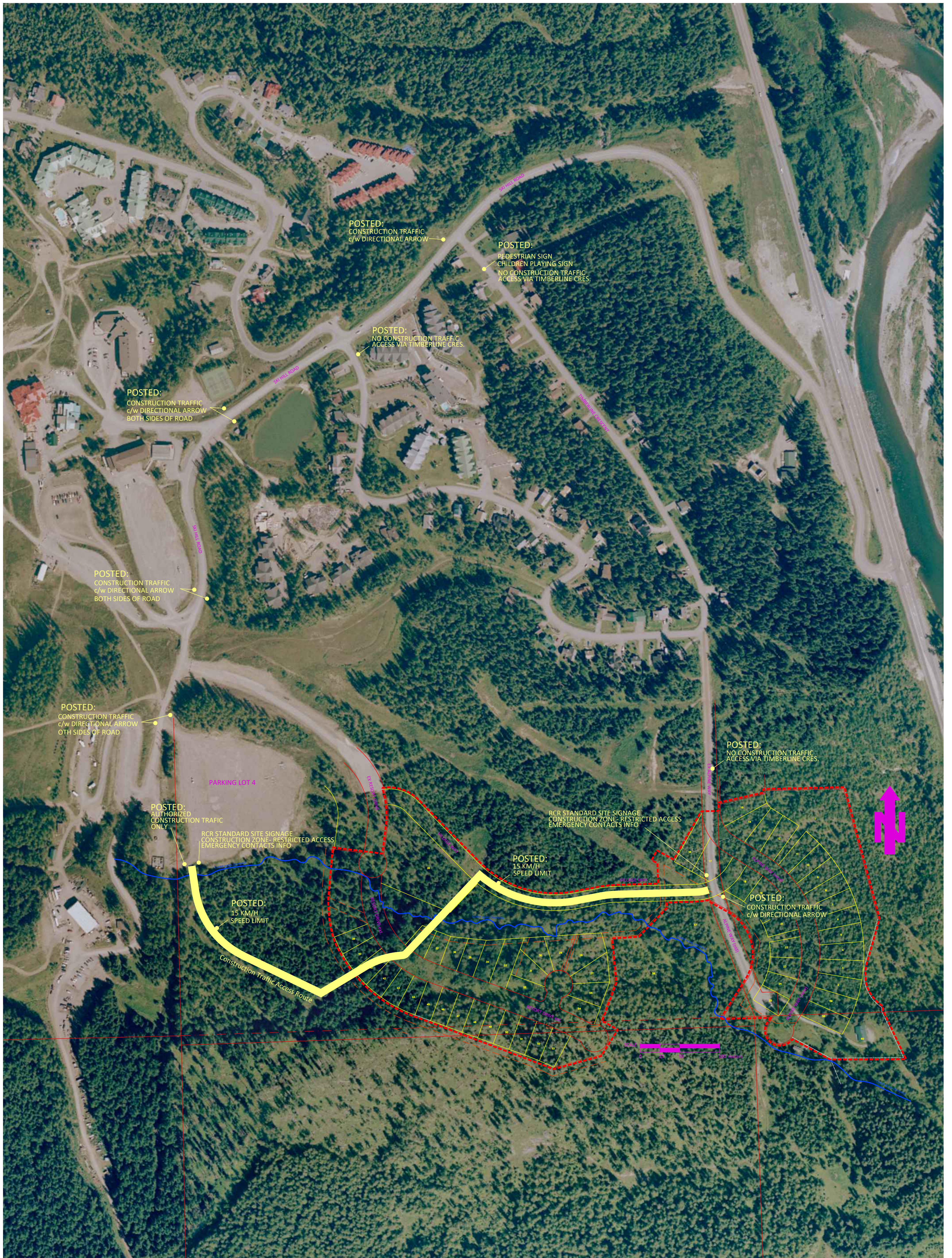
This site owned and operated by  RCR

 RCR
Safety
is no accident

11. Attachments

Mapping

Contractor Package



FERNIE ALPINE RESORT

**Contractor Site Safety Manual
& Site Access Agreement**



OPERATIONAL INFORMATION

Regular Hours of Operation

- Operations department – 7:00am to 5:30pm
- Administration – 9:00am to 5:00pm

Contact information

- Risk Management, Mark Ormandy, 250-430-7476
- Mountain Operations Manager, Robin Siggers, 250-423-8943
- Lift Maintenance Manager, Andy Sutherland, 250-423-8643
- Vehicle Maintenance Manager, Jeff Boyd, 250-423-7644
- F&B Manager, Phil Adrian, 250-423-9777

SIGN-IN PROCEDURES

1. All 3rd party supervisors/foremen working at Fernie Alpine Resort will report to the designated Resort Manager. If not available then call the Mountain Operations Manager at 250-423-8943.
2. All members of the 3rd party team will be expected to adhere to Fernie Alpine Resort's site policies and procedures for the duration of their work/visit.
3. On leaving the property all 3rd party supervisors/foremen working at Fernie Alpine Resort will report to the designated Resort Manager or call the Mountain Operations Manager at 250-423-8943.

GENERAL SAFETY GUIDELINES

Resorts of the Canadian Rockies Inc., Fernie Alpine Resort is committed to a Health and Safety Program, which strives to protect our staff, guests and property at all times. All employees and those contracted to work for RCR are expected to share in the responsibility for health and safety in the work place. All contractors and their employees must be familiar with the requirements of BC's Workers Compensation Act and Occupational Health and Safety Legislation as it relates to their work site and job tasks.

SAFETY IS NO ACCIDENT!

Always take precaution for potential problems and hazards to yourself (co-workers and the public) and report the existence of unsafe conditions immediately.

The Fernie Alpine Resort Health and Safety Training Information manual must be supplied and reviewed with all contractors (and their employees) and signed off.

This includes review of the following:

REPORTING OF UNSAFE CONDITIONS, WHMIS, MSDS, ALCOHOL, DRUG, HARASSMENT, WORKING ALONE & VIOLENCE POLICIES, JOB HAZARDS, FIRST AID REPORTING, FIRE EVACUATION, PERSONAL PROTECTIVE EQUIPMENT,

FIRST AID EQUIPMENT

All contractors are required to supply at minimum their own **BASIC FIRST AID KITS** at work site. Further first aid requirements are to be in accordance with OH&S regulations for specific work hazard(s) and confirmed with designated Resort Manager as compliant.

IN THE EVENT OF AN ACCIDENT

• **REPORT THE ACCIDENT IMMEDIATELY – refer to the EMERGENCY RESPONSE & FIRST AID PROCEDURES protocol provided with this document.**

If you have access to a mountain radio **CALL FOR RESORT FIRST AID ATTENDANT**. After hours – **Call 911** – state that you have an accident – include the location and nature of the injury in the report. Fernie Alpine Resort is fully serviced by the 911 network with Ambulance, Fire and RCMP coverage based out of the City of Fernie.

• All incidents are to be reported immediately to your designated Resort Manager or Mountain Operations manager at **250-423-8943**.

ASSESS: Ensure the accident scene is safe and that there is no further danger to you or the injured person. Do not move the injured person unless there is a high risk of further injury and it is safe for you to do so. Keep calm and if possible do not leave the injured unattended.

COMMUNICATE: Contact the First Aid Attendant immediately and report; your name, number of injured people, exact location, nature and severity of injuries. Remain on the scene until First Aid arrives.

TRANSPORT: Be prepared to assist if directed by the First Aid Attendant. Help the ambulance locate the accident site.

FIRE

If you witness any fire or if it is reported to you:

1. Evacuate the area to a safe location.
2. Hold the witness. Obtain the exact location of the fire; use the map if necessary. Gather as much information as possible.
3. **REPORT ANY FIRE IMMEDIATELY** – If you have access to a mountain radio, call “OPERATIONS MANAGER from (contractor name) OPERATIONS MANAGER”. Call **Robin Siggers**, Mountain Operations manager. Cell phone **250-423-8943**.

Fernie Alpine Resort Emergency Response plan to take effect. All contractors **WILL MUSTER** at the main maintenance shop.

Contractors are expected to be **AWARE OF AND RESPECT FIRE RATINGS**, as posted by BC Ministry at the entrance to Fernie Alpine Resort on Ski Area Road.

Contractors working within resort buildings are required to know the location of existing fire extinguishers and fire exit map/plan.

WILDLIFE REPORTING PROCEDURES

ANIMALS REQUIRING REPORTING	SITUATIONS REQUIRING REPORTING
<ul style="list-style-type: none">• Bears• Cougars• Moose	<ul style="list-style-type: none">• Presence of a carcass• Any nuisance or problematic situations (i.e. bluff charges, stalking, etc.)

REPORTING PROCEDURE

Report all significant wildlife sightings and all encounters to the designated Resort Manager or Mountain Operation Manager at 250-423-8943 or via mountain radio channel 1.

- Exact location of the encounter – be as specific as possible
- Activity of the animal (i.e. what is the animal doing, what was the animal's reaction to your presence)
- Any immediate dangers (i.e. are there other people in the same vicinity that could potentially be in danger)

WORKING IN AREAS WITH WILDLIFE

Working in wildlife habitat poses operational challenges that must be respected and mitigated to ensure human safety and wildlife protection.

WILDLIFE SAFETY PRECAUTIONS

- Stay alert and watch for signs of recent wildlife activity.
- Avoid working in areas where activity is evident.
- Never approach or feed an animal of any kind.
- Work in groups. Make lots of noise.
- Lunch food is to be stored indoors or in vehicles whenever possible.
- Pack all food waste and garbage (including toilet paper and hygiene products) out with you – never leave or bury garbage.
- It is recommended to carry Bear Spray to use as a last resort measure.

VEHICLE TRAVEL POLICY

All motorized travel on the mountain must be prearranged through the designated Resort Manager in consult with the Mountain Operations Manager.

1. Vehicle speed limit is 30km/hr.

2. All vehicles (trucks, quads, excavators, etc) are restricted to summer access roads only unless special provisions have been made with the Operations Manager. All temporary or permanent road closures are to be respected.
3. When traveling on access roads, radio protocol will be as follows:
"General announcement, vehicle (description – eg Red Ford SUV) heading up/down (Road Name) Road".
4. When passing a vehicle traveling in the opposite direction, vehicles traveling uphill have the right of way.
5. Turn-around areas are located on all access roads. In the event that a driver is unable to turn around on a road surface, and it is unsafe to back up/down the road, the vehicle may turn around on dry vegetation.
6. Mountain springs and runoff will often create „wet spots“ on road surfaces, and vehicles should not travel in these areas. „Wet spots“ may result in road closures.
7. Contractors must pass an RCR driver"s license test prior to operating snowmobiles and all-terrain vehicles.

WASTE MANAGEMENT PROCEDURES

All contractors are required to remove and appropriately dispose of all personal and construction waste. Pack out what you pack in.

FUEL STORAGE & HANDLING

Fernie Alpine Resort is committed to the protection and sustainability of the natural environment. All contractors are required to store and handle fuel, oil and all associated products responsibly. IF YOU ARE UNSURE, PLEASE ASK!

SPILL RESPONSE PROCEDURES

Fernie Alpine Resort has an extensive spill response program that implements spill preparedness throughout the leasehold. The main spill response centre is located in the Maintenance Shop.

If ANY spills occur, please contact the designated Resort Manager and/or the Mountain Operations Manager IMMEDIATELY at **250-423-8943**

WCB REQUIREMENT

Contractors are required to have their own Worksafe BC insurance coverage. Prior to work start a copy of the contractors current WCB clearance letter must be obtained. Contractor"s are required to supply a second „current“ copy at time of final invoice.

ACKNOWLEDGEMENT AND AGREEMENT TO COMPLY

Name: _____

Job Title: _____

Company Name: _____

Contact Information: _____

Orientation package received contains the following information:

- **Operational & Sign-In Requirements**
- **General Safety Guidelines**
- **Health & Safety Training manual**
- **First Aid procedures**
- **Fire Reporting**
- **Wildlife Mgmt & Reporting**
- **Vehicle Travel Policy**
- **Waste Management Procedure**
- **Fuel Storage & Handling**
- **Spill Response Procedure**
- **WCB coverage #** _____
- **Other** _____

I, _____, acknowledge that I have read, understood and agree to comply with the information, policies and procedures contained in the RCR Inc., Fernie Alpine Resort– Contractor Safety Manual and Site Access Agreement. If I am supervising a crew, I am responsible to ensure that they are informed of and adhere to these policies also.

Contractor Signature: _____

Date: _____

Resort Manager: _____

Date: _____

CONSENT TO PRIORITY**As to Lot 2**

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918 registered in the Kamloops/Nelson Land Title Office on December 1, 2000, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 Canada Inc.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 Canada Inc.** hereby grants to the Covenantee priority over Mortgage No. KR63168 and Assignment of Rents KR63169 registered in the Kamloops/Nelson Land Title Office on July 12, 2001, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 Canada Inc.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 Canada Inc.** hereby grants to the Covenantee priority over Mortgage No. KR63170 and Assignment of Rents KR63171 registered in the Kamloops/Nelson Land Title Office on July 12, 2001, the "Mortgage" and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

As to Lot 1

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage KR85494, extended by LB309620, registered in the Kamloops/Nelson Land Title Office on September 14, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this S. 219 Covenant, and Rent Charge had been executed, delivered and registered in time prior to the registration of the Mortgage.

- END OF DOCUMENT -

EXHIBIT C

TERMS OF INSTRUMENT PART 2

SECTION 219 COVENANT

THIS INDENTURE made the ___ day of October, 2023.

BETWEEN:

RESORTS OF THE CANADIAN ROCKIES INC. , INC. No. A100476
1505 – 17th Avenue SW
Calgary, Alberta T2T 0E2

(the “Grantor”)

AND:

**HIS MAJESTY THE KING IN RIGHT OF
THE PROVINCE OF BRITISH COLUMBIA,**
represented by the Minister of Transportation
and Infrastructure, Parliament Buildings,
Victoria BC V8V 1X4

and

REGIONAL DISTRICT OF EAST KOOTENAY
19 – 24th Avenue South
Cranbrook, BC V1C 3H8

(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee-simple of the following lands in the Province of British Columbia more particularly known and described as:

NO PID

Lots 1 - 44 District Lot 4128 Kootenay District Plan EPP _____

(hereinafter called the “Lands”):

- B. Section 219 of the *Land Title Act* provides that there may be registered as a charge against the title to the Lands a covenant in favour of the Grantee in respect to the use of the Lands;

EXHIBIT C

- C. The Grantor is aware of and hereby acknowledges that there is a potential geotechnical danger to the lands and wishes to grant this covenant to require that the Lands be used in accordance with the geotechnical report attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One (\$1.00) Dollar of lawful money of Canada and other good, valuable consideration paid by the Grantee to the Grantor, the receipt of which is hereby acknowledged, the Grantor does hereby covenant and agree with the Grantee under Section 219 of the *Land Title Act* of the Province of British Columbia as follows:

1. The Grantor hereby covenants and agrees with the Grantee as a covenant in favour of the Grantee pursuant to Section 219 of the *Land Title Act*, it being the intention and agreement of the Grantor that the provisions hereof be annexed to and run with and be a charge upon the Lands from and after the date hereof that the Lands shall be used in accordance with the terms and conditions set out in this covenant and that any and all buildings, structures or improvements to be placed, built or erected on the Lands shall be built, placed or constructed with due regard to the potential for the Land to slip, slough or subside as a result of unpredictable and uneven settlement or erosion and further shall only be used strictly in accordance with the **Geotechnical Assessment Report** prepared by **D.A. Clapp, P. Eng**, dated **May 3, 2023**, a copy of which is attached hereto as Schedule "A" and forms an integral part of this covenant.
2. Without in any way limiting or restricting the obligations set out in Section 1 above to comply with the report attached hereto as Schedule "A", the Grantor covenants and agrees that it shall comply with any and all obligations set out in Schedule "A" with respect to ongoing or future maintenance, repairs and recommendations regarding mitigation against geotechnical risks, as defined herein.
3. The Grantor acknowledges that the Grantee does not represent to the Grantor, nor to any other person that any building, modular home, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed on the Lands will not be damaged by reason of, or in any way connected to or caused, directly or indirectly, by inundation by flood waters, stream erosion and avulsion, debris flow and debris torrents, debris floods, landslides, snow avalanche, rock fall, slipping, sloughing, sliding or subsidence of land due to unpredictable or uneven settlement, settlement of buildings or improvements or loss of land by erosion or other means on the Lands ("geotechnical risks") and the Grantor, with full knowledge of the potential danger and in consideration of the approvals given by the Grantee hereby:
 - (a) agrees to indemnify and to save harmless the Grantee and its employees, servants, elected officials and agents from all loss, damage, costs, actions,

EXHIBIT C

suits, debts, accounts, claims and demands which the Grantee or any of its employees, servants, elected officials or agents, may suffer or incur or be put to arising out of or in connection with any breach of any covenant or agreement on the part of the Grantor or his heirs, executors, administrators, successors and assigns contained in this Agreement or arising out of or in connection with any personal injury, death or loss or damage to the Lands, or to any building, modular home, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed on the Lands caused by geotechnical risks or some such similar cause; and

- (b) does remise, release and forever discharge the Grantee and its employees, servants, elected officials and agents from all manner of actions, cause of actions, suits, debts, accounts, covenants, contracts, claims and demands which the Grantor or any of its heirs, executors, administrators, successors and assigns may have against the Grantee and its employees, servants, elected officials or against for and by reason of any personal injury, death or loss or damage to the Lands, or to any building, modular home, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed on the Lands, caused by geotechnical risks or some such similar cause.
4. Nothing in this Agreement shall prejudice or affect the rights, powers and remedies of the Grantee in relation to the Grantor, including its heirs, executors, administrators, successors and assigns, or the Lands under any law, bylaw, or order or regulation or in equity all of which rights, powers and remedies may be fully and effectively exercised by the Grantee as if this Agreement had not been made by the parties.
 5. The Grantor will do or cause to be done at its expense all acts reasonably necessary for the Grantee to gain priority for this Agreement over all liens, charges and encumbrances which are or may be registered against the Lands save and except those specifically approved in writing by the Grantee. The parties agree that this Agreement shall not be modified or discharged except in accordance with the provisions of Section 219 (9) of the *Land Title Act*.
 6. The Grantor shall do or cause to be done all things and execute or cause to be executed all documents and give such further and other assurance which may be reasonably necessary to give proper effect to the intent of this Agreement.
 7. Whenever the singular or masculine or neuter is used herein, the same shall be construed as including the plural, feminine, body corporate or politic unless the context requires otherwise.
 8. If any section or any part of this Agreement is found to be illegal or unenforceable, then such section or parts shall be considered to be separate and severable from this Agreement and the remaining sections or parts of this

EXHIBIT C

Agreement, as the case may be, shall be unaffected thereby and shall remain and be enforceable to the fullest extent permitted by law as though the illegal or unenforceable parts or sections had never been included in this Agreement.

9. This agreement shall be interpreted according to the laws of the Province of British Columbia.

10. Where there is a reference to an enactment of the Province of British Columbia in this agreement, that reference shall include a reference to any subsequent enactment of the Province of British Columbia of like effect, and unless the context otherwise requires, all statutes referred to herein are enactments of the Province of British Columbia.

IN WITNESS WHEREOF the parties hereby acknowledge that this agreement has been duly executed and delivered by executing the Forms C and D attached hereto.

EXHIBIT C

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918, as extended in the within application and registered in the Kamloops/Nelson Land Title Office on December 1, 2000, (taken together the "Mortgage") and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

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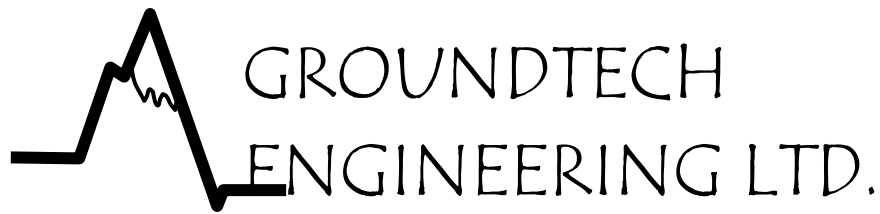
EXHIBIT C

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63168 and Assignment of Rents KR63169 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63170 and Assignment of Rents KR63171 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.



BOX 688
FERNIE, BC V0B 1M0
Phone: 250.423.4829
Fax: 250.423.4819
groundtech@shaw.ca

May 3, 2023

Resorts of the Canadian Rockies
1505 – 17th Avenue SW
Calgary, AB
T2T 0E2

Attention: Mr. Patrick Majer

**RE: GEOTECHNICAL SITE INVESTIGATION REPORT – REVISED MAY 3, 2023
PROPOSED BEYOND TIMBER LANDING SUBDIVISION
FERNIE ALPINE RESORT, BC**

Dear Mr. Majer,

Please find attached a copy of the subject report.

If you have any questions or require additional information, please contact me any time at (250) 423-4829.

Yours truly,

A handwritten signature in black ink, appearing to read "DAC", is written over a light grey rectangular background.

Douglas A. Clapp, P. Eng.

Encl.

DAC/if

**GEOTECHNICAL SITE INVESTIGATION REPORT
PROPOSED BEYOND TIMBER LANDING SUBDIVISION
FERNIE ALPINE RESORT, BC**

**Prepared For:
Resorts of the Canadian Rockies
Calgary, AB**

**Groundtech Engineering Ltd.
P.O. Box 688, Fernie, BC V0B 1M0
250 423 4829**

April 2023

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Appendix III	Test Pit and Borehole Logs
Appendix IV	Lab Test Reports
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Appendix VI	Landslide Assessment Assurance Statement

1.0 INTRODUCTION

This report provides the findings and recommendations of a geotechnical site investigation completed for lands associated with the proposed expansion of the Timber Landing subdivision at the Fernie Alpine Resort, near Fernie, BC. Groundtech Engineering Ltd. (Groundtech) completed the site investigation at the request of Mr. Patrick Majer, Development and Utility Manager of Resorts of the Canadian Rockies (RCR), the property owner. The expansion area is referred to as Timber Landing Phase 3 (TB PH3).

The purpose of the investigation was to determine soil, terrain, and groundwater conditions at the site. An assessment of conditions for building (i.e., single-family and multi-unit buildings) and roadway construction are provided, as well as related recommendations. Assessment of slope stability for the property was completed to aid in delineating building setbacks/safe building areas (i.e., geozones) related to geohazards (i.e., steep slopes, flooding, etc.).

Groundtech completed the geotechnical site investigation for Phase I of the Timber Landing subdivision in 2015. The report is entitled “Geotechnical Site Investigation Report, Proposed Timber Landing Subdivision, Fernie Alpine Resort, BC”, dated November 2015. Most of the areas proposed for the TB PH3 development are within the lands assessed in the initial 2015 geotechnical work.

Geo-Engineering (M.S.T.) LTD. (Geo) also completed two earlier geotechnical investigations on the subject site:

- Fernie Alpine Resort Expansion, Report of Development Conditions, dated December 1998.
- Proposed Timber Landing Subdivision (Phase 1), Geotechnical Investigation, dated August 2000.

The approving authorities for the subject site are the Regional District of East Kootenay (RDEK) and the BC Ministry of Transportation and Infrastructure (MOTI).

2.0 LOCATION AND DESCRIPTION

The lands proposed for the TB PH3 subdivision are located on the lower northeast-facing slopes of the Elk Valley, upslope of Highway 3 and the Elk River, east of the RCR maintenance building area and some of the RCR public parking areas, and south and east of the existing Timberline subdivision (Figure 1, Appendix I).

The proposed subdivision is proposed to involve three existing land parcels:

- Lot 1, Plan NEP195000, District Lot 4128 8901, Land District 26, Except Plan EPP76410 & EXC PL EPP122547 - PID: 017-470-013
- Lot 2, Plan NEP20673, District Lot 4128, Land District 26 - PID: 018-357-334
- Lot 1, Plan NEP20673, District Lot 4128, Land District 26 - PID: 018-357-326

The terrain is gentle to moderately steep. The aspect generally ranges from northeast to east. There is a vehicle trail that leads from near the end of the existing portion of Resort Drive to Alpine Way. The current southern portion of Alpine Way extends to near the southeast corner of the development area. There is a driveway from the current end of Alpine Way to an existing cabin. The area contains some areas that were cleared for logging trails. The property is transected by Currie Creek.

Except where the lands were disturbed on the above-noted vehicle trail and logging trails, the lands proposed for development are covered with a young forest due to past logging. Figures 2 and 3 present

Google plan and oblique views of the property.

Photos of the site are found in Appendix II.

3.0 PROPOSED DEVELOPMENT

Figures 4, Figure 5 (topographic map) and 6 (aerial image) present the proposed lot layout and land use. For this report, the property has been delineated into three areas described as:

- Alpine Way Extension Area – Single Family Lots 1 to 25, 58, 59 and 60
- Resort Drive Extension Area – Single Family Lots 27 to 55, Multi-Family Lot 56,
- Village Way Area, Multi-Family Lot 26 and Multi-Family Lot 57

There are no building plans at the time of this writing. It is assumed that single-family residential construction would likely be in the form of two to three-level homes based on conventional shallow footings. Further, multi-family buildings would be three to four-level buildings, based on conventional footings.

The planned Alpine Way and Resort Drive extensions and Village Way are assumed to be paved roads. The Resort Drive Extension will cross Currie Creek; the culvert will be designed by others. An embankment fill will be required for the crossing. There will be a ski in/out trail immediately southwest of Lots 39 to 53 on the southwest side of the road.

4.0 PHYSIOGRAPHY OF THE ELK RIVER VALLEY

In the vicinity of Fernie, robust Paleozoic limestone overlays softer Mesozoic shales and sandstones. Erosion over geologic time has resulted in mountain ridges consisting of limestone and similar harder rock with valley bottoms and lower slopes underlain by softer shale and sandstone. As such, glaciation has resulted in the U-shaped Elk River Valley. Prior to the recent Frazer glaciation, till mantled most mid and lower elevation slopes. As the glacial ice retreated, meltwaters down cut into till and deposited glaciofluvial gravels. A sediment dam at Elko caused the formation of a glacial lake and resulted in glaciolacustrine (i.e., silt and clay) deposits atop the till and glaciofluvial gravels. Through post-glacial time, the Elk River has eroded and lowered its bed into and through the glaciolacustrine material. Over time, the Elk River has moved laterally across the valley floor, the result being a broad floodplain flanked by fluvial terraces, which in turn are flanked by either glaciolacustrine terraces or till-covered bedrock.

5.0 PRECIPITATION NORMALS

The average yearly precipitation for Fernie as determined by data for the period between 1981 and 2010 is 1227.1 mm total precipitation, 902.2 mm rainfall and 324.9 cm snowfall. Fernie receives more precipitation than many other sites in this portion of the East Kootenay.

6.0 FIELD INVESTIGATION

Ms. Isabel Ferreira, E.I.T., and Luke Urquhart, E.I.T., both of Groundtech completed the field investigation on June 1, 15 and 16, 2021. The site investigation included a site reconnaissance and a visual assessment of the property. A test pit and borehole program was completed to assess soil and groundwater conditions. Six boreholes (i.e., B1 to B6) were completed to depths ranging from 2.74 m to 12.65 m, using a tracked solid stem auger rig. Some boreholes were completed with 25 mm diameter, PVC standpipes (i.e., piezometers) to allow for follow-up groundwater measurements. Eleven test pits (T1 to T11) were excavated to depths ranging from 1.8 m to 4.7 m. All test pits were backfilled. The approximate test pit and borehole locations are shown on Figure 5.

The soils encountered in the test pits and boreholes were visually classified and the associated stratigraphy was logged. The test pit and borehole logs are found in Appendix III. Soil strength was assessed using Standard Penetration Tests (SPT) in the boreholes. Undrained shear strength (S_u) tests of fine-grained, semi-disturbed soil samples were made using a Pocket Penetrometer (PP) and/or a Torvane. A Dynamic Cone Penetrometer (DCP) was also used to assess soil density and/or consistency in some of the test pits. Representative disturbed grab samples of selected materials were collected for future reference and/or possible laboratory testing. Additional observations were noted of the presence of groundwater.

For completeness, some of the soil and groundwater information from the Groundtech 2015 report and the 1998 and 2000 Geo reports have been included in this report. The test pit and borehole locations from the earlier work are shown in the Groundtech 2015 report.

The site reconnaissance included an inspection of a good portion of the areas considered for development with a focus on identifying areas of slope instability and/or groundwater seepage.

6.1 Terrain, Soil, Surface and Groundwater Conditions – Alpine Way Extension - Lots 1 to 25, 58, 59 and 60

Terrain

The terrain in this area has aspects that range from north through east through south. Most of the area has uniform terrain that slopes east at approximately 2°. There is a steep area at the north portion of the area; the slope angles approach 25°; these slopes descend to a draw northeast of Lots 11-15. Site topography is shown on Figures 5 and 6. The site reconnaissance did not identify any significant signs of slope instability.

The site was logged several years ago and is now vegetated with a second growth coniferous forest. There are a few logging trails that are devoid of trees.

Soils

Terrain mapping for the area indicates it to be mantled with till; soils encountered in this area are partially consistent with the mapping. A good portion of the soils found in this area is glaciolacustrine in origin.

T1 was excavated to 2.2 m at the Alpine Way turnaround. The upper soil layer contained moist, loose silt to a depth of 0.7 m, underlain by firm, moist silt with some clay and a trace of gravel to 0.9 m. Stiff, moist silt with some sand, some gravel a trace of clay was discovered to a depth of 1.7 m. The lowermost horizon contained stiff, moist, clayey silt.

T2 was excavated to a depth of 3.5 m west of proposed Lot 4. The upper stratigraphy contained dry, loose silt with a trace of gravel to a depth of 0.20 m, underlain by dry, loose silt with some sand and some gravel

to a depth of 0.6 m. Moist to wet, compact gravel and sand with a trace of silt was discovered to a depth of 2.4 m. The lowermost horizon contained wet, compact sand with some silt to silty sand.

T3 was completed to a depth of 4.4 m, west of proposed Lot 8. The upper soil layer contained loose, dry silt with a trace of sand and gravel, underlain by firm to stiff, moist, clayey silt interbedded with silt and a trace of clay to a depth of 1.5 m. Moist to wet, stiff, clayey, sandy silt with some gravel and a trace of cobbles was discovered to a depth of 2.5 m, underlain by compact, wet gravel and sand with some silt, some clay and a trace of cobbles to a depth of 3.2 m. The lowermost horizon contained stiff to very stiff, gravelly, clayey silt with some sand, some cobbles and a trace of boulders.

T4 was excavated west of proposed Lot 13 to a depth of 4.3 m. The upper soil layer contained loose, dry silt with some sand to a depth of 0.35 m, underlain by stiff, moist, clayey silt to a depth of 1.3 m. Stiff, moist, clayey silt, interbedded with silt was found to a depth of 2.5 m. Firm to stiff, moist, clayey silt, interbedded with thin layers of silt and sand was encountered to a depth of 3.5 m. The lowermost horizon contained soft, moist to wet, clayey silt, interbedded with thin layers of sand and silt.

B1 was completed to a depth of 8.08 m on proposed Lot 58. The upper strata contained firm (SPT 5), dry, clayey silt to a depth of 1.83 m, underlain by loose, wet sand with some silt to a depth of 2.29 m. Wet, loose (SPT 4,7), silty sand, interbedded with silt with some clay was found to a depth of 4.11 m. Very soft (SPT 0), wet, clayey silt was discovered between 4.11 m and 5.33 m. Very loose, wet, sandy silt with traces of clay, underlain by very soft (SPT 0), wet, clayey silt was encountered to a depth of 7.32 m. Very soft, wet, clayey silt with some sand and some gravel underlain by very soft (SPT 1), wet, clayey silt was found to the bottom of the borehole.

B2 was drilled to a depth of 8.08 m east of proposed Lot 22/23. The upper stratigraphy consisted of firm, moist, clayey silt with some gravel and a trace of sand to 1.83 m, underlain by compact (SPT 11), wet sand and some silt to a depth of 2.29 m. Wet, loose (SPT 6,7), sandy silt, interbedded with clayey silt was encountered between 2.29 m and 3.81 m. Very soft (SPT 0), wet, clayey silt was discovered to a depth of 6.4 m, underlain by loose (SPT 7), wet sand with some silt and some gravel to a depth of 6.71 m. Firm (SPT 7), wet, clayey silt was encountered to a depth of 7.62 m. The lowermost horizon contained firm (SPT 7), wet, clayey silt with some gravel and a trace of sand.

B3 was drilled east of proposed Lot 7 to a depth of 6.55 m. The upper soil layer contained loose silt with some sand, some gravel and clay to 0.3 m, underlain by compact, wet silt with some clay, some sand and some gravel to a depth of 1.22 m. Between the depths of 1.22 m and 1.52 m, firm to stiff, moist, clayey silt with traces of sand and gravel was found. The lowermost horizon consisted of very stiff (SPT 11-26), moist, clayey silt with some sand and some gravel.

B4 was completed east of the southeast corner of proposed Lot 6 to a depth of 8.08 m. The upper soil layer contained moist, loose, silt with some sand, some gravel and some clay, underlain by loose, wet sand with a trace of silt to a depth of 1.22 m. Loose, wet silty sand with trace clay was found between 1.22 m and 1.52 m. Loose (SPT 5), wet sand with some silt was discovered to a depth of 2.13 m, underlain by loose (SPT 3), wet sand, some silt, interbedded with clayey silt, to a depth of 3.05 m. Wet, firm (SPT 5), clayey silt with thin layers of silt and a trace of sand was found between 3.05 m and 4.11 m, underlain by soft (SPT 3), wet, clayey silt with thin beds of silt to a depth of 4.88 m. Soft, wet, silt with some clay, some gravel, some sand was found between 4.88 m and 5.49 m. The lowermost horizon contained wet, stiff to very stiff (SPT 13 and 21), clayey silt with some gravel and some sand.

B5 was drilled to a depth of 8.08 m on proposed Lot 12. The upper topsoil layer was underlain by moist, stiff, clayey silt with a trace of gravel to a depth of 1.52 m, underlain by moist, stiff (SPT 11), clayey silt with a trace of sand and a trace of gravel to a depth of 2.44 m. Firm (SPT 5), moist, clayey silt with traces

of gravel was discovered between the depths of 2.44 m and 3.05 m. Very soft (SPT 0), wet, clayey silt (with interbeds of sand) was encountered between 3.05 m and 3.51 m. Very loose, wet, silty sand was found to a depth of 3.66 m. The lowermost layer contained very stiff (SPT 24, 26), moist, sandy, clayey silt with trace gravel.

B6 was completed on the north section of proposed Lot 1 to a depth of 5.03 m. The upper topsoil layer was described as moist, firm, clayey silt to a depth of 0.61 m, underlain by wet, loose sand with a trace of silt to a depth of 0.91 m. Firm to very stiff (SPT 8, 13), moist, clayey silt and sand with some gravel was encountered between 0.91 m and 3.05 m. The lowermost horizon contained hard (SPT 42, 50), moist, clayey silt and sand with some gravel.

Groundwater

Table 1 presents the groundwater information for the Alpine Way Extension area

Table 1 – Groundwater Data – Alpine Way Extension Area			
Test Pit / Borehole	Depth(m)		
	Dec 10, 2021	April 14, 2022	June 14, 2022
B1	3.1	1.68	0.87
B2	1.1	1.33	0.69
B3	1.34	1.63	1.14
B4	1.5	1.81	1.65
B5	2.55	2.06	n/a
T2	0.705	0.81	0.45
T4	1.77	0.4	n/a

Groundwater levels will typically have seasonal trends, increasing through the spring to peak in late spring or early summer. Peak levels are supported by snowmelt. Following the peak, groundwater levels typically decline throughout the remainder of the seasons. There are occasional short-term spike increases that result from rainfall events. Groundwater may be perched on or within the silt layer.

6.2 Terrain, Soil, and Groundwater Conditions - Resort Drive Extension Area, Lots 27 to 55, Multi-Family Lot 56

Terrain

The terrain in this area has north through northeast aspects and very gentle to moderately steep slopes (i.e., 3° to 17°). There are steep slopes (i.e., 18°) on the Future Subdivision Part C (Multi-Family Lot 56); the vertical relief of this slope is approximately 17 m. The area, within a few hundred meters, upslope and southeast of the Resort Drive Extension area, has slopes that range from 7° to 13°. Site topography is shown on Figures 5 and 6. The site reconnaissance did not identify any significant signs of slope stability.

The site was logged several years ago and is now vegetated with a second growth coniferous forest. There are a few logging trails that are devoid of trees.

Soils

Terrain mapping for the area indicates it to be mantled with till; soils encountered in this area are somewhat consistent with the mapping. Till and other coarse-grained soils were found in upland areas, clayey silt soils were found in low-lying areas to the east.

T7 was completed northeast of proposed Lots 40 and 41 to a depth of 4.0 m. The upper soil layer contained loose, moist silt, underlain by loose/compact, moist silt with some gravel, some cobbles, trace boulders and a trace of sand to a depth of 0.5 m. Moist, dense silt with some gravel, some clay, some cobbles, a trace of sand and boulders was found to a depth of 1.2 m. Dense, moist gravel and sand with some cobbles a trace of silt, clay and boulders was found between the depths of 1.2 m and 3.6 m. The lowermost horizon contained stiff to very stiff, moist, clayey silt, interbedded with sand layers.

T8 was excavated southwest of proposed Lot 37 and north of Lot 45 to a depth of 4.0 m. The upper stratigraphy contained loose, moist silt with a trace of sand, underlain by loose, moist silt with some sand and a trace of gravel to a depth of 0.6 m. Compact, dry, cobbly gravel and sand with some silt and a trace of boulders was found to a depth of 1.5 m. The lowermost horizon contained compact, wet, cobbly, clayey gravel and sand with some silt and a trace to some boulders.

T9 was completed on Resort Drive, south of proposed Lot 33 and north of Lot 49 to a depth of 3.8 m. The upper strata contained loose, moist silt with some gravel and some cobbles to a depth of 0.3 m, underlain by compact, moist, cobbly gravel and sand with some boulders and a trace of silt to a depth of 1.5 m. Stiff, moist, clayey, sandy silt with some gravel, some cobbles and some boulders were found to a depth of 2.2 m. Stiff to very stiff, moist clayey silt with a trace of gravel, interbedded with layers of silt and sand was found between 2.2 m and 2.8 m. The lowermost horizon contained dense to very dense, moist, gravel and sand with some cobble and traces of both boulders and silt.

T10 was excavated to a depth of 4.0 m on the Resort Drive Extension, south of proposed Lots 30 and 29. The upper soil layer contained loose, moist silt, underlain by firm, moist, clayey silt to a depth of 0.5 m. Loose, wet silt with some sand was found to a depth of 0.7 m, underlain by firm to stiff, moist, clayey silt, interbedded with thin layers of sand to a depth of 2.0 m. The lowermost horizon contained firm, moist, clayey silt with thin layers of silt and sand.

T11 was completed to a depth of 2.3 m near the Resort Drive Extension Turn-Around. Loose, moist silt was found to a depth of 0.15 m, underlain by firm, moist, clayey silt to a depth of 0.65 m. Moist/wet, loose sand with a trace of silt was discovered to a depth of 0.8 m. Firm, moist, clayey silt with a trace of gravel was found to a depth of 1.25 m. The lowermost horizon contained very stiff to hard, moist, clayey, gravelly silt with some sand and some cobbles.

g98-3, TP28, TP30, TP31, BH16, and BH17 were completed on the moderately sloping southern terrain of this area. In general, till soils were encountered in all but the easternmost test pits and boreholes (i.e., TP31 and BH17). Moist, stiff to very stiff till was encountered at a depth of 1.25 m to 1.8 m. The texture of the till ranged from silty clay with some sand and a trace to some gravel to clay with some silt, cobbles and boulders, with a trace of sand. The test pit depths ranged from 3.0 m to 4.0 m.

BH16 was drilled in the vicinity of proposed Lots 37 and 36 to a depth of 9.6 m. The upper layer in BH16 included dry, soft silt with some clay (i.e., fill) underlain at a depth of 2.1 m by wet, soft to very soft, sandy clayey silt with a trace of gravel. Stronger till soils were encountered at a depth of 4.6 m that included layers ranging from moist, very stiff sandy gravelly silt with a trace of clay to moist, very dense sandy gravelly silt with some clay.

TP31 was excavated on Multi-Family Lot 56 and encountered fill to a depth of 1.2 m underlain to a depth of 3.0 m by moist, compact silt with some sand and a trace of clay. The lowest zone consisted of wet, very soft silt with some clay. TP31 was completed to a depth of 4.0 m.

BH17 was drilled in the area of the north cul-de-sac to a depth of 12.7 m and presented a soil stratigraphy that included, for the most part, upper layers of moist to wet, firm to soft mixtures of silt and clay with

minor amounts of sand. One interbed of wet, loose sand was found between depths of 7.6 m and 10.6 m, underlain by wet, soft clayey silt to a depth of 12.2 m. Till was encountered at a depth of 12.2 m and is described as moist, very stiff clayey silt with some gravel and sand.

Groundwater

Table 2 presents the groundwater information for the Resort Drive Extension area

Test Pit / Borehole	Depth (m)	Date
T7	1.75	12/10/2021
BH16	3.1	07/31/2015
BH16	2.8	11/12/2015
BH17	3.0	07/31/2015//
BH17	2.3	11/12/2015

As previously noted, groundwater levels will exhibit seasonal trends. Groundwater is likely perched on or within the lower till layer in the area. The November levels in BH16 and BH17 are closer to the ground surface than the July levels, possibly because the July levels were not stabilized at the time of measurement and/or as a result of wet weather in November. The observed groundwater levels are not peak levels.

6.3 Terrain, Soil, and Groundwater Conditions - Village Way, Multi-Family Lot 26 and Multi-Family Lot 57

Terrain

The area has mostly an easterly to north-easterly aspect; there are also some slopes with a southerly aspect that descend to Currie Creek. The terrain form is irregular, key terrain features include a southeast-northwest orientated ridge with moderate to steep slopes (i.e., up to 18°). The ridge feature has a vertical relief of 15 m to 20 m. There is more gently sloped terrain on the east side of the area. The terrain form is demonstrated on Figures 5 and 6.

The site reconnaissance did not identify any significant signs of slope instability.

The site was logged several years ago and is now vegetated with a second growth coniferous forest. There are a few logging trails that are devoid of trees.

Soils

T5 was completed to a depth of 3.6 m on Village Way north of Multi-Family Lots 56 and 57. Moist, loose gravel and sand with a trace of silt and cobbles was discovered to a depth of 0.2 m, underlain by moist, dense, gravelly, silty sand with traces of cobbles from 0.2 m to 0.5 m. Moist, compact gravel and sand, with traces of silt and traces boulders was found from 0.5 m to 2.15 m. Moist, compact sand, some gravel with trace silt was encountered to a depth of 3.40 m. The lowermost horizon contained compact, wet gravel and sand with some cobbles and a trace of silt with layers of sand.

T6 was excavated on Village Way, southeast of Multi-Family Lot 26 to a depth of 2.4 m. The upper soil layer contained compact, dry gravel and sand, underlain by stiff, moist, gravelly, clayey silt with some cobbles and a trace of boulders to a depth of 1.4 m. Firm to stiff, wet, clayey, gravelly silt with some sand, some cobbles and a trace of boulders was found to a depth of 1.8 m. The lowermost horizon contained stiff to very stiff, moist, clayey, gravelly silt with some sand, some cobbles and a trace of boulders to a depth of

2.4 m.

T7 was completed northeast of proposed Lots 40 and 41 to a depth of 4.0 m. The upper soil layer contained loose, moist silt, underlain by loose/compact, moist silt with some gravel, some cobbles, trace boulders and a trace of sand to a depth of 0.5 m. Moist, dense silt with some gravel, some clay, some cobbles, a trace of sand and a trace of boulders was found to a depth of 1.2 m. Dense, moist gravel and sand with some cobbles a trace of silt, clay and boulders was found between the depths of 1.2 m and 3.6 m. The lowermost horizon contained very stiff, moist, clayey silt, interbedded with sand layers.

TP27, BH12, BH13 and g98-4 were completed on the ridge feature north of the creek. Due to site grading associated with trail construction near TP27, till was encountered at or near the ground surface. The till observed in TP27 is typically moist, stiff to very stiff ($S_u = 110 \text{ kPa} - 120 \text{ kPa}$, P.P.) and generally increases in strength with depth. The soil in the boreholes is, for the most part, moist, stiff to very stiff sandy clayey silt with some gravel and a trace of cobbles. Some soils contain more gravel (i.e., gravelly) than noted above. BH12 and BH13 met refusal at 8.8 m and 4.6 m, respectively, suggesting bedrock may have been encountered. Test pit g98-4 found moist to wet, compact sand with some silt to a depth of 2.8 m underlain to 3.0 m by till described as moist to wet, very stiff to hard silty clay with a trace of sand and gravel.

TP17, TP18, TP19, TP20, TP29, g98-5, BH14 and BH15 were completed on the gently sloped terrain between the end of the ridge, Alpine Way, north of Village Way and north of Currie Creek. For the most part, the test pits and boreholes completed near the toe of the ridge slope (i.e., TP17, TP20, g98-5, BH14) encountered till soils at a relatively shallow depth that ranged from 0.8 m to 1.9 m; the test pits were completed to depths ranging from 1.9 m to 2.5 m. Soils overlaying the till ranged from dry, loose silt to compact sand and gravel with some cobbles and a trace of silt. The till varied somewhat in strength and texture, ranging from moist, stiff clayey gravelly silt with some sand and a trace of cobbles to moist, very stiff to hard silty clay with a trace to some sand and a trace of gravel. Of note, BH14 met refusal at a depth of 2.74 m, possibly due to bedrock.

The other test pits and boreholes in this area (i.e., TP18, TP19 and BH15) encountered fine-grained glaciolacustrine soils. The soil stratigraphy of TP18 and TP19 are similar, consisting of a thin surficial layer of silt and sand, underlain by firm ($S_u = 30 \text{ kPa}$, P.P.), clayey silt with a trace of sand. TP18 and TP19 were completed to depths of 1.8 m and 2.9 m, respectively. BH15 was drilled to a depth of 12.2 m and encountered dry to moist, firm mixtures of silt and clay to a depth of 2.3 m; deeper soils consisted of very soft silt and clay. TP17 soils varied somewhat from other test pits or boreholes at this elevation, consisting of topsoil underlain by a thin layer of compact sand and gravel with some cobbles and a trace of silt. Till was found from depths of 0.8 m to 2.2 m (TD) and is described as stiff, moist clayey gravelly silt with some sand and a trace of cobbles.

Groundwater

Table 3 presents the groundwater information for the Village Way area.

Test Pit / Borehole	Depth (m)	Date
T5	2.15	12/10/2021
BH12	dry	07/29/2015
BH12	3.45	11/12/2015
BH13	0.5	11/12/2015
BH15	2.3	07/31/2015

As noted before, groundwater levels will exhibit seasonal trends. Groundwater may be perched on or within

the lower till layer and/or silt layer in the area. The November levels are closer to the ground surface than the July levels, possibly because the July levels were not stabilized at the time of measurement and/or as a result of wet weather in November. The observed groundwater levels are not peak levels.

6.4 Surface Hydrology and Flood Conditions

The primary surface water feature in the area of interest is Currie Creek, which flows approximately west to east through the site. The creek forms the property boundary for the proposed single lots on the north and east sides of the Resort Drive Extension area. The location of Currie Creek is shown on Figures 5 and 6.

Currie Creek flows onto the site from the east side of a ski area parking area and outflows through the southeast corner of the property. The full-bank Q₂ width is variable along the stream section, ranging from 1.1 m to 3.0 m. The full-bank depth Q₂ ranges from 0.07 m to 0.14 m. The substrate consists of mixtures of sand, silt and gravel. The stream gradient ranges from 5 % to 20 %.

The channel assessment found no evidence of significant erosion and/or sediment transport. Currie Creek is considered stable in terms of risk of lateral migration/avulsion, etc. The stream is also laterally confined by terrain, either in the form of a draw or an incised gully. The risk of flooding from a 1:200 year flood event beyond its confinement is very low. The location of Currie Creek has been taken into account in the delineation of geozones and their associated geozone-specific building requirements/restrictions.

6.5 Laboratory Testing

Washed gradation tests (ASTM C136 and C117) were completed on several soil samples to determine gradational characteristics. Moisture content tests were also completed on the samples. The test results are summarized in Table 4.

Sample	Cobble (%)	Gravel (%)	Sand (%)	Silt (%)	Moisture Content (%)	Description
B5 S6		9.1	25.7	65.2	15.4	Sandy Silt/Clay, trace gravel
T5 Pit Run	29.1	46.1	18.5	63.3	5.0	Cobbly Gravel, some sand, trace silt/clay
Curry Bowl cul de sac backfill		0.8	5.6	93.6	15.7	Silt/Clay, trace sand, trace gravel
BH12/S6	0	8.8	27.2	64.0	12.1	Sandy silt, trace gravel
BH13/S2	0	18.6	25.8	55.6	10.4	Sandy silt, some gravel
BH16/S7	0	23.3	36.8	39.9	14.9	Gravelly sand and silt

The above samples have significant silt content, indicating moderate to high frost action potential.

Washed gradation and hydrometer tests (ASTM C136, C117 and D422) were completed on four soil samples. Moisture content tests were also completed on the samples. The test results are summarized in Table 5.

Sample	Gravel (%)	Sand (%)	Silt (%)	Clay (%)	Moisture Content (%)	Description
BH15/S3	0	0.6	58.4	41.0	31.5	Silt and clay
BH16/S3	2.2	20.6	46.8	30.4	25.6	Sandy clayey silt, trace gravel
BH17/S6	0.9	0.6	55.8	42.7	29.6	Silt and clay, trace sand
BH17/S11	0	1.4	55.9	42.7	32.6	Silt and clay, trace sand

All samples contain significant silt content, indicating medium to high frost action potential.

Atterberg Limits tests (ASTM D4318) were completed on numerous fine-grained soil samples to determine plastic and liquid limits. Moisture contents were completed on numerous samples for comparison to limit values for the fine-grained samples and other samples to assess moisture content trends. The test results are summarized in Table 6. Note, the highlighted samples are from a similar soil zone.

Sample	Moisture Content (%)	Liquid Limit (%)	Plastic Limit (%)	Plasticity Index (%)	Soil Classification as per Casagrande Chart
B1 S8	26.5	26	18	8	CL
B2 S6	32.3	31	17	14	CL
B4 S7	26.4	26	17	9	CL
T10 S4	26.9	27	20	7	CL
BH12/S2 – till	12.8				
BH12/S3 – till	13.2				
BH12/S4- till	12.2				
BH12/S5- till	14.8				
BH12/S6 - till	12.1	31	14	17	CL – medium plastic (fines)
BH12/S7 – till	15				
BH12/S8 – till	13				
BH12/S9 - till	11				
BH12/S10 - till	13				
BH13/S1	18				(CL) estimate
BH13/S2 – till	17				
BH13/S3 - till	11				
BH14/S1 - till	7.7				
BH14/S2 - till	7.8				
BH15.S2	26.1				
BH15/S3	31.5	30	17	13	CL – low plastic
BH15/S4	33.9	28	16	12	CL – low plastic
BH15/S5	23.3				
BH15/S6	24.7				
BH15/S7	25				
BH15/ST	23.3	29	15	14	CL – low plastic
BH15/S8	25				
BH16/S3	25.6	32	16	16	CL
BH16/S4	23.1				
BH16/S5	34.1				

Sample	Moisture Content (%)	Liquid Limit (%)	Plastic Limit (%)	Plasticity Index (%)	Soil Classification as per Casagrande Chart
BH16/S6 – till	21.3				
BH16/S7 – till	17.8				
BH16/S8 - till	14.3				
BH17/S3	30.2	31.2	17	14	CL – low plastic
BH17/S5	28.9				
BH17/S6	29.6	31	18	13	CL
BH17/S9	27.7	27	16	11	CL – low plastic

For fine-grained samples with a moisture content close to the liquid limit, strength loss could occur from disturbance.

A few of the clay samples have moisture contents greater than the liquid limits, suggesting that the soils are normally consolidated. Normally consolidated soils have not experienced effective stresses in the past that are higher than at present. Over-consolidated soils have experienced higher effective stresses in the past than at present. Over-consolidation is indicated when the moisture content is less than the plastic limit, which is the case for the till samples.

The till samples typically have lower moisture contents than the overlying soils, suggesting there is a perched water table above that strata.

An Oedometer test was completed by Golder Associates on one fine-grained sample to determine consolidation parameters, including over-consolidation ratio (OCR). The test results are presented in Table 7:

Sample	Sample Depth (m)	Estimated Effective Stress δ' (kPa)	Estimated Pre-consolidation Pressure δ_p (kPa)	Estimated OCR	Compression Index C_c	Swell Index C_s
BH15/ST	9.1	139	110	0.8	0.15	0.026

Testing indicates sample BH15/ST is under-consolidated or at least normally consolidated. An evaluation of OCR using the ratio S_u/δ' and equation $S_u/\delta' = 0.22(OCR)^{0.8}$ suggests a similar interpretation of OCR. In addition, Triaxial testing on a similar clay sample from near the site indicated the soil was normally consolidated. The index values for BH15/ST are typical for Fernie normally consolidated soils.

The lab test reports are found in Appendix IV. Some of the lab test data from the Geo investigation is shown on the test pit and borehole logs, which have been included in this report.

6.6 CBR – Resilient Modulus

For the design of a flexible road structure, a CBR test was completed by Curtis Engineering Ltd. on one soil sample (TP18/S1). Soaked CBR values of 2 were determined for the clay sample.

To further assess CBR values, DCP testing was also completed in several test pits on the proposed extension and Village Way. CBR values were assessed using DCP test results; the raw data was interpreted to be representative of unsoaked CBR values. The soaked CBR values were assumed to be 50 % of the unsoaked value. Resilient Modulus (M_r) was interpreted from the unsoaked CBR values and used in the design of the flexible pavement structures for the project roads. Table 8 below presents the M_r values used in the flexible pavement design.

Table 8 – Resilient Modulus Design Values	
Road	Resilient Modulus, Mr (MPa)
Alpine Way Extension	18.1
Village Way	77.6
Resort Drive Extension	20.7

7.0 GEOHAZARD ASSESSMENT AND RECOMMENDATIONS

This section of the report provides the geohazard assessment used to assess the area for building potential. Discussion is also provided regarding off-site geohazards that could affect the site, as well as on-site geohazards. Slope stability analysis was carried out to aid in the assessment of steep slopes (i.e., on-site geohazards) and the associated delineation of geozones. Descriptions of the criteria of each geozone are provided, as well as geozone mapping.

7.1 Residential Development Potential Criteria

A building site that is considered safe for the placement of a residential structure(s) should satisfy the following criteria:

- I. The Engineers and Geoscientists BC Guidelines for Landslide Assessments in British Columbia (2022), where developable lands should be “safe for the intended use”;
- II. The EGBC standard of safety for a flooding occurrence is 1/200 (i.e., flood construction level elevation is at least the 200-year flood elevation);
- III. The geotechnical engineering requirement that terrain considered for development with permanent habitated structures should have a FOS against landslides of at least 1.5 (static conditions) and 1.0 (seismic conditions); and
- IV. Active or potential geomorphic/flood processes on or near the site.

7.2 Geohazard Assessment

A review of imagery indicates there are no significant upslope or downslope geohazards (i.e., landslide, debris torrent, etc.) that could impact the property. Discussions with snow safety personnel at the Fernie Alpine Resort indicated the property is beyond mapped snow avalanche runout zones (i.e., 1 in 300 years); as such, the risk of snow avalanches impacting the site is very low.

Geohazards on the property are limited to steep slopes and flooding associated with Currie Creek and an unnamed creek. The flooding hazard is localized to close proximity of the creek and will be limited by terrain confinement. As noted earlier, the geohazard associated with the steep slopes and flood hazards has been taken into account in the delineation of geozones and their associated geozone-specific building requirements/restrictions.

7.3 Slope Stability Analysis

Slope stability analysis was carried out to help quantify site slope stability in terms of FOS. In geotechnical engineering practice, the degree of stability of a site is measured by a FOS parameter, where the FOS is the ratio of the resisting forces to the driving forces for a given slope profile and failure surface. A FOS of

close to one or less than one would represent an unstable slope. FOSs at increasing values above one lend increasing confidence in the stability of the slope. The threshold acceptable FOS value for residential development is 1.5 (static) and 1.0 (seismic).

Fourteen slope profiles (XS1 to XS15 and 2015 XS3, 2015 XS4) for the site were assessed using Rocscience's Slide2 software using the GLE/Morenstern-Price Method (i.e., circular failure surface). The slope profile locations are shown on Figure 5. The profiles were determined from contour mapping provided by RCR. The soil stratigraphy assumed in the slope stability analysis is based on conditions encountered in the test pit and boreholes and observations of surface exposures. Representative estimates of soil and groundwater conditions for the profiles were incorporated in the stability analysis. The soil strength parameters are based on established strength parameters for a given soil type, tri-axial testing completed by Groundtech, and engineering judgement. The assumed soil parameters used in the analysis and the FOS values are shown on the stability plots found in Appendix V.

Seismic analysis was not carried out because Fernie is in a low seismic activity area and static analysis results typically govern over seismic analysis results in terms of location of safe area boundary determination, etc.

7.4 Geozones

Table 9 presents the geozone definitions, requirements and restrictions.

Table 9 - Geozone Definitions, Requirements and Restrictions	
Geozone	
Zone 1	<ul style="list-style-type: none"> • Terrain is considered suitable for development with residential structures (safe for the intended use); • Terrain has a FOS against landslides of at least 1.5; • The terrain should not be affected by a stream/creek flood event with a return period of 1 in 200 years (or greater); • Terrain is considered safe for the intended use; • Conventional shallow foundations may be used to support structures. Foundation footing and/or cut-off drains to manage groundwater may be required.
Zone 2	<ul style="list-style-type: none"> • Terrain is considered suitable for development with residential structures (safe for the intended use); • Terrain has a FOS against landslides of at least 1.5; • The terrain should not be affected by a stream/creek flood event with a return period of 1 in 200 years (or greater); • Due to possible weak soils and/or high groundwater conditions, and/or seepage/ drainage flow, site-specific geotechnical investigation(s) will be required, prior to construction; • Terrain is considered safe for the intended use, provided the recommendations of a site-specific geotechnical investigation are carried out; • Basements may not be practicable on some sites; • Conventional shallow foundations may have application; however, ground improvement may be required. Deep foundations may be possible foundation types for the area.
Zone 3	<ul style="list-style-type: none"> • Terrain is considered suitable for development with residential structures (safe for the intended use); • Terrain has a FOS against landslides of at least 1.5; • The terrain should not be affected by a stream/creek flood event with a return period of 1 in 200 years (or greater); • Due to possible high groundwater conditions, site-specific geotechnical investigation is required, prior to construction; • Terrain is considered safe for the intended use, provided the recommendations of a site specific geotechnical investigation are carried out; • Basements may be possible on some sites; • Conventional shallow foundations may have application; however, ground improvement may be required.
Zone 4	<ul style="list-style-type: none"> • Area was not assessed, or; • Terrain is not considered suitable for development with residential structures, or; • Terrain has a FOS against landslides of less than 1.5 or; • The terrain could be affected by a flood event with a return period of 1 in 200 years (or less) or; • Terrain is not considered safe for the intended use; • Residential construction on the site may be possible; however, due to terrain, soil, groundwater, and/or bedrock conditions, a site-specific geotechnical investigation is required to confirm hazard conditions at the building site(s) and to ensure these conditions are taken into account during the design and construction of the building. The site may require special foundation types and/or slope modification using recognized remedial procedures to ensure the building site meets FOS and probabilistic safety standards and will be safe for the intended use.

The geozone map is shown on Figure 7.

7.5 Guidelines for Legislated Landslide Assessments for Proposed Residential Developments in BC

The lots are considered safe for the intended use provided the recommendation of this report and site specific geotechnical investigations are carried out.

7.6 Flood and Landslide Assessment Assurance Statements

The completed Flood and Landslide Assessment Assurance Statements are attached in Appendix VI.

8.0 GEOTECHNICAL ASSESSMENT AND PRELIMINARY BUILDING CONSTRUCTION RECOMMENDATIONS

8.1 Geotechnical Assessment

Three residential areas were assessed for Timber Landing Phase 3; the Alpine Way Extension area, the Resort Drive Extension area and the Village Way Area. The native surficial materials and groundwater conditions are considered poor to good for the proposed construction.

The following sections contain geotechnical recommendations for building construction; however, the recommendations should only be used for areas mantled by till (i.e., Geozones 1 and 3). These are generally the upland areas associated with Resort Drive Extension and the Village Way. Lowland areas in the vicinity of the Alpine Way Extension area and other lowland areas associated with the Village Way area and Resort Drive Extension areas (i.e., Multi-Family 56 and 57) are generally mantled by glaciolacustrine soils, and high groundwater levels have been observed (i.e., Geozone 2). Construction in these areas should be based on recommendations of a site specific geotechnical investigation as per the Geozone requirements.

8.2 Site Preparation

Subgrades should be prepared by removing any disturbed, loosened or water-softened soils. Topsoil, organics and near-surface silt/clayey soils should be removed from the subgrade. The subgrade for the structures should consist, for the most part, of till.

Any standing water within the building site should be removed prior to site preparation. The surface of the subgrade should be trimmed smooth with a clean-up bucket of an excavator and prepared to provide positive drainage off the subgrade surface and limit the possibility of water ponding. Perimeter ditching may be required to keep subgrade soils dry during construction.

Following site preparation, heavy machinery should be restricted from prepared areas to avoid disturbing and weakening subgrade soils.

8.3 Shallow and Deep Foundations

Footings for structures in Zone 1 and 3 lands, that are founded on till soils may be designed assuming maximum allowable soil-bearing capacities of 125 kPa (Serviceability Limit States (SLS)) and 180 kPa (Ultimate Limit States (ULS)), (Factor $\phi = 0.5$) may be used for footing design. Estimated total and differential settlements should be less than 25 mm and 19 mm, respectively, and be tolerable for the structure. The subgrade soils should adequately support building loads considering the above-noted bearing

values.

Given the soil characteristics, exterior wall footings should be founded at a minimum depth of 1.2 m below final site grade for protection from frost penetration. Similarly, footings in unheated areas should be founded at a minimum depth of 2.1 m below final site grade. If these depths cannot be achieved, the footings should be suitably insulated.

The 30 m thickness of subgrade soils beneath the site is considered Class “D” (Stiff Soil) in terms of site classification for seismic site response. The NRC website (<https://earthquakescanada.nrcan.gc.ca>) was used to provide the spectral and peak ground acceleration values for the site for a 2 % probability of exceedance in a 50 year event. The values, adjusted for Site Class D Conditions, are listed below in Table 10.

Return Period	Sa(0.2)	Sa(0.5)	Sa(1.0)	Sa(2.0)	PGA
1:2475 yr	0.372	0.34	0.202	0.106	0.146

Foundations for structures in Zone 2 lands should be based on recommendations of site-specific geotechnical investigations. Special care will be required for foundation design in areas underlain by weak silt and clay as these soils are interpreted to be normally consolidated. These areas are prone to consolidation settlement when stressed by building loads. Use of conventional shallow footings in these areas may result in settlement beyond what structures can tolerate. Subgrade enhancement or deep foundations may be required to adequately support structures. Deep foundations, in particular end bearing piles, should be based in the underlying till soils. Helical piles can adequately support loads of typical single-family residences, whereas more robust piles (i.e., steel H-piles, Steel pipe piles) may be required for buildings with larger loads (i.e., multi-level, multi-family).

8.4 Drainage

For the most part, foundation/footing drainage structures will be required for buildings. Given the potential of the subgrade materials to soften and weaken if contacted by water and to protect foundation walls from the ingress of water and hydrostatic pressure, footing drainage systems are required for the buildings. Drain lines should be a minimum diameter of 100 mm, perforated, rigid PVC pipe, and placed adjacent to the exterior toe of the footing. The drain should be buried below a minimum 300 mm thickness of drain rock; the pipe and rock should all be wrapped, as one, with non-woven geotextile (i.e., Nillex 4551 or equivalent) filter cloth to minimize the migration of fines into the pipe. Outflow should be conveyed downslope in a solid, PVC pipe to daylight or, the subdivision roadside ditch or a stormwater main. The use of rock pits could be problematic due to the low permeability of the till soils. An interior under-slab drainage systems may be required, design details of the under-slab drainage system can be provided with the site-specific geotechnical investigations. Depending on surface and groundwater conditions, a swale upslope and installing a sump pump in the basement might be considered.

For basement foundation walls, a minimum 500 mm wide, drainage layer should be placed in front of the basement foundation walls, on top of the aforementioned footing drain and should extend to within 0.3 m of the backfill surface. The drainage layer should consist of clean (i.e., < 5 % passing the U.S. No. 200 sieve), 75 mm minus sand and gravel, and should be moderately compacted. If sufficiently clean materials cannot be located, drain rock could be used but should be separated from adjacent native soils and overlying fill soils by non-woven geotextile filter cloth (i.e., Nillex 4551 or approved equivalent). The drain rock should be placed in maximum 0.45 m thick lifts and compacted with at least six passes of a 150 lb vibratory plate tamper.

It is recommended that building contractors confirm the invert elevation of the stormwater service pipes

prior to completing building excavations. When the storm main is used to outflow footing drainage, it should be designed to gravity flow.

In order to promote drainage of surface waters away from the exterior of the foundation walls, the surface of any foundation backfill should be capped with a 0.3 m minimum thickness of low permeability soil (silt/clay), and the final ground surface adjacent to the foundation walls should be sloped away from the building at a minimum grade of 1 % to 2 %.

8.5 Structural Fill

Structural fill should consist of clean, well-graded, 75 mm minus sand and gravel (pit run) or crush and should be thoroughly compacted in maximum 150 mm thick lifts. In order to achieve suitable compaction, a minimum of eight passes per lift with a 1000 lb vibratory plate tamper or 10,000 lb roller should be completed. Depending on the natural moisture content of the material, the addition of water may be required to achieve suitable compaction. Should this be the case, water should be applied to the fill during the spreading of lifts, prior to compaction. Compaction testing (i.e., with a nuclear densometer) should be conducted on structural fills that are thicker than 1 m. The minimum compaction should be 100 % of the material's Standard Proctor Maximum Dry Density (SPMDD).

If the surface of the backfill on an exterior foundation wall is to support structures sensitive to settlement, such as sidewalks, driveways or parking areas, the backfill should consist of compacted structural fill, as described above.

Most on-site soils are not suitable for re-use as structural fill.

8.6 Concrete Slab-On-Grade

Floor slabs-on-grade should be underlain by a granular drainage layer consisting of at least 150 mm of clean (i.e., < 5 % passing the U.S. No. 200 sieve), 20 mm minus crush or clean, 50 mm minus sand and gravel and should be thoroughly compacted using a vibratory plate tamper, as described above. To inhibit the upward migration of moisture, slabs should be separated from the underlying drainage layer by 0.15 mm (6 mil) thick polyethylene sheeting vapour barrier. Adjacent sheets of vapour barrier should overlap by a minimum of 0.6 m. BC Building code radon rough-in regulations should be followed.

8.7 Lateral Earth Pressure for Foundation Wall Design

Assuming the basement foundation wall (i.e., 3 m high) backfill is clean, compacted sand and gravel, an earth pressure-at-rest coefficient K_o of 0.4 and passive earth pressure coefficient K_p of 3.0 can be used for wall design. The above K_o value is based on level backfill. As such, the foundation wall design can be carried out assuming an equivalent fluid pressure of 9 kPa/m of vertical backfill. A geotechnical engineer should be consulted for appropriate K_o and equivalent fluid pressure values if foundation wall backfill is anticipated to be sloping (i.e., ascending from the wall face).

8.8 Concrete Type

General Use (GU) cement is recommended, as the soils in the area typically do not have any significant soluble sulphate content.

9.0 GEOTECHNICAL ASSESSMENT AND FLEXIBLE PAVEMENT CONSTRUCTION RECOMMENDATIONS

The recommended flexible pavement structure is presented in Table 11:

Table 11 - Flexible Pavement Structure				
Component	Minimum Thickness (mm)			Comments/Specifications
	Alpine Way Extension	Village Way	Resort Drive Extension	
Asphalt Concrete	50	50	50	Construction materials and procedures should conform to MMCD specifications.
Granular Base Course	200	150	200	
Granular Sub-base Course	450	200	400	
Granular Subgrade Replacement	As required			Replacement of subgrade soils should occur where materials are considered unsuitable and/or where moisture conditioning is considered impractical/uneconomic and/or compaction of the subgrade is problematic (see sub-section below for further requirements for subgrade enhancement).
Embankment materials				On-site till is acceptable. The materials should be approved by Groundtech prior to use.

The above flexible road structure design took into account the following:

1. The performance of the existing pavement near the site.
2. Minimum flexible road structure for a “subdivision road” for an Alpine Ski Village as per the BC MOTI’s Supplement to the Geometric Design Guide 1500 (April 2019).
3. MMCD Design Guidelines (2014.12.04).
4. Minimum flexible road structure for a residential road as per the City of Fernie (COF) Subdivision Servicing Bylaw 1727.
5. Subgrade soils will provide a minimum M_r of 18.1 MPa, 77.6 MPa and 20.7 for Alpine Way Extension, Village Way and Resort Drive Extension, respectively. Higher M_r values are anticipated in many areas.
6. Design trafficking of at least 70,000 ESALs for a 20-year life, which is consistent with the MOTI specifications for a local residential road. The above design was assessed using Tensorar’s Spectrapave4 Pro Program (based on ASSHTO 1993 Method). The assessment confirmed at least a design life of 72,000 ESALs (i.e., 20 year life) could be expected assuming the above subgrade M_r values. The design determination took into account the Asphalt Institute M-1 design method).
7. The subgrade soils in some areas are frost-susceptible.
8. Potentially high groundwater conditions.

Subgrade Preparation

The upper 300 mm of the subgrade soils should be compacted to a minimum of 98 % of the material’s SPMD using methods consistent with the MMCD specifications. A sheep’s foot roller is recommended for use where silty soils are encountered in the subgrade; otherwise, a vibratory roller may be used.

Areas containing silty soils with moisture contents in excess optimum may require scarification and aeration. Moisture conditioning may be required in some areas containing granular soils where in situ moisture contents are dry of optimum.

Proof rolling of the subgrade should be made using a loaded dual-axle gravel truck and witnessed by a geotechnical engineer or designate.

Subgrade Replacement

As noted earlier, additional measures may be required in some areas. Where soils are unsuitable and/or it is impractical to scarify and aerate, subgrade replacement may be required. The material should consist of clean (i.e., less than 8 % passing the 0.075 mm ASTM sieve size), 150 mm minus, well-graded granular material consisting of durable stone, free of organics and soft materials. Lifts should not exceed 200 mm, and each lift should be compacted to a minimum of 98 % of the material's SPMDD.

It may be necessary to overlay the excavated subgrade with geotextile (Geotex 250ST or approved equivalent) prior to placing subgrade placement materials to provide reinforcement and long-term separation of silty underlying subgrade soils from overlying sub-base or subgrade replacement materials. The use of geotextile should be based on the recommendations of a geotechnical engineer made at the time of the subgrade inspection and/or witnessing of proof rolling.

Proof rolling of the completed subgrade surface, where subgrade replacement has been completed, should be made using a loaded dual-axle gravel truck and witnessed by a geotechnical engineer or designate.

Crossfall

Road subgrades and all layers of the flexible pavement structure should be prepared to provide a 2 % crossfall.

Re-Use of In Situ Materials

Gradation testing indicated that on-site till materials contain significant fines, generally in excess of the minimum MMCD specification. As such, these materials are not suitable for re-use as sub-base or base materials. However, these materials are suitable for use as utility trench backfill. These materials are also acceptable for use as embankment materials. Materials proposed for re-use should be approved by a geotechnical engineer or designate prior to use.

Frost Considerations

The expected maximum frost penetration under average conditions for a road in Fernie can exceed 2.1 m. Based on the observed soil, groundwater and existing conditions of the asphalt surface, some frost action is probable.

Testing and Inspection

All engineering design recommendations presented herein are based on the assumption that a qualified contractor will be retained to carry out the work and that adequate levels of inspections and testing will be undertaken during construction. Weekly spot inspections should be completed by a geotechnical engineer or designate. A geotechnical engineer or designate should inspect the prepared subgrade and witness the proof roll, which should utilize a fully loaded dual-axle gravel truck. Materials testing should be carried out by a qualified materials testing firm, to a satisfactory degree and/or defined by the MMCD specifications.

10.0 CLOSURE

This report has been prepared for the exclusive use of Resorts of the Canadian Rockies, the BC Ministry of Transportation, and RDEK for this project. Groundtech retains the intellectual property obtained from the project.

This report is based on subsurface information obtained during the site investigation, which was conducted with accepted geotechnical engineering principles and practices. It should be noted that natural soil and groundwater conditions can be variable. No other warranty, expressed or implied, is made. Groundtech should be contacted if subsurface conditions encountered during construction differ from those anticipated and/or interpreted from the site investigation.

Individual recommendations presented in this report should not be used out of context with the entire report. Interpretation of any part of this report should be made in consultation with Groundtech. Any use or reliance of this report by a third party is the responsibility of said party, and Groundtech accepts no responsibility for any damages suffered by said party as a result of decisions made or actions taken based on this report.

If there are any questions or concerns regarding the foregoing information please call Douglas Clapp, P. Eng., at (250) 423-4829.

Respectfully submitted,



Douglas A. Clapp, P. Eng.

Permit to Practice: 1003695

11.0 REVIEW OF EXISTING INFORMATION

1. Biophysical Resources of the East Kootenay Area: Soils, Wildlife Technical Monograph TM-1; BC Ministry of the Environment; March 1990.
2. Biophysical Resources of the East Kootenay Area: Terrain; B.C. Ministry of the Environment; 1981.
3. Geotechnical Site Investigation, Timber Landing Subdivision, Fernie Alpine Resort, BC, November 2015.
4. Fernie Alpine Resort, Proposed Timber Landing Subdivision (Phase 1); Geo-Engineering (M.S.T.) Ltd., August 2000.
5. Resorts of the Canadian Rockies, Fernie Alpine Resort Proposed Expansion, Report on Development Conditions; Geo-Engineering (M.S.T.) Ltd.; December 1998.
6. Geotechnical Site Investigation Report, Proposed Infill Lots C and D, Timberline Crescent, Fernie Alpine Resort, BC; Groundtech Engineering Ltd.; September 2015.
7. Geotechnical Site Investigation Report, Infill Lots 1 and 2, Timberline Crescent, Fernie Alpine Resort, BC, February 2015.
8. Geotechnical Site Investigation Report, Proposed Timber Landing Subdivision, Fernie Alpine Resort, BC, November 2015.

APPENDIX I

Figures

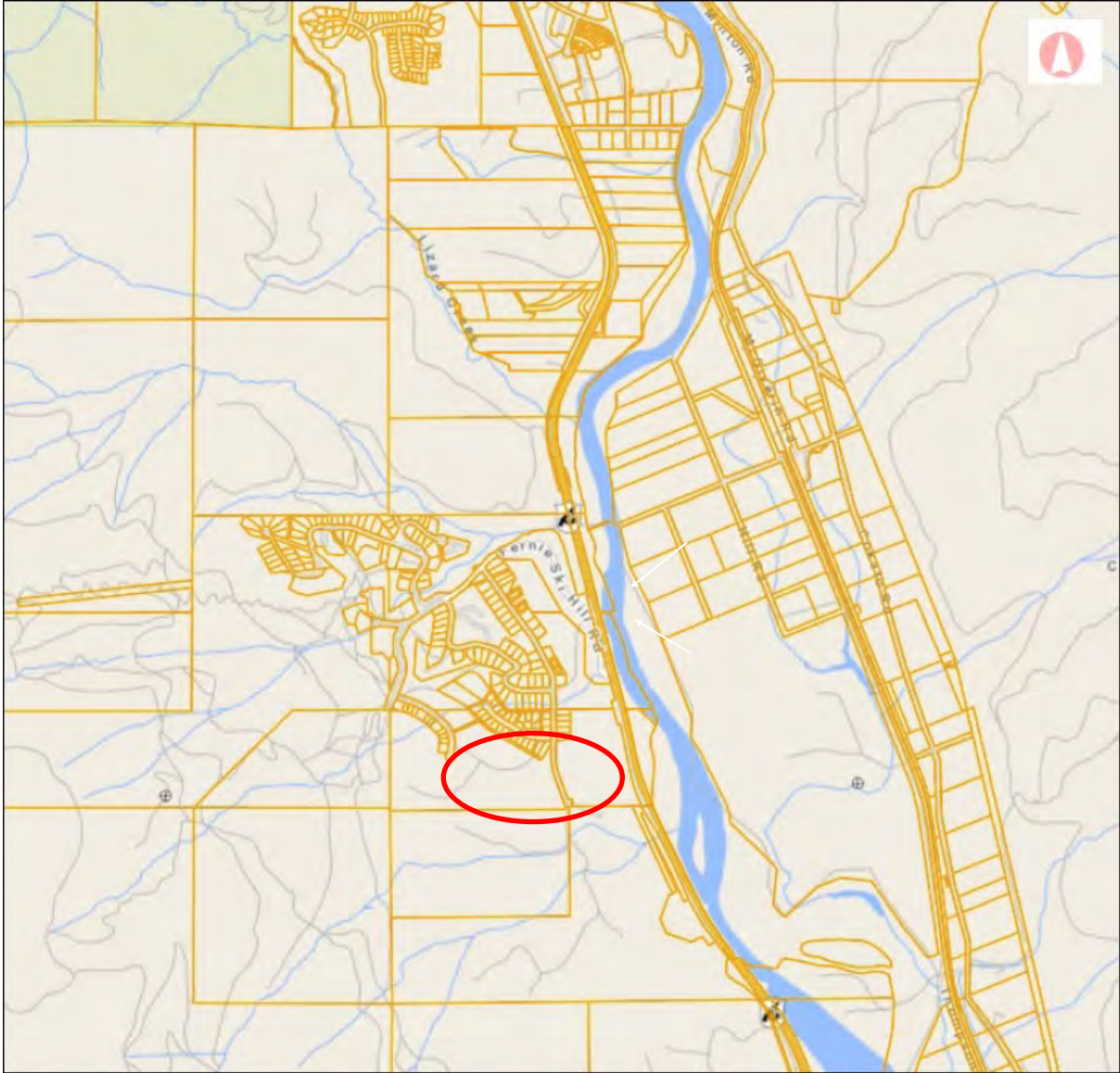



Figure 1
Site Location Map

Project:
Geotechnical Site Investigation
Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Legend:
Site Location: 

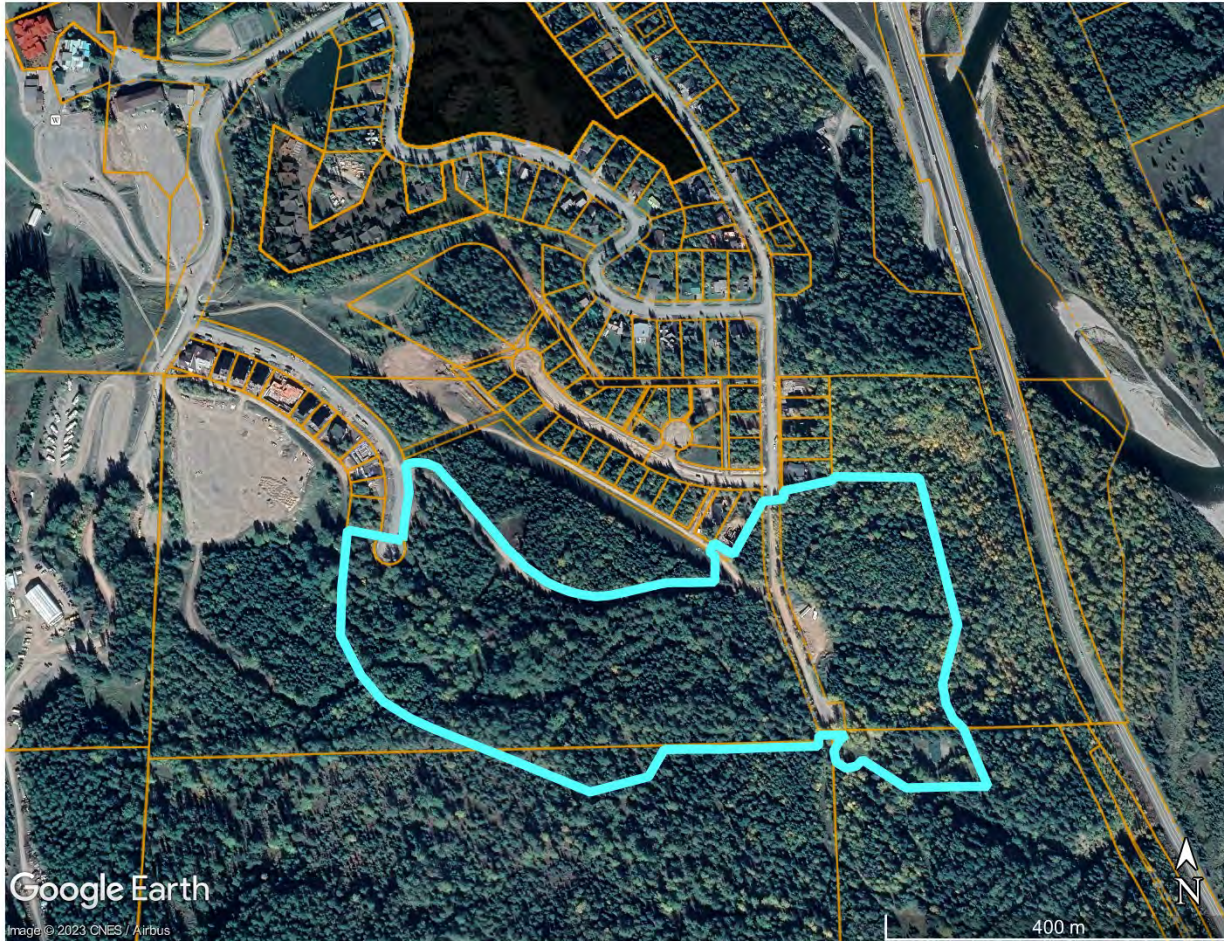
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Groundtech Engineering Ltd.

Figure 2

Google Plan View



Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Legend:

Property boundary: ———

Scale: NTS

File: 23m38fg

Groundtech Engineering Ltd.

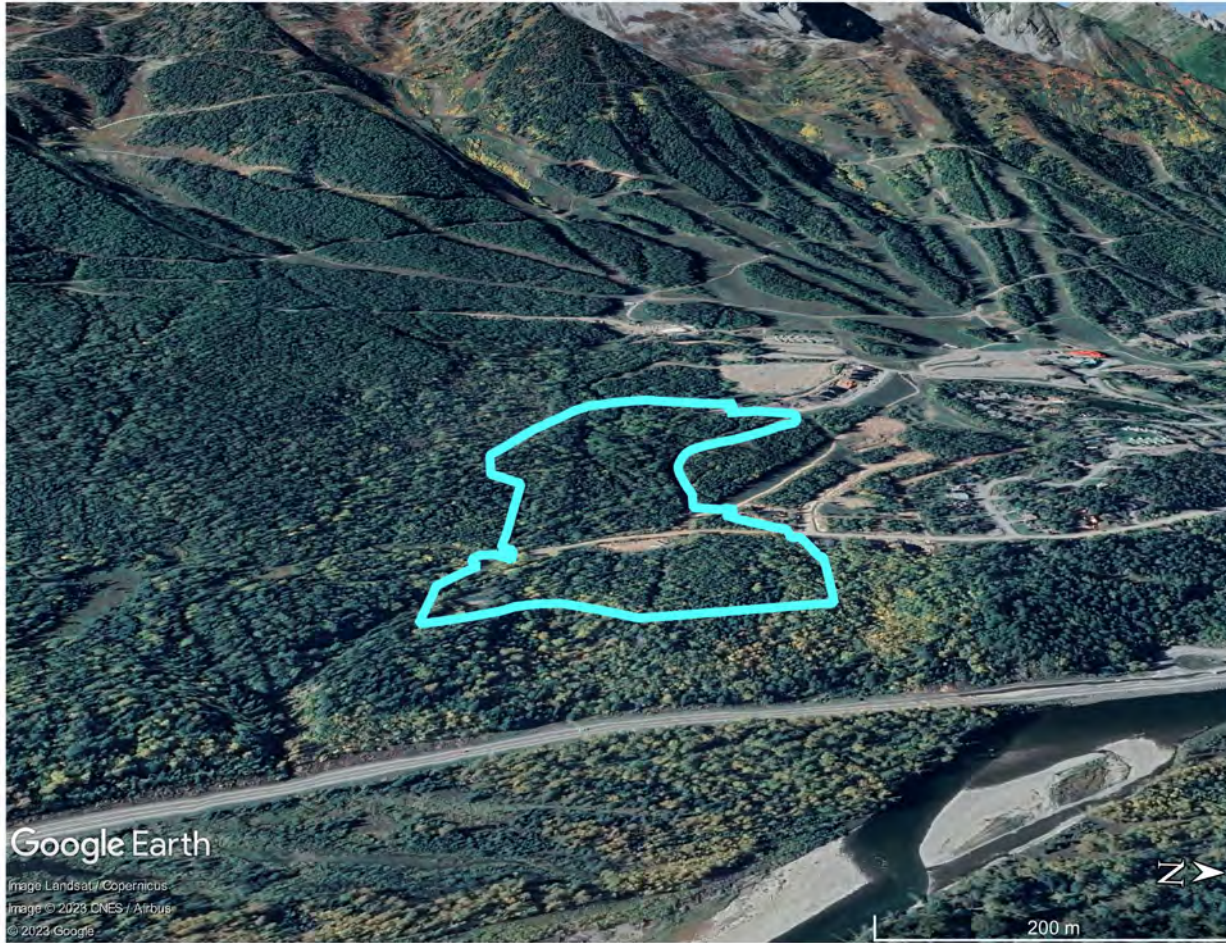


Figure 3
Google Oblique View

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Legend:

Property boundary: ———

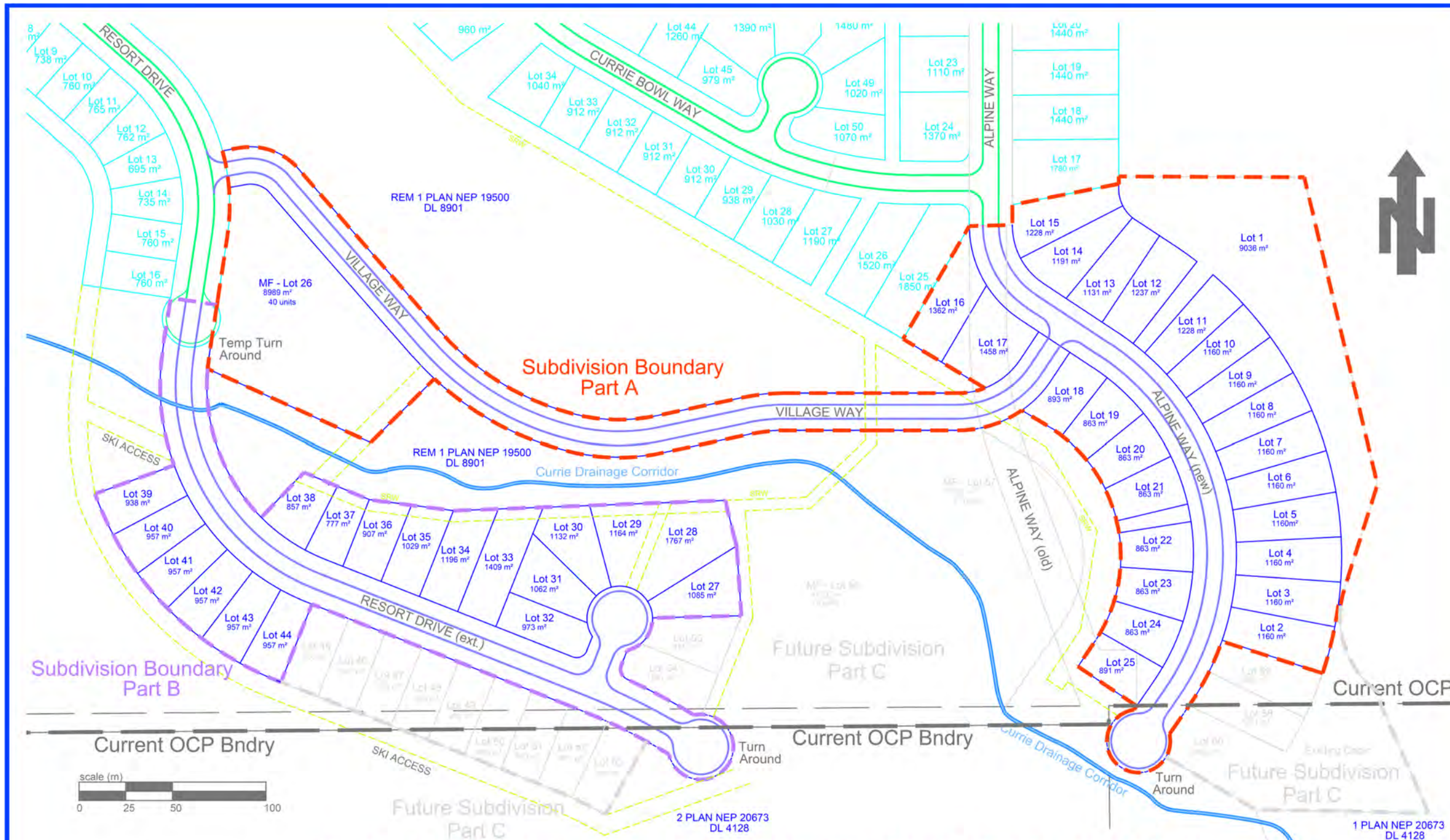
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**Figure 4
Subdivision Plan**

Project:
Geotechnical Site Investigation
Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC



**Timberlanding Phase 3 - Plan of Proposed Subdivision in 3 Parts
Current Application Parts A & B (Lots 1-26 & Lots 27-44) & Future Application Part C (Lots 45-60)**

Jan 9, 2023

Resorts of the Canadian Rockies Inc.

Scale: NTS

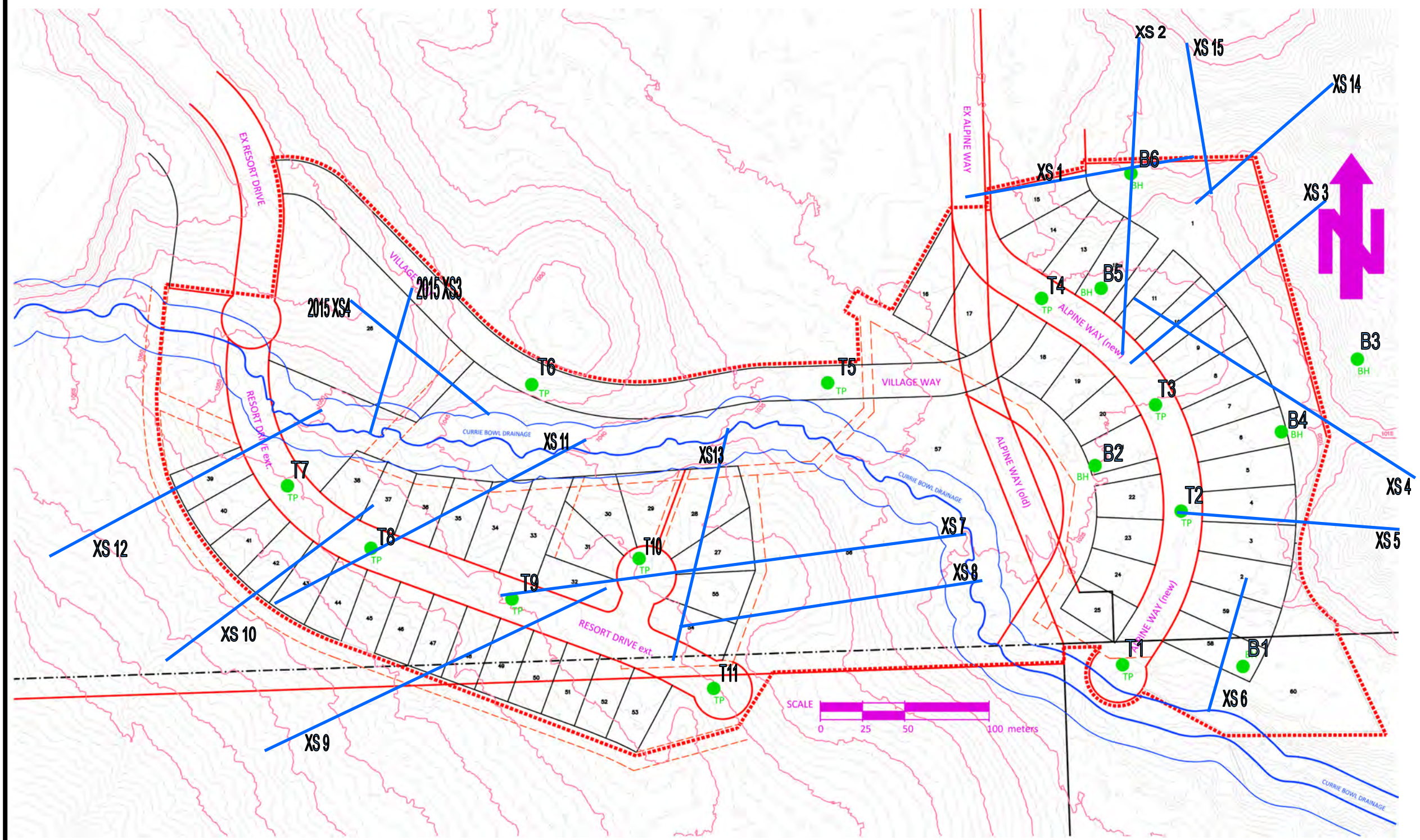
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Groundtech Engineering Ltd.

**Figure 5
Site Plan and
Topographic Map**

Project:
Geotechnical Site Investigation
Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

- Legend:
- Borehole Locations: ● B1
 - Test Pit Locations: ● T1
 - Cross Section Locations: — XS6



Scale: NTS

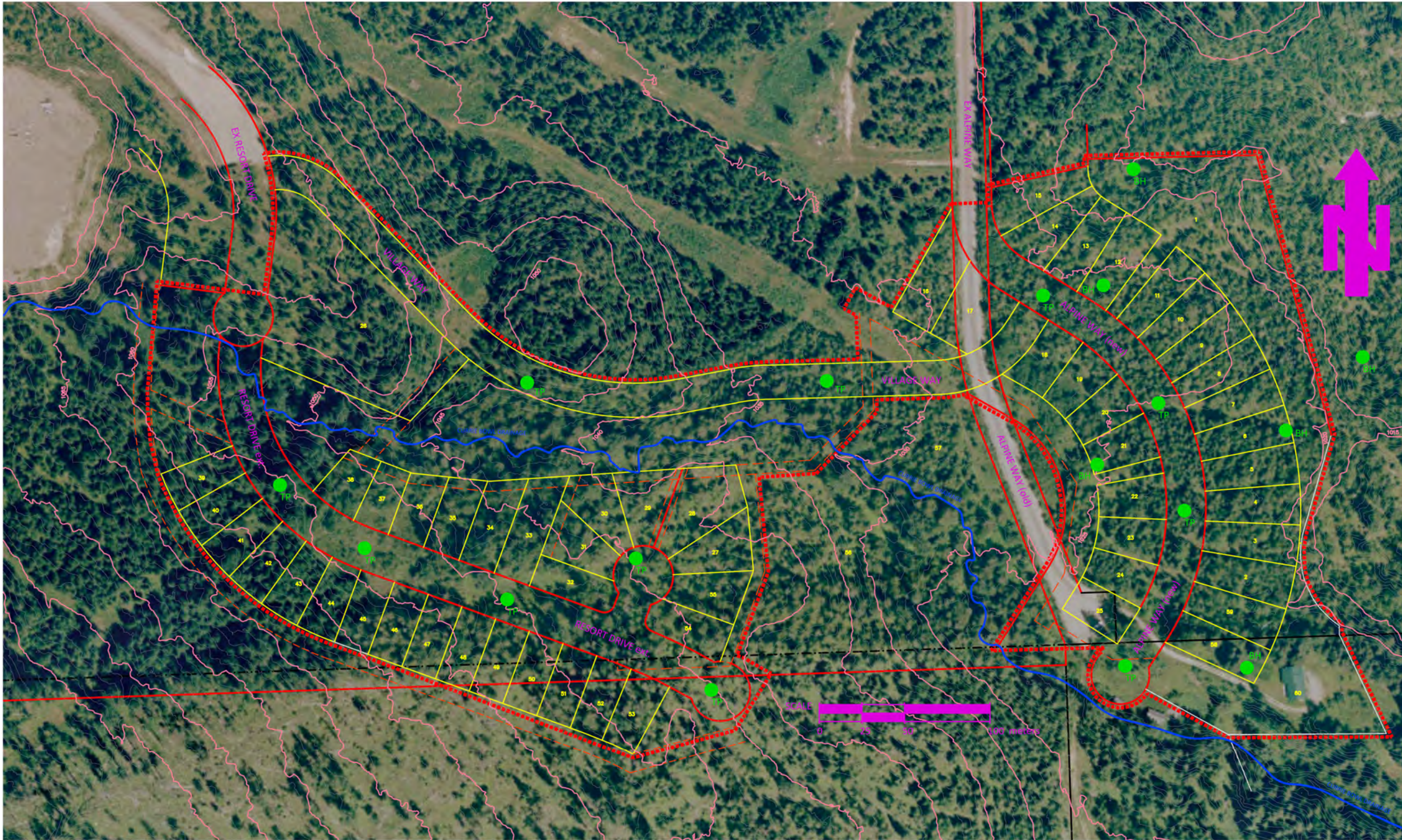
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Figure 6

Aerial Image

Project:
Geotechnical Site Investigation
Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC



Scale: NTS

File: 23m38fg




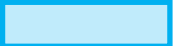
Groundtech Engineering Ltd.

Figure 7

Geozone Map

Project:
Geotechnical Site Investigation
Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

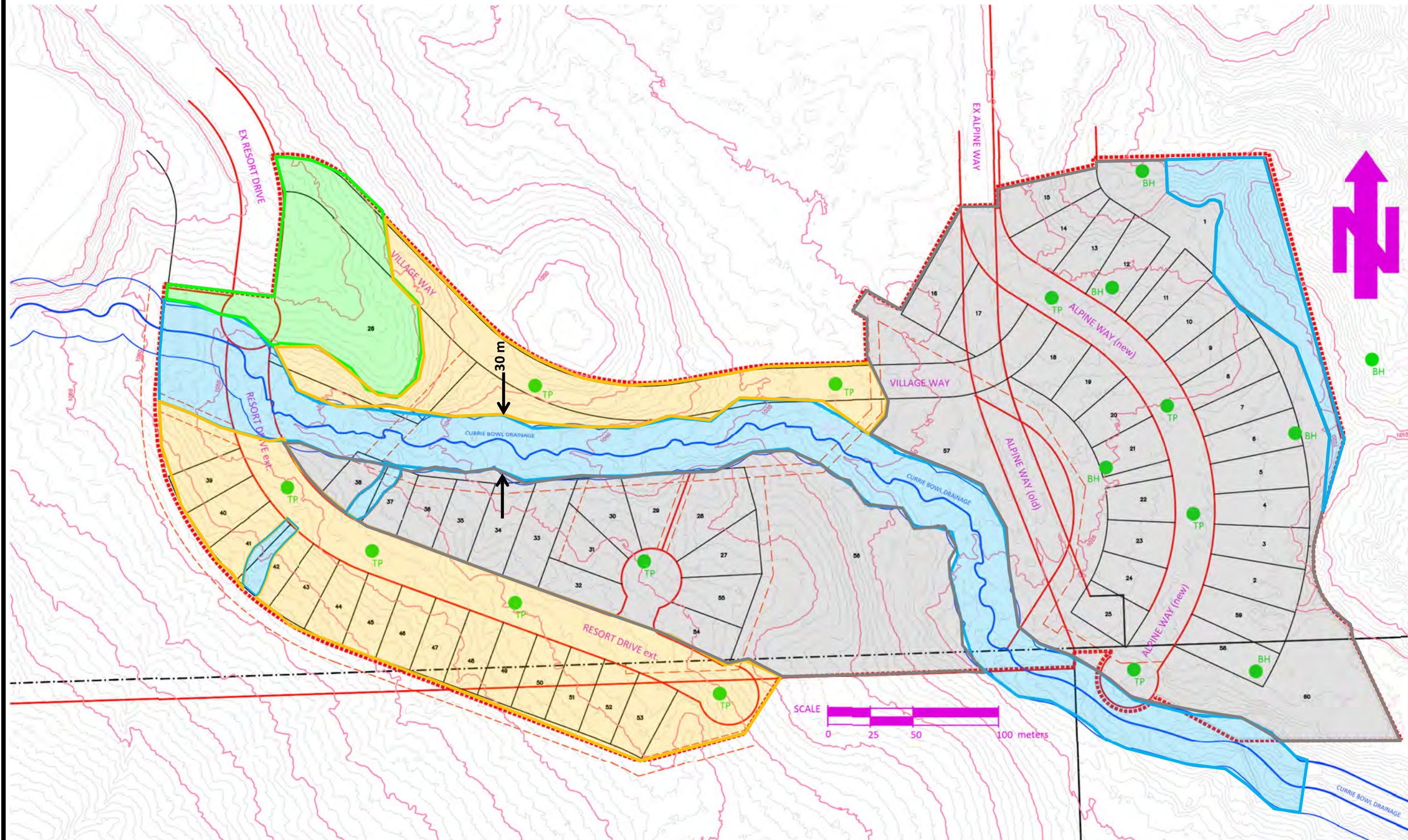
Legend:

- Zone I: 
- Zone II: 
- Zone III: 
- Zone IV: 

Scale: NTS

File: 23m38fg

Groundtech Engineering Ltd.



APPENDIX II

Photos



Photo 1

**Curry Creek
North of T10**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 2

**Curry Creek South of
Village Way**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 3

Alpine Way Extension Area Typical Forest Lot

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 4

Alpine Way Extension Area B4 Location

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 5

Alpine Way Extension Area B5 Location

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 6

Alpine Way Extension Area B6 Location

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 7
Village Way
Looking East

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 8

**Resort Drive Area
Looking Southwest to
Lot 41/42**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

Groundtech Engineering Ltd.



Photo 9

**Resort Drive Area
Looking Southwest to
Lot 36/37**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 10

**Resort Drive Area
TP10 Location**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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Photo 11

**Resort Drive Area
TP11 Location**

Project:
Geotechnical Site Investigation

Proposed Timber Landing
Phase 3
Fernie Alpine Resort, BC

Scale: NTS

File: 23m38fg

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APPENDIX III

Test Pit and Borehole Logs

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Client: Resorts of the Canadian Rockies

Location: Alpine Way Lot 58

Bore Hole: B1

Date: June 1, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT			% Fines Δ < 0.075 mm Δ	Moisture Content			Piezometer	Remarks
						Blows/.3m	20	40		60	20	40		
0.00		Ground Surface	0.00											
1.00		Dark brown, dry, firm, clayey silt		S1	II	5								
2.00		Dark brown, wet, loose, sand, some silt	1.83	S2	II	7								PP = 50 kPa, Tor = 70 kPa
3.00		Dark brown, loose, wet, silty sand, interbedded with silt, some clay	2.29	S3	II	4								
4.00		Grey, wet, very soft, clayey silt	4.11	S4	II	0				26.50				Tor = 100 kPa
5.00		Grey, wet, very loose, sandy silt, trace clay	5.33	S5	II	0								Tor = 200 kPa
6.00		Grey, wet, very soft, clayey silt	6.10	S6	II	0								Tor = 100 kPa
7.00		Grey, wet, very soft, clayey silt, some sand, some gravel	7.32	S7	II	1								
8.00		Grey, wet, very soft, clayey silt	7.77	S8	II									
9.00		End of Bore Hole		S9	II									

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

Groundtech Engineering Ltd.
PO Box 688
Fernie, BC, V0B 1M0

Datum:

Sheet: 1 of 1

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Bore Hole: B2

Client: Resorts of the Canadian Rockies

Date: June 1, 2021

Location: Alpine Way East of Lot 22/23

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT			% Fines				Moisture Content				Piezometer	Remarks
						Blows/.3m			$\Delta < 0.075 \text{ mm} \Delta$				o					
						20	40	60	20	40	60	80	20	40	60	80		
0.00		Ground Surface	0.00															
1.00		Brown, moist, firm, clayey silt, some gravel, trace sand		S1	II													
2.00		Grey, wet, loose, compact, sand, some silt	1.83															
3.00		Grey, wet, loose sandy silt, interbedded with clayey silt	2.29	S2	II													Tor = 30 kPa
4.00			3.81	S4	II													Tor = 100 kPa
5.00		Grey, wet, very soft, clayey silt		S6	II								32.30					Tor = 7.5 kPa
6.00				S7	II													Tor = 17.5 kPa
7.00		Grey, wet, loose, sand, some silt, some gravel	6.40															
8.00		Grey, wet, firm, clayey silt		S8	II													
		Grey, wet, firm, clayey silt, some gravel, trace sand	7.62	S9	II													
		End of Bore Hole	8.08															
9.00																		

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

Groundtech Engineering Ltd.
 PO Box 688
 Fernie, BC, V0B 1M0

Datum:

Sheet: 1 of 1

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Client: Resorts of the Canadian Rockies

Location: Alpine Way, east of proposed Lot 7

Bore Hole: B3

Date: June 1, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT	% Fines	Moisture Content	Piezometer	Remarks
						Blows/.3m 20 40 60	$\Delta < 0.075 \text{ mm} \Delta$ 20 40 60 80	\circ \circ 20 40 60 80		
0.00		Ground Surface	0.00							
0.00 - 0.50		Dark brown, loose silt, some sand, some gravel, some clay								
0.50 - 1.22		Brown, wet, compact, silt, some clay, some gravel, some sand								
1.22 - 6.55		Brown, moist, firm/stiff, clayey silt, trace sand, trace gravel	1.22	S1	II					
				S2	II	11				
				S3	II					
				S4	II	15				Tor = 65 kPa Tor = 30 kPa
				S5	II	23				Tor = 70 kPa, PP = 40 kPa
				S6	II					
		Brown, moist, very stiff, clayey silt, some sand, some gravel		S7	II	22				Tor = 70 kPa, PP = 30 kPa
				S8	II	26				Tor = 60 kPa, PP = 80 kPa
6.55		End of Bore Hole	6.55							
7.00										

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

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Datum:

Sheet: 1 of 1

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Bore Hole: B4

Client: Resorts of the Canadian Rockies

Date: June 1, 2021

Location: Alpine Way, corner of Lot 8

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT			% Fines				Moisture Content				Piezometer	Remarks
						Blows/3m	20	40	60	$\Delta < 0.075 \text{ mm}$	20	40	60	80	20	40		
0.00		Ground Surface	0.00															
		Brown, moist, loose silt, some sand, some gravel, some clay	0.00														Trace roots	
1.00		Dark grey, wet, loose, sand, trace silt	0.61	S1	II	5												
		Grey, wet, loose, silty sand, trace clay	1.22	S2	II	5												
2.00		Grey, wet, loose, sand, some silt	2.13	S3	II	3												
		Light grey, wet, loose, sand, some silt interbedded with clayey silt	2.13	S4	II	3												
3.00		Light grey, wet, firm clayey silt with thin layers of silt, trace sand	3.05	S5	II	5											Tor = 20 kPa	
4.00		Light grey, wet, soft, clayey silt, thin layers of silt, trace sand	4.11	S6	II	3											Tor = 20 kPa	
		Light grey, wet, soft, clayey silt, thin layers of silt, trace sand	4.57	S7	II	3								26.40			Tor = 10 kPa	
5.00		Grey, wet, soft, clayey silt, thin beds of silt	5.49	S8	II	3												
		Grey, wet, soft, silt, some clay, some gravel, some sand	5.49	S9	II	13												
6.00		Grey, wet, stiff to very stiff clayey silt, some gravel, some sand	6.00	S10	II	21											Tor = 50 kPa	
7.00																		
8.00		End of Bore Hole	8.08															
9.00																		

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

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Datum:

Sheet: 1 of 1

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Client: Resorts of the Canadian Rockies

Location: Alpine Way Lot 12

Bore Hole: B5

Date: June 1, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT			% Fines				Moisture Content				Piezometer	Remarks
						Blows/.3m			Δ < 0.075 mm Δ				○					
						20	40	60	20	40	60	80	20	40	60	80		
0.00		Ground Surface	0.00															
		Topsoil																Trace roots
1.00		Light brown, moist, stiff clayey silt, trace gravel		S1	II													
			1.52	S2	II			11										
2.00		Light brown, moist, stiff clayey silt, trace sand, trace gravel		S3	II			5										
			2.44	S4	II			0										
3.00		Light brown, moist, firm, clayey silt, trace gravel		S5	II			0										Tor = 20 kPa
		Dark grey, wet, very soft, clayey silt interbedded with thin layer of sand	3.05															
			3.51															
4.00		Dark grey, wet, very loose, silty sand		S6	II													Tor = 20 kPa
				S7	II													
				S8	II			26										Tor = 10 kPa
5.00																		
				S9	II													
6.00		Dark brown, moist, very stiff, sandy, clayey silt, trace gravel		S10	II			24										
7.00																		
				S11	II			24										Tor = 50 kPa
8.00		End of Bore Hole	8.08															
9.00																		

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

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Datum:

Sheet: 1 of 1

Project No: 21m23

Project: Timberlanding Road and Subdivision Expansion

Bore Hole: B6

Client: Resorts of the Canadian Rockies

Date: June 2, 2021

Location: N. of Lot 1 Alpine Way

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Elev./Depth (m)	Number	Type	Uncorrected SPT			% Fines				Moisture Content				Piezometer	Remarks
						Blows/.3m			$\Delta < 0.075 \text{ mm} \Delta$				o					
						20	40	60	20	40	60	80	20	40	60	80		
0.00		Ground Surface	0.00															
		Dark grey, moist, firm clayey silt																Topsoil
		Dark grey, loose, wet, sand, trace silt	0.61															
1.00			0.91															
		Dark brown, moist, firm/very stiff, clayey silt, sand, some gravel		S1	III				8									PP = 50 kPa, Tor = 50 kPa
2.00									13									Tor = 45 kPa
																		Tor = 80 kPa
3.00			3.05	S2	III				42									
4.00		Dark brown, moist, hard, clayey silt, sand, some gravel																Till
				S3	III				50									Refusal
5.00		End of Bore Hole	5.03															
6.00																		

Excavated By: Earth Drilling

Equipment: Tracked Auger Rig

Logged By: IF

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Datum:

Sheet: 1 of 1

Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Alpine way turn around

Test Pit: T1

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
		Dark brown, moist, loose, silt												
		Brown, moist, firm, silt, some clay, trace gravel	0.70											PP = 90 kPa
				S1	G									DCP at 0.85 m
1.00		Brown, moist, stiff, silt, some sand, some gravel, trace clay	0.90											
				S2	G									
														PP = 90 kPa
		Grey, moist, stiff, clayey silt	1.70											
2.00														Water on west side
				S3	G									Tor = 70 kPa, PP = 40-60 kPa
		End of Test Pit	2.20											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: W. of Lot 4 Alpine way

Test Pit: T2

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
		Dark, dry, loose silt, trace gravel	0.00											
		Brown, dry, loose silt, some sand, some gravel	0.20											
			0.60											DCP at 0.8 m
1.00				S1	G									
		Brown, moist to wet, compact, gravel and sand, trace silt												
				S2	G									Water at 1.85 m
2.00														
			2.40											PP= 100 kPa, Tor = 10 kPa
				S3	G									
		Dark brown, wet, compact, sand, some silt to silty sand												
3.00														
				S4	G									
				S5/S6	G									
		End of Test Pit	3.50											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: W. of Lot 8 Alpine way

Test Pit: T3

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
0.00 - 1.00		Dark brown, dry, loose, silt, trace sand, trace gravel	0.00											
1.00 - 1.50		Light brown, moist, firm to stiff, clayey silt interbedded with silt, trace clay	1.50	S1	G									Tor = 60 kPa, PP=140 kPa DCP at 0.9 m
1.50 - 2.00														PP = 140 kPa
2.00 - 2.50		Brown, moist/wet, stiff clayey sandy silt, some gravel, trace cobbles	2.50	S2	G									PP = 100 kPa PP = 120 kPa
2.50 - 3.00														
3.00 - 3.20		Brown, wet, compact, gravel and sand, some silt, some clay, trace cobbles	3.20	S3	G									
3.20 - 4.00														PP = 160 kPa
4.00 - 4.40		Light brown, stiff to very stiff, gravelly clayey silt, some sand, some cobbles, trace boulders	4.40	S6	G									Till
		End of Test Pit	4.40											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: W. of Lot 13 Alpine way

Test Pit: T4

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
0.00		Dark brown, dry, loose, silt, some sand	0.00											Topsoil
0.35		Light brown, moist, stiff, clayey silt	0.35	S1	G									Tor = 60 kPa, PP = 130 kPa
1.00														
1.30		Brown, moist, stiff, clayey silt, interbedded with silt	1.30	S2	G									Tor = 60 kPa, PP = 100 kPa
2.00														
2.50		Light brown, moist, firm/stiff, clayey silt, interbedded with thin layers of silt and sand	2.50	S3	G									Tor = 70 kPa, PP = 110 kPa
3.00														
3.50		Light brown, moist/wet, soft, clayey silt, interbedded with thin layers of sand and silt	3.50	S4	G									PP = 50 kPa
4.00														
4.30		End of Test Pit	4.30	S5	G									Water at 4.3 m Tor = 15 kPa,

Excavated By: RCR

Equipment: Tracked Excavator

Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Village Way, North of of Lots 56/57

Test Pit: T5

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface												
0.00		Brown, moist, loose gravel and sand, trace silt, trace cobbles	0.00											Road crush Fill
0.20		Light brown, moist, dense, gravelly silty sand, trace cobbles	0.20											
0.50		Brown, moist, compact gravel and sand, trace silt, some boulders	0.50	S1	G									DCP at 1.5 m
1.00														
2.15		Brown, moist sand, some gravel, trace silt	2.15	S2	G									Sloughing
3.00														
3.40		Brown, wet, compact, gravel and sand, some cobbles, trace silt, with layers of sand	3.40	S3	G									Lots of water
3.60														
		End of Test Pit												

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23




Client: Resorts of the Canadian Rockies

Location: Village Way, Southeast of Lot 26

Test Pit: T6

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
		Brown, dry, compact, gravel and sand	0.00											Road crush
		Brown, moist, stiff, gravelly, clayey silt, some cobble, trace boulders	0.20	S1	G									DCP@ 0.3 m PP = 60 kPa
1.00		Light brown, wet, firm/stiff, clayey, gravelly silt, some sand, some cobbles, trace boulders	1.40											Till
		Light brown, moist, stiff/very stiff, hard, clayey, gravelly silt, some sand, some cobbles, trace boulders	1.80	S2	G									Till
2.00		Light brown, moist, stiff/very stiff, hard, clayey, gravelly silt, some sand, some cobbles, trace boulders	1.80	S3	G									PP = 140 kPa
		End of Test Pit	2.40											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Resort Drive Northeast of Lots 40/41

Test Pit: T7

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface												
		Brown, moist, loose, silt	0.00											Topsoil
		Brown, moist, loose/compact, silt, some gravel, some cobbles, trace sand, trace boulders												DCP at 0.5 m
		Brown, moist, dense silt, some gravel, some clay, some cobbles, trace sand, trace boulders	0.50											
1.00														
		Brown, moist, dense, gravel and sand, some cobbles, trace silt, trace clay, trace boulders	1.20											
2.00				S1	G									
3.00														
				S2	G									
		Light brown, moist, stiff to very stiff, clayey silt, interbedded with sand layers	3.60											Groundwater
4.00														Till PP = 100 kPa, Tor = 70 kPa
		End of Test Pit	4.00	S3	G									

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Resort Drive, Southwest of Lot 37

Test Pit: T8

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
		Dark brown, moist, loose silt, trace sand												Topsoil
		Brown, moist, loose silt, some sand, trace gravel												
0.60			0.60	S1	G									Roots and organics
1.00		Brown, dry, compact, cobbly, gravel and sand, some silt, trace boulders												
1.50			1.50	S2	G									
2.00				S3	G									
3.00		Light brown, wet, compact, cobbly, clayey, gravel and sand, some silt, trace to some boulders												Groundwater at 2.8 m Sloughing
4.00		End of Test Pit	4.00											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Resort Drive South of Lot 34 and North of Lot 49

Test Pit: T9

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
0.00		Dark brown, loose, moist, silt, some gravel, some cobbles	0.00											Topsoil
0.30		Brown, moist, compact, cobbly, gravel and sand, some boulders, trace silt	0.30	S1	G									
1.50		Brown, moist, stiff, clayey, sandy silt, some gravel, some cobbles, some boulders	1.50	S2	G									
2.20		Brown, moist, stiff to very stiff, clayey silt, trace gravel, interbedded with layers of silt and sand	2.20	S3	G									
2.80		Light brown, moist, dense to very dense, gravel and sand, some cobbles, trace silt, trace boulders	2.80	S4	G									
3.80		End of Test Pit	3.80											PP = 90 kPa, Tor = 65 kPa
4.00														

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Resort Drive S. Lots 29/30

Test Pit: T10

Date: June 15, 2021

Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks	
						20	40	60	80	10	20	30	40		
0.00		Ground Surface	0.00												
		Dark brown, loose, moist, silt	0.00											Topsoil	
		Brown, moist, firm, clayey silt	0.30												
		Dark brown, wet, loose, silt, some sand	0.50												
			0.70												
1.00		Light brown, moist, firm/stiff, clayey silt, interbedded with thin layers of sand	2.00	S1	G									DCP at 0.9 m PP = 90 kPa, DCP @ 1.00 kPa	
				S2	G										
2.00		Light brown, moist, firm, clayey silt with thin layers of silt and sand	2.00	S3	G									PP = 60 kPa, Tor = 40 kPa	
				S4	G										
3.00															
4.00		End of Test Pit	4.00	S5	G									PP = 50 kPa, Tor = 40 kPa	

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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Project No: Timberlanding Phase II/III Expansion

Project: 21m23

Client: Resorts of the Canadian Rockies

Location: Resort Drive Turn Around

Test Pit: T11

Date: June 15, 2021

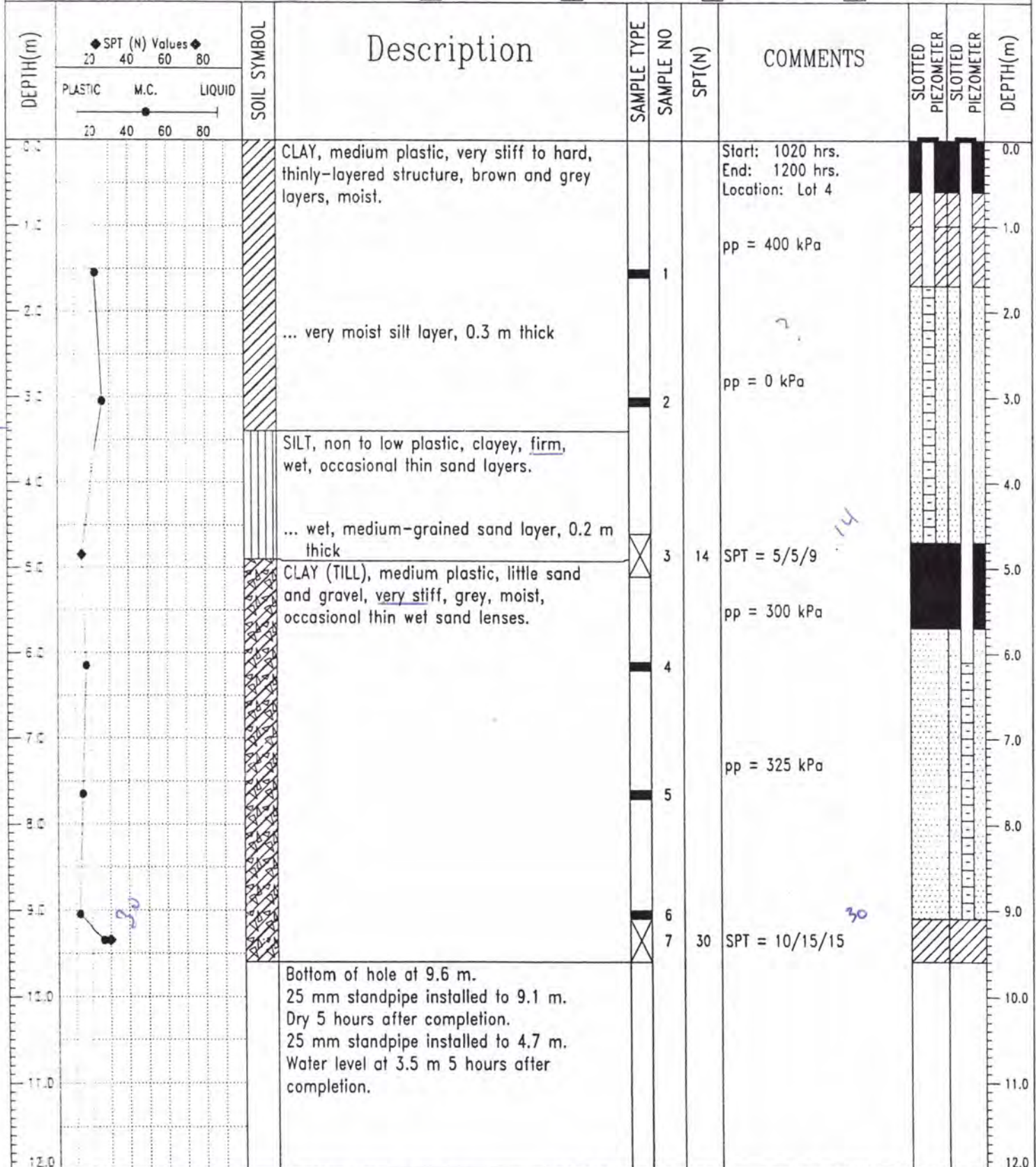
Engineer: DAC

Depth (m)	Symbol (USCS)	Description	Depth/Elev. (m)	Number	Type	% Fines ▲ < 0.075 mm ▲				Moisture Content				Remarks
						20	40	60	80	10	20	30	40	
0.00		Ground Surface	0.00											
		Dark brown, moist, loose, silt	0.00											
		Light brown, moist, firm, clayey silt	0.15											
		Brown, moist/wet, loose sand, trace silt	0.65											
1.00		Grey, moist, firm, clayey silt, trace gravel	0.80	S1	G									DCP at 0.8 m Tor = 20 kPa
			1.25	S2	G									Tor = 40 kPa
		Grey, moist, very stiff to hard, clayey, gravelly silt, some sand, some cobbles		S3	G									PP = 180 kPa
2.00				S4	G									PP = 180 kPa
		End of Test Pit	2.30											

Excavated By: RCR
 Equipment: Tracked Excavator
 Logged By: IF

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PROJECT: TIMBER LANDING (PHASE II)	CLIENT: URBAN SYSTEMS LTD.	BOREHOLE NO: BH-2
STABILITY ASSESSMENT	DRILL TYPE: TRUCK-MOUNTED B61	PROJECT NO: G1837
FEP ALPINE RESORT	SOLID STEM AUGER	ELEVATION: 1025.66 m
SAMPLE TYPE <input checked="" type="checkbox"/> DISTURBED <input type="checkbox"/> NO RECOVERY <input checked="" type="checkbox"/> SPT <input type="checkbox"/> A-CASING <input type="checkbox"/> SHELBY TUBE <input type="checkbox"/> CORE		
BACKFILL TYPE <input checked="" type="checkbox"/> BENTONITE <input type="checkbox"/> PEA GRAVEL <input type="checkbox"/> SLOUGH <input type="checkbox"/> GROUT <input type="checkbox"/> DRILL CUTTINGS <input type="checkbox"/> SAND		

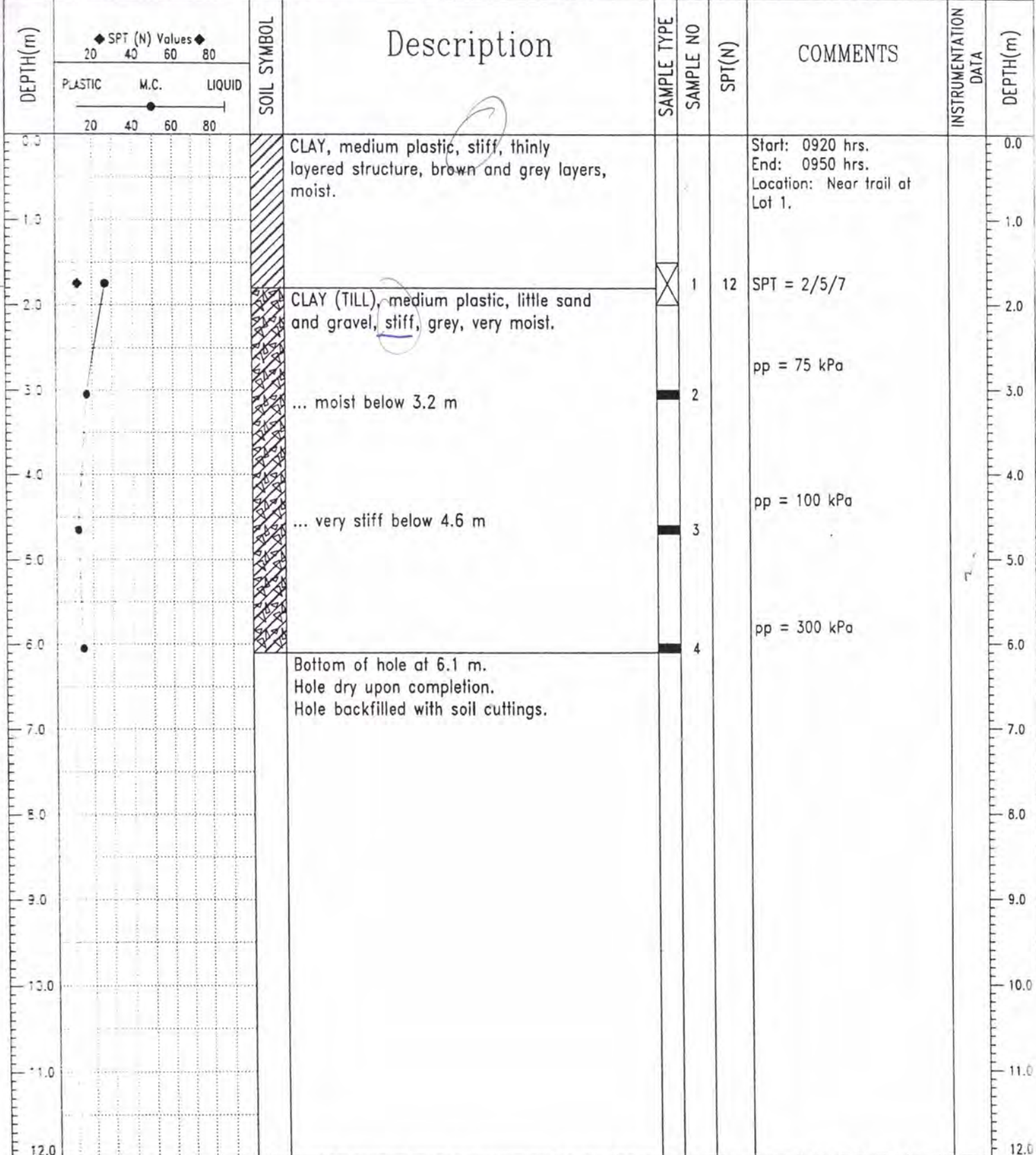


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LOGGED BY: AGC
REVIEWED BY: RLM
Fig. No:

COMPLETION DEPTH: 9.6 m
COMPLETE: 07/01/00

PROJECT: TIMBER LANDING (PHASE II)	CLIENT: URBAN SYSTEMS LTD.	BOREHOLE NO: BH-3
STABILITY ASSESSMENT	DRILL TYPE: TRUCK-MOUNTED B61	PROJECT NO: G1837
FEE ALPINE RESORT	SOLID STEM AUGER	ELEVATION: 1025.68 m
SAMPLE TYPE <input checked="" type="checkbox"/> DISTURBED <input type="checkbox"/> NO RECOVERY <input checked="" type="checkbox"/> SPT <input type="checkbox"/> A-CASING <input type="checkbox"/> SHELBY TUBE <input type="checkbox"/> CORE		
BACKFILL TYPE <input checked="" type="checkbox"/> BENTONITE <input type="checkbox"/> PEA GRAVEL <input type="checkbox"/> SLOUGH <input type="checkbox"/> GROUT <input type="checkbox"/> DRILL CUTTINGS <input type="checkbox"/> SAND		

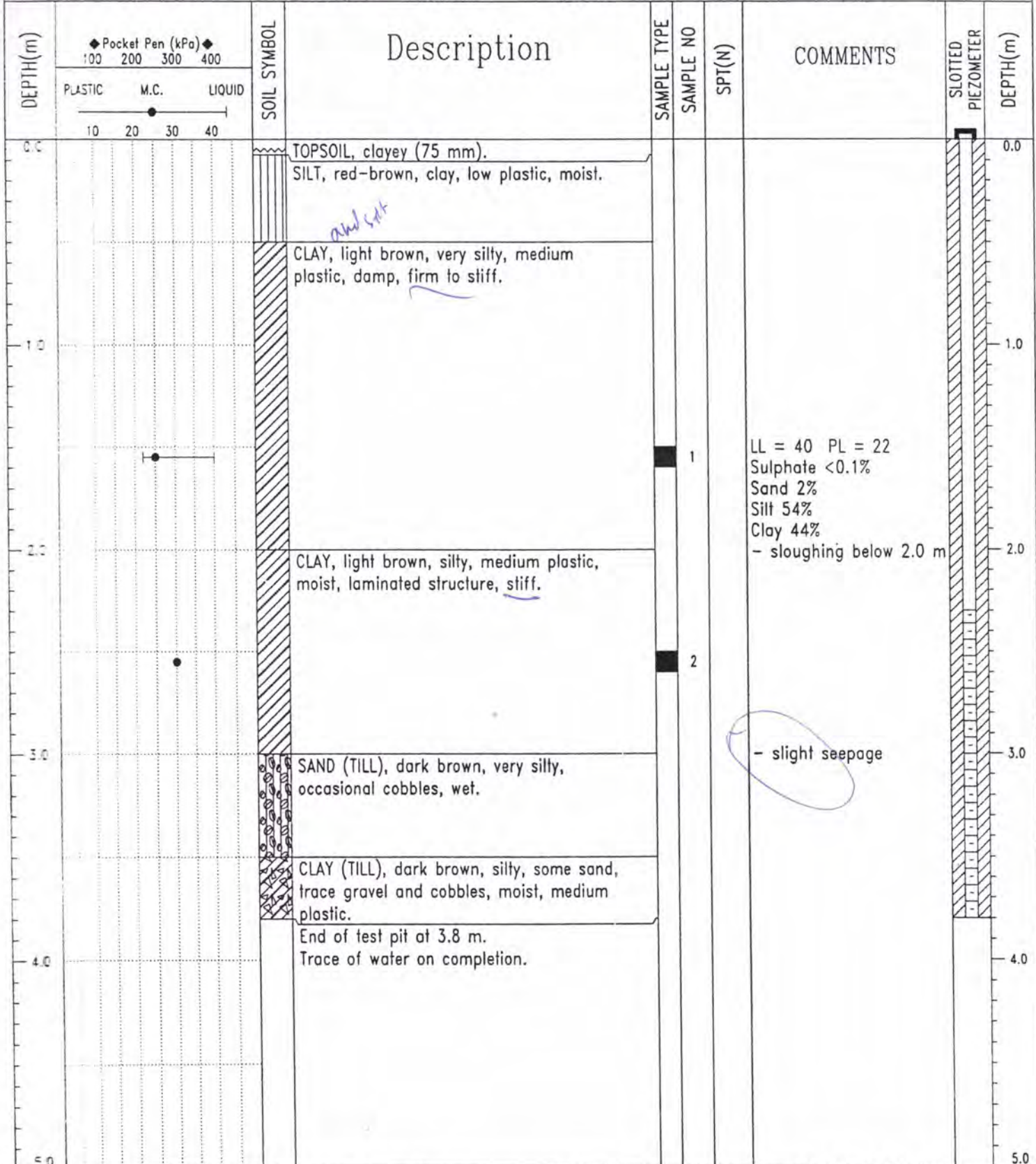


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LOGGED BY: AGC	COMPLETION DEPTH: 6.1 m
REVIEWED BY: RLM	COMPLETE: 07/01/00
Fig. No:	Page 1 of 1

PROJECT: TIMBER LANDING SUBDIVISION -	CLIENT: URBAN SYSTEMS LTD.	TEST PIT NO: TP-8
PHASE 1, FERNIE ALPINE RESORT	EQUIPMENT: BACKHOE	PROJECT NO: G1837
		ELEVATION: 1037.67 m

SAMPLE TYPE	<input checked="" type="checkbox"/> DISTURBED	<input type="checkbox"/> NO RECOVERY	<input checked="" type="checkbox"/> SPT	<input type="checkbox"/> A-CASING	<input type="checkbox"/> SHELBY TUBE	<input type="checkbox"/> CORE
BACKFILL TYPE	<input checked="" type="checkbox"/> BENTONITE	<input type="checkbox"/> PEA GRAVEL	<input type="checkbox"/> SLOUGH	<input type="checkbox"/> GROUT	<input checked="" type="checkbox"/> DRILL CUTTINGS	<input type="checkbox"/> SAND

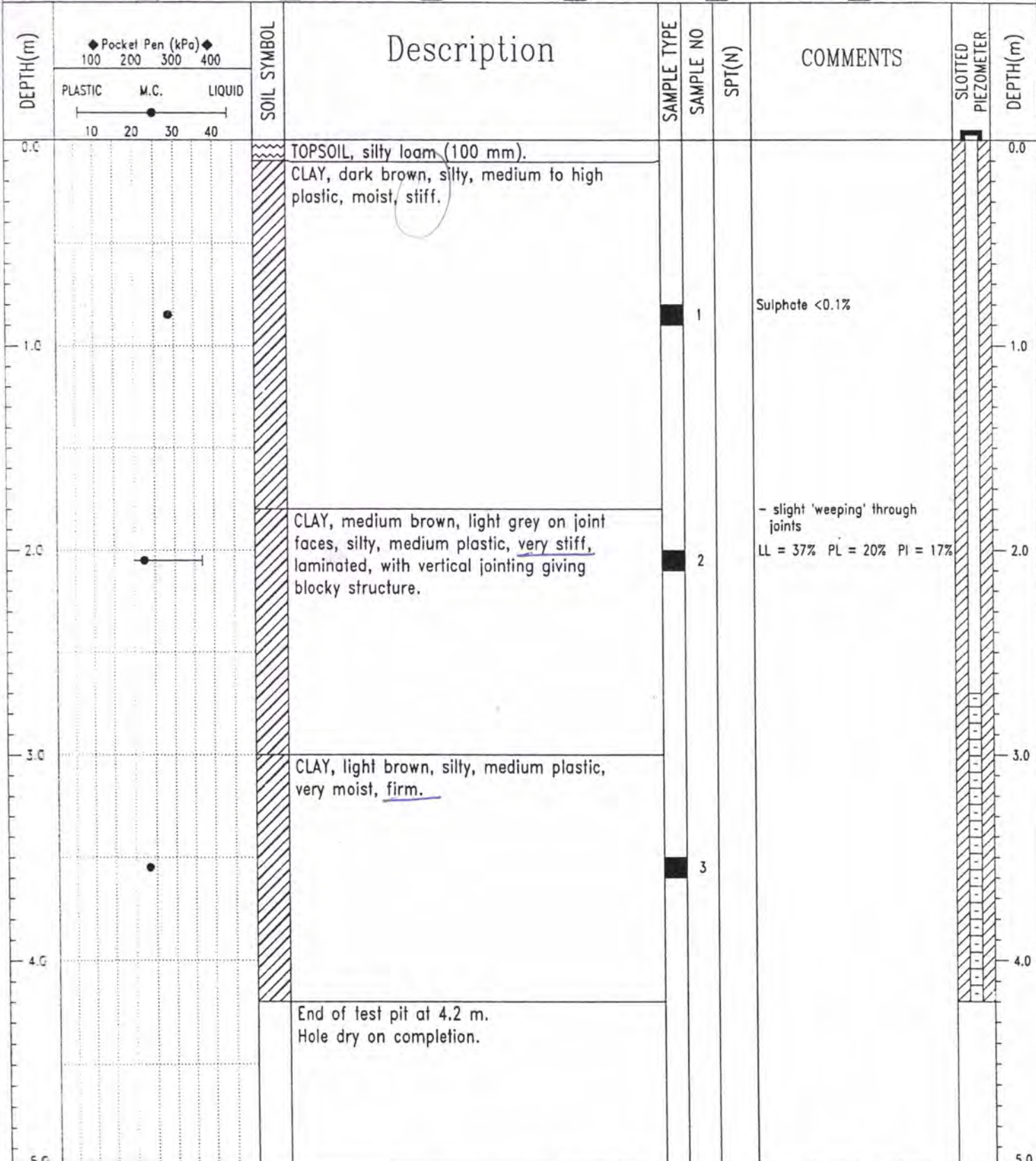


GEO-ENGINEERING (M.S.T.) LTD.
Calgary, Alberta

LOGGED BY: RLM	COMPLETION DEPTH: 3.8 m
REVIEWED BY: RLM	COMPLETE: 05/01/00
Fig. No:	Page 1 of 1

PROJECT: TIMBER LANDING SUBDIVISION -	CLIENT: URBAN SYSTEMS LTD.	TEST PIT NO: TP-9
PHASE 1, FERNIE ALPINE RESORT	EQUIPMENT: BACKHOE	PROJECT NO: G1837
		ELEVATION: 1029.8 m

SAMPLE TYPE	<input checked="" type="checkbox"/> DISTURBED	<input type="checkbox"/> NO RECOVERY	<input checked="" type="checkbox"/> SPT	<input type="checkbox"/> A-CASING	<input type="checkbox"/> SHELBY TUBE	<input type="checkbox"/> CORE
BACKFILL TYPE	<input checked="" type="checkbox"/> BENTONITE	<input type="checkbox"/> PEA GRAVEL	<input type="checkbox"/> SLOUGH	<input type="checkbox"/> GROUT	<input type="checkbox"/> DRILL CUTTINGS	<input type="checkbox"/> SAND

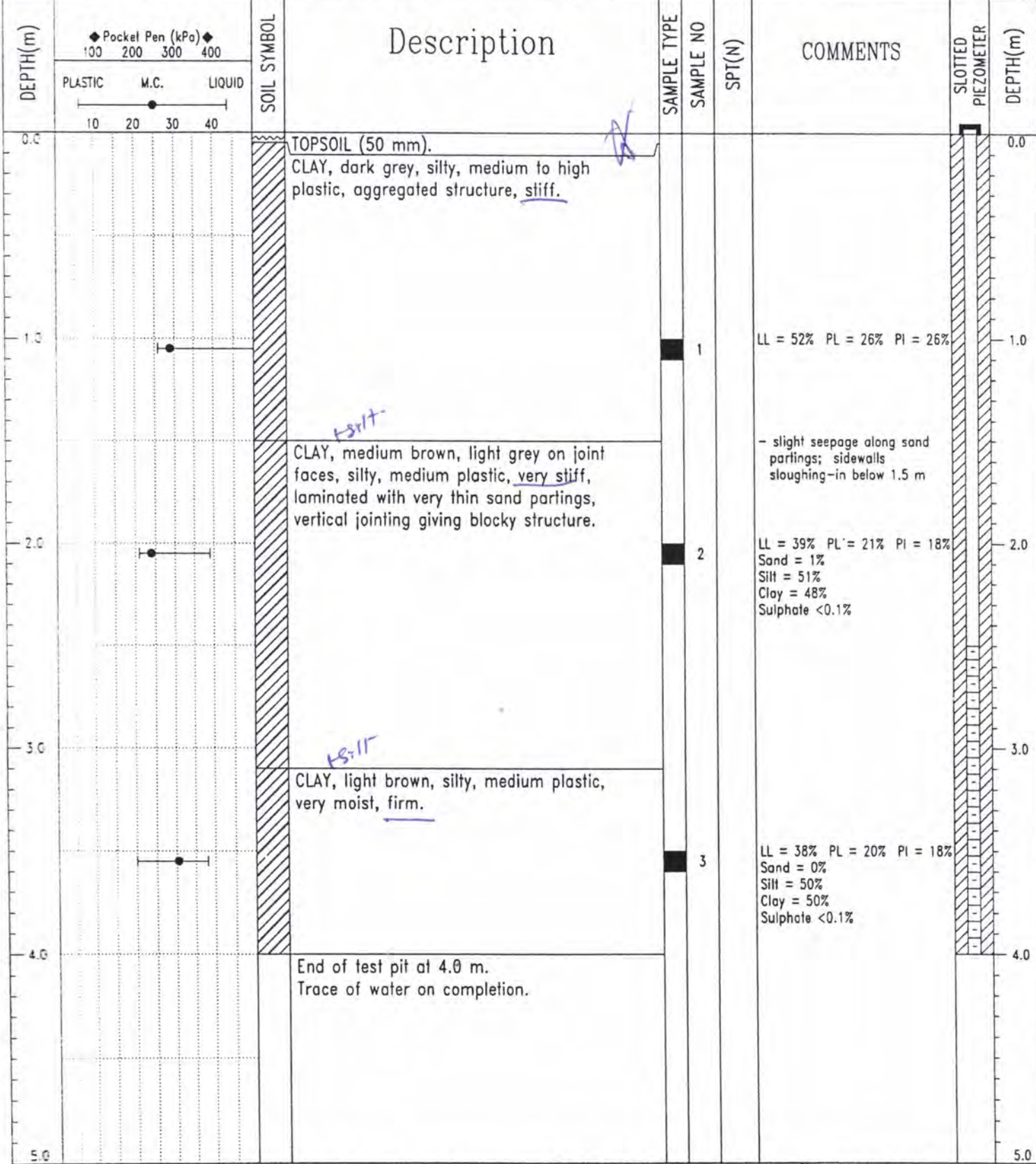


GEO-ENGINEERING (M.S.T.) LTD.
Calgary, Alberta

LOGGED BY: RLM	COMPLETION DEPTH: 4.2 m
REVIEWED BY: RLM	COMPLETE: 06/01/00
Fig. No:	Page 1 of 1

PROJECT: TIMBER LANDING SUBDIVISION -	CLIENT: URBAN SYSTEMS LTD.	TEST PIT NO: TP-10
PHASE 1, FERNIE ALPINE RESORT	EQUIPMENT: BACKHOE	PROJECT NO: G1837
		ELEVATION: 1031.54 m

SAMPLE TYPE	<input checked="" type="checkbox"/> DISTURBED <input type="checkbox"/> NO RECOVERY <input checked="" type="checkbox"/> SPT <input type="checkbox"/> A-CASING <input type="checkbox"/> SHELBY TUBE <input type="checkbox"/> CORE
BACKFILL TYPE	<input checked="" type="checkbox"/> BENTONITE <input type="checkbox"/> PEA GRAVEL <input type="checkbox"/> SLOUGH <input type="checkbox"/> GROUT <input type="checkbox"/> DRILL CUTTINGS <input type="checkbox"/> SAND

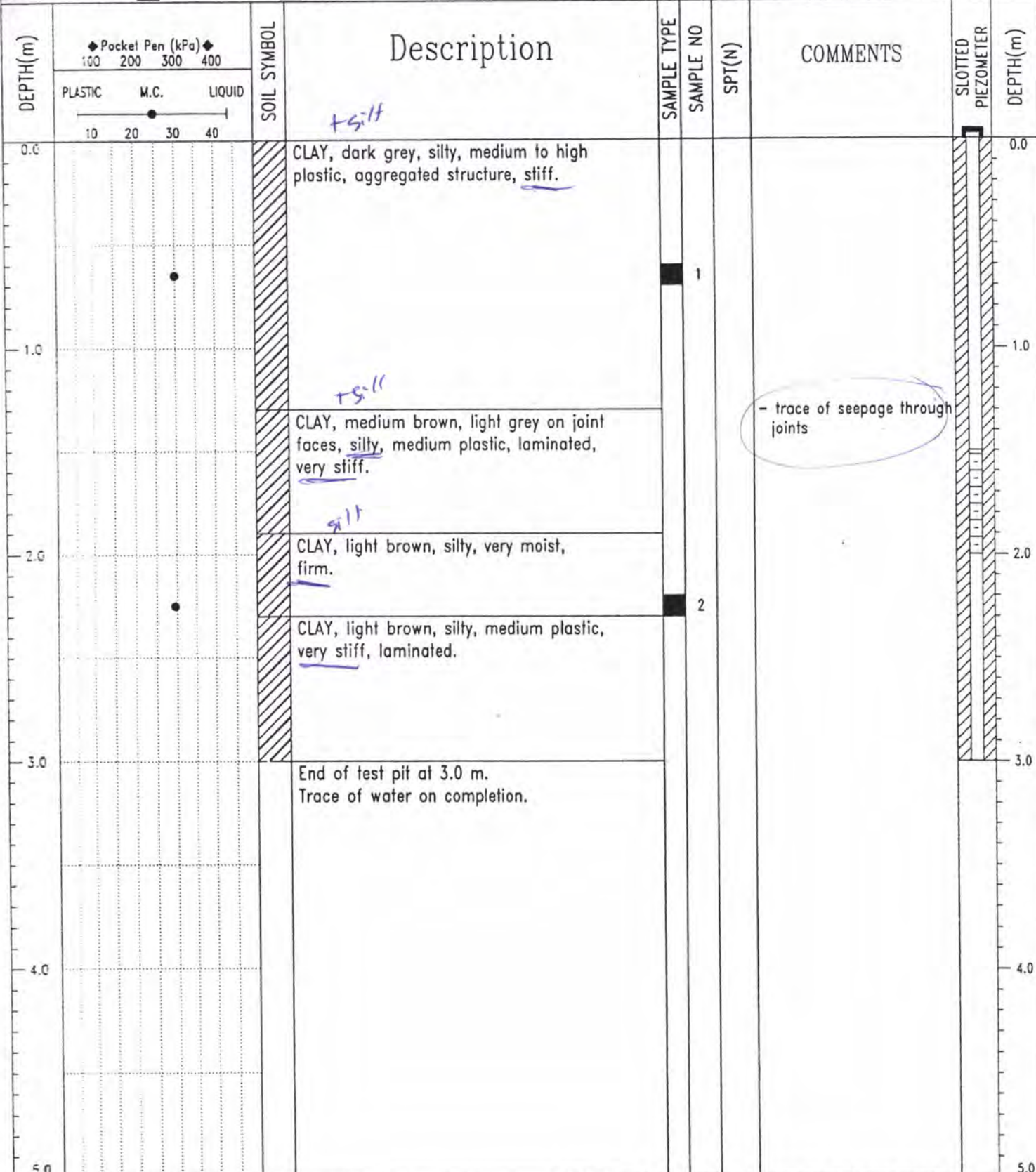


GEO-ENGINEERING (M.S.T.) LTD.
Calgary, Alberta

LOGGED BY: RLM	COMPLETION DEPTH: 4 m
REVIEWED BY: RLM	COMPLETE: 06/01/00
Fig. No:	Page 1 of 1

PROJECT: TIMBER LANDING SUBDIVISION -	CLIENT: URBAN SYSTEMS LTD.	TEST PIT NO: TP-11
PHASE 1, FERNIE ALPINE RESORT	EQUIPMENT: BACKHOE	PROJECT NO: G1837
		ELEVATION: 1030.21 m

SAMPLE TYPE <input checked="" type="checkbox"/> DISTURBED	<input type="checkbox"/> NO RECOVERY	<input checked="" type="checkbox"/> SPT	<input type="checkbox"/> A-CASING	<input type="checkbox"/> SHELBY TUBE	<input type="checkbox"/> CORE
BACKFILL TYPE <input checked="" type="checkbox"/> BENTONITE	<input type="checkbox"/> PEA GRAVEL	<input type="checkbox"/> SLOUGH	<input type="checkbox"/> GROUT	<input type="checkbox"/> DRILL CUTTINGS	<input type="checkbox"/> SAND

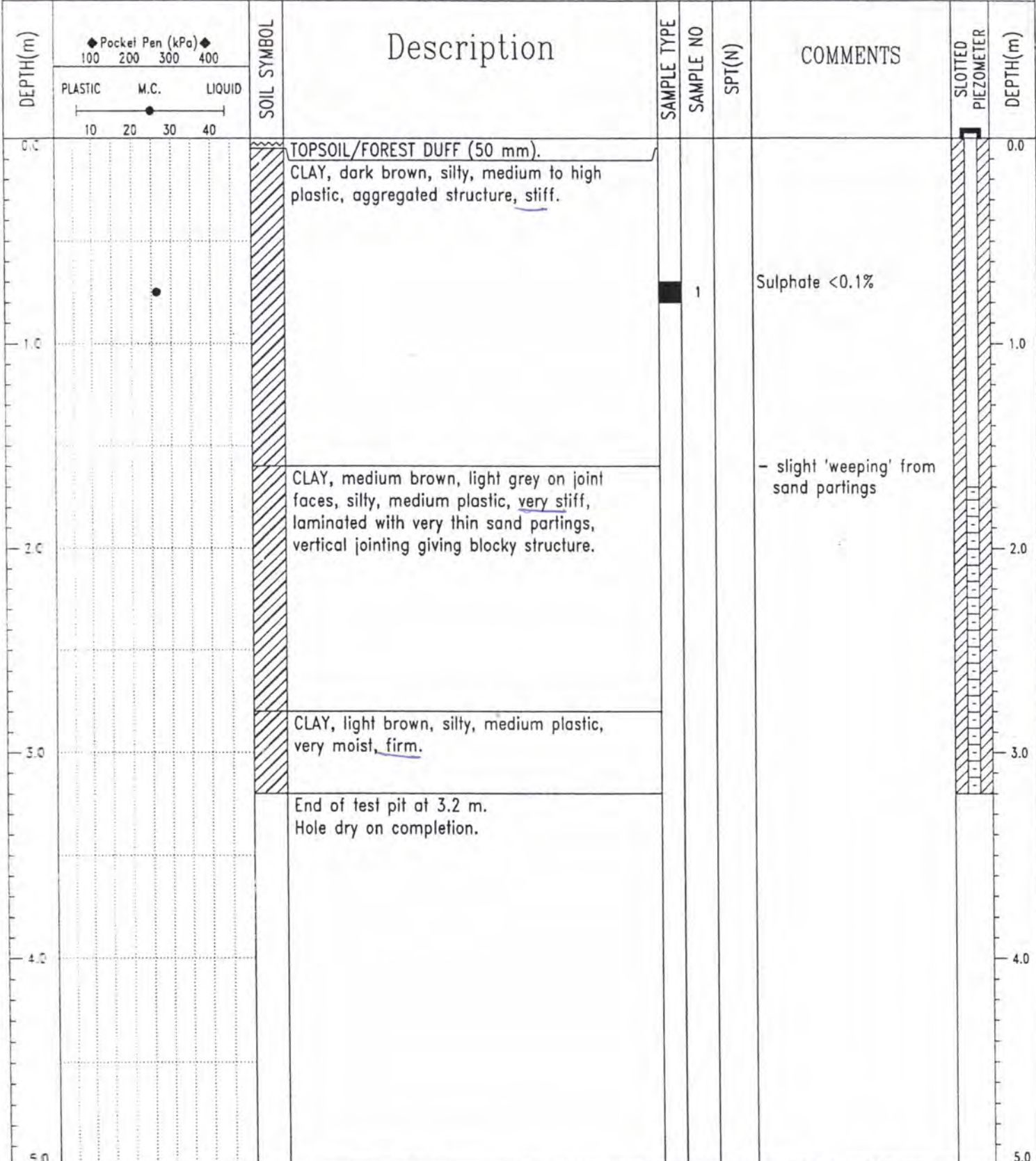


GEO-ENGINEERING (M.S.T.) LTD.
Calgary, Alberta

LOGGED BY: RLM	COMPLETION DEPTH: 3 m
REVIEWED BY: RLM	COMPLETE: 06/01/00
Fig. No:	Page 1 of 1

PROJECT: TIMBER LANDING SUBDIVISION -	CLIENT: URBAN SYSTEMS LTD.	TEST PIT NO: TP-12
PHASE 1, FERNIE ALPINE RESORT	EQUIPMENT: BACKHOE	PROJECT NO: G1837
		ELEVATION: 1033.2 m

SAMPLE TYPE	<input checked="" type="checkbox"/> DISTURBED	<input type="checkbox"/> NO RECOVERY	<input checked="" type="checkbox"/> SPT	<input type="checkbox"/> A-CASING	<input type="checkbox"/> SHELBY TUBE	<input type="checkbox"/> CORE
BACKFILL TYPE	<input checked="" type="checkbox"/> BENTONITE	<input type="checkbox"/> PEA GRAVEL	<input type="checkbox"/> SLOUGH	<input type="checkbox"/> GROUT	<input type="checkbox"/> DRILL CUTTINGS	<input type="checkbox"/> SAND



GEO-ENGINEERING (M.S.T.) LTD.
 Calgary, Alberta

LOGGED BY: RLM
 REVIEWED BY: RLM
 Fig. No:

COMPLETION DEPTH: 3.2 m
 COMPLETE: 06/01/00

PROJECT FERNIE ALPINE RESORT
Fernie, B.C.

PROJECT NO. 88-063-03-5

PIT NO. TP 98-6

DRILL TYPE Backhoe

GROUND ELEVATION

DATUM

DEPTH

SOIL DESCRIPTION

DEPTH (Ft.)

SAMPLE TYPE

MOD UNIFIED SOIL CLASS

WATER CONTENT (%) ●

Plastic Limit Liquid Limit
20 40 60

COMPRESSIVE STRENGTH

Unconfined Pocket Pen ▲
TSF 1 2 3 4
kPa 100 200 300

OTHER TESTS

TOPSOIL - brown, rootlets, wet

SILT - olive, trace of clay, abundant oxide staining, moist, stiff, low plastic

CLAY (Lacustrine) - olive blue, laminated sand seams, trace of pebbles, moist, very stiff to hard

B ML

31 41

B

300

$S_u = 120$

B

B

400

$S_u = 160$

END OF TEST PIT AT 3.00m

- standpipe installed to 2.7m,
- test pit dry at completion,
- test pit backfilled with soil cuttings,
- protective p.v.c. cover and screw cap installed over standpipe,
- bentonite seal placed, 0.3m.

kN/m³ 16 18 20 22
100 120 140
PCF

20 40 60
PENETRATION RESISTANCE (Blows/foot) ■
 SPT Casing
 Cone BT Pen

GROUNDWATER
▼ Date Measured



ALMOR TESTING SERVICES LTD.

TEST PIT LOG

COMPLETION DEPTH 3.00m

DATE DRILLED November 6, 1998

LOGGED BY sd

PLATE NO. B - 6

PROJECT FERNIE ALPINE RESORT
Fernie, B.C.

PROJECT NO. 88-063-03-5

PIT NO. TP 98-7

DRILL TYPE Backhoe

GROUND ELEVATION		DATUM	SAMPLE TYPE	MOD UNIFIED SOIL CLASS	WATER CONTENT (%) ●		COMPRESSIVE STRENGTH				OTHER TESTS
DEPTH (m)	SOIL DESCRIPTION	DEPTH (Ft.)			Plastic Limit	Liquid Limit	Unconfined Pocket Pen ▲ △				
							TSF 1	2	3	4	
	TOPSOIL - brown, rootlets, wet										
1	CLAY (Lacustrine) - olive blue, layered silt and sand seams, moist to wet, very stiff to hard	1	B								
2		2									
3		3	B								$S_u \approx 140 \text{ kPa}$
4		4									
5		5	B								
6		6									
7		7	B								$S_u \approx 180 \text{ kPa}$
8		8									
9	SAND - blue grey, coarse, moist to wet, compact	9									
10	<p>END OF TEST PIT AT 3.10m</p> <ul style="list-style-type: none"> - test pit dry at completion, - test pit backfilled with soil cuttings. 	10	B								
11		11									
12		12									
13		13									
14		14									
15		15									
16		16									
17		17									
18		18									
19		19									



ALMOR TESTING SERVICES LTD.

TEST PIT LOG

WET UNIT WEIGHT \circ

$\frac{\text{kN}}{\text{m}^3}$ 16 18 20 22
 $\frac{\text{pcf}}{\text{m}^3}$ 100 120 140

PENETRATION RESISTANCE (Blows/foot) ■
 SPT Casing
 Cone BT Pen

GROUNDWATER

▼ Date Measured

COMPLETION DEPTH 3.10m

DATE DRILLED November 6, 1998

LOGGED BY sd

PLATE NO. B-7

APPENDIX IV

Lab Test Reports

MATERIALS TESTING & INSPECTION

ATTERBERG LIMITS REPORT
Tested in accordance with ASTM D4318 Liquid Limit, Plastic Limit, and Plasticity Index of Soils

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.

Lab ID: S21365
Client Project: RCR Phase 4

Attn: Doug Clapp
CC: -

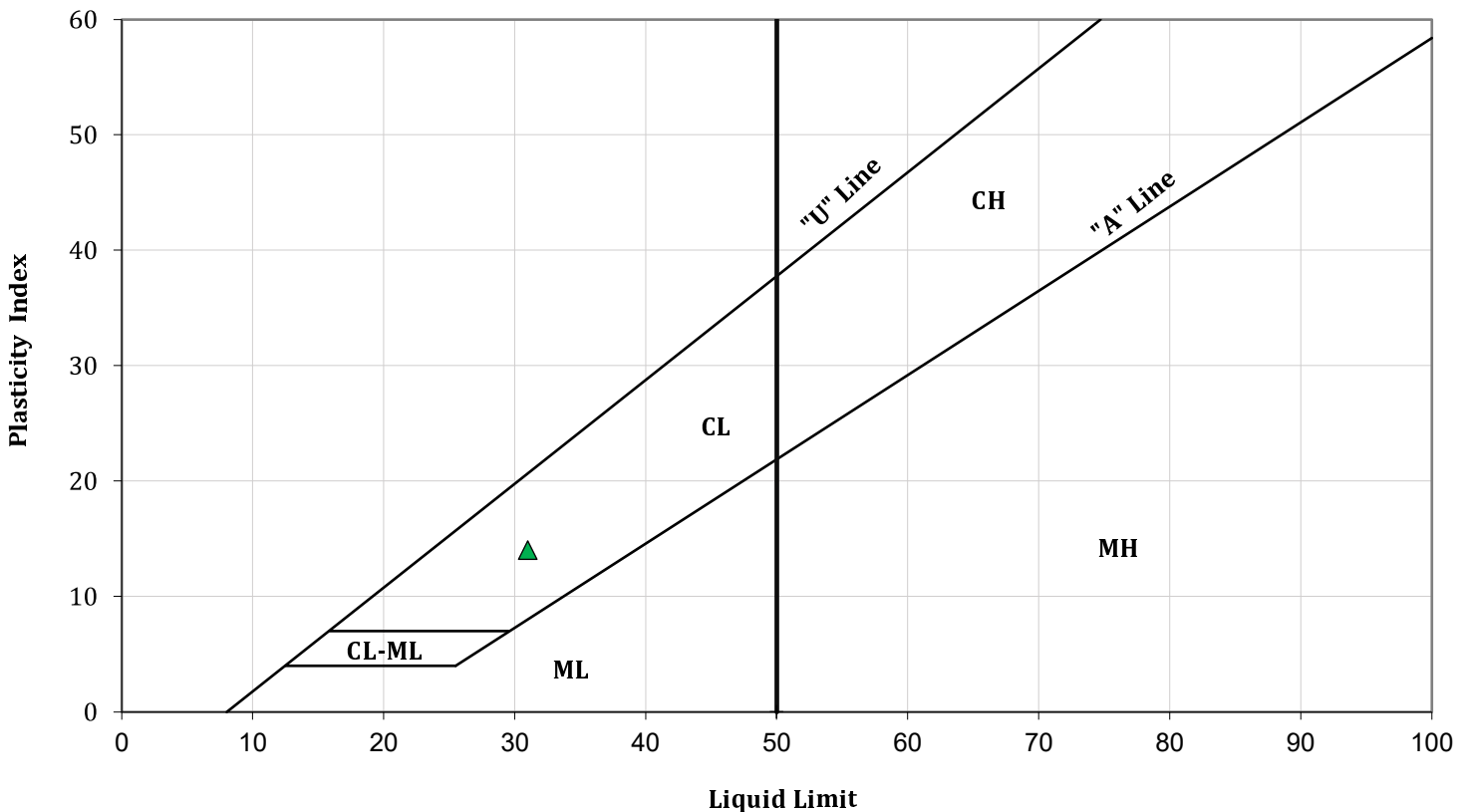
Date Received: June 9, 2021

Sample Description: -
Sample ID: B2 S6
Sample Source: Geotechnical Investigation

Sample Date: June 3, 2021
Sample Time: -
Sampled By: Client

Method: Wet Preparation

Soil Classification (USCS)	Moisture Content	Liquid Limit	Plastic Limit	Plasticity Index
CL	32.3%	31	17	14



Comments: -

Report Date: June 14, 2021

Reviewed By: 
 Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

ATTERBERG LIMITS REPORT
Tested in accordance with ASTM D4318 Liquid Limit, Plastic Limit, and Plasticity Index of Soils

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.

Lab ID: S21366
Client Project: RCR Phase 4

Attn: Doug Clapp
CC: -

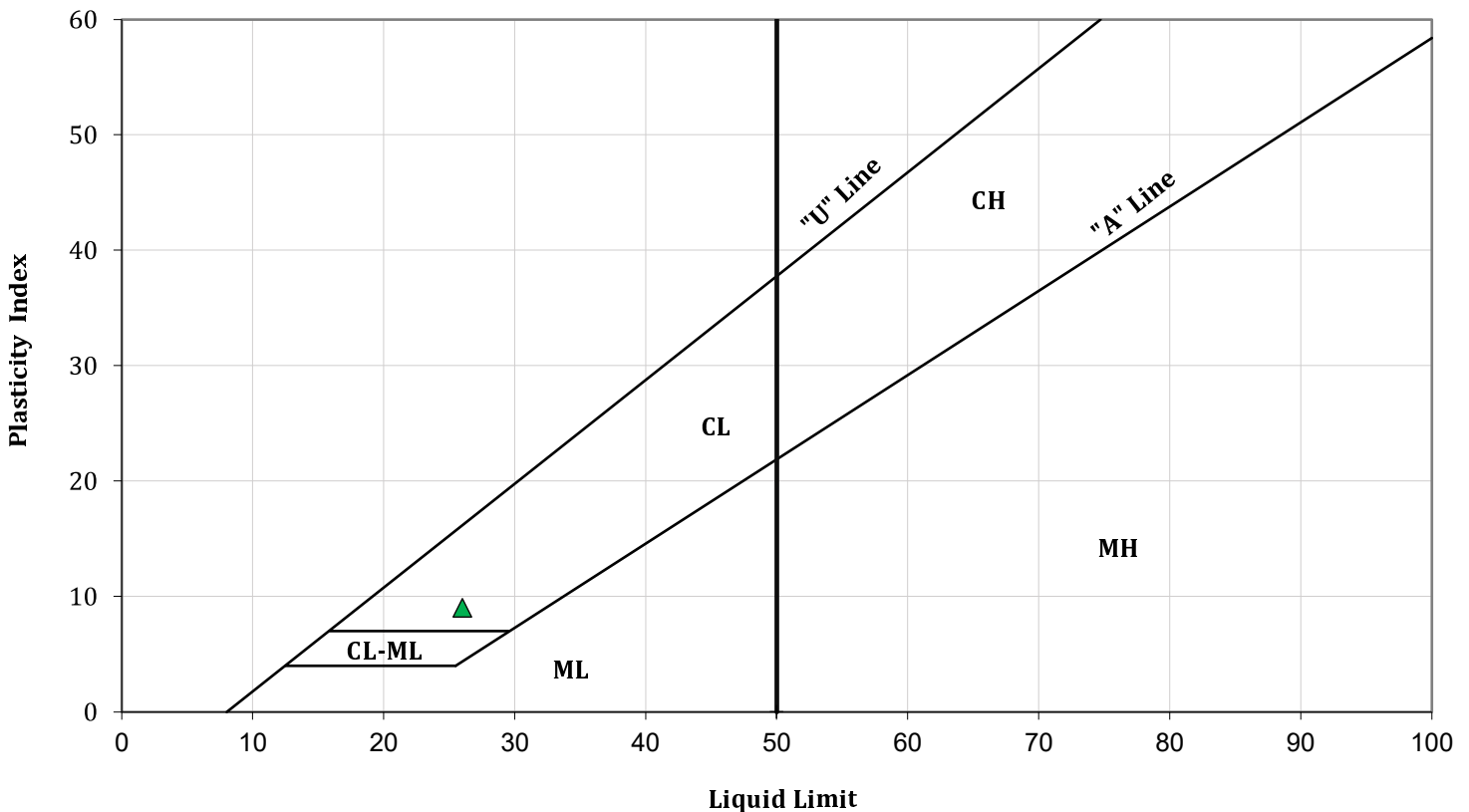
Date Received: June 9, 2021

Sample Description: -
Sample ID: B4 S7
Sample Source: Geotechnical Investigation

Sample Date: June 3, 2021
Sample Time: -
Sampled By: Client

Method: Wet Preparation

Soil Classification (USCS)	Moisture Content	Liquid Limit	Plastic Limit	Plasticity Index
CL	26.4%	26	17	9



Comments: -

Report Date: June 14, 2021

Reviewed By: 
 Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

ATTERBERG LIMITS REPORT
Tested in accordance with ASTM D4318 Liquid Limit, Plastic Limit, and Plasticity Index of Soils

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.

Lab ID: S21408
Client Project: RCR Phase 4

Attn: Doug Clapp
CC: -

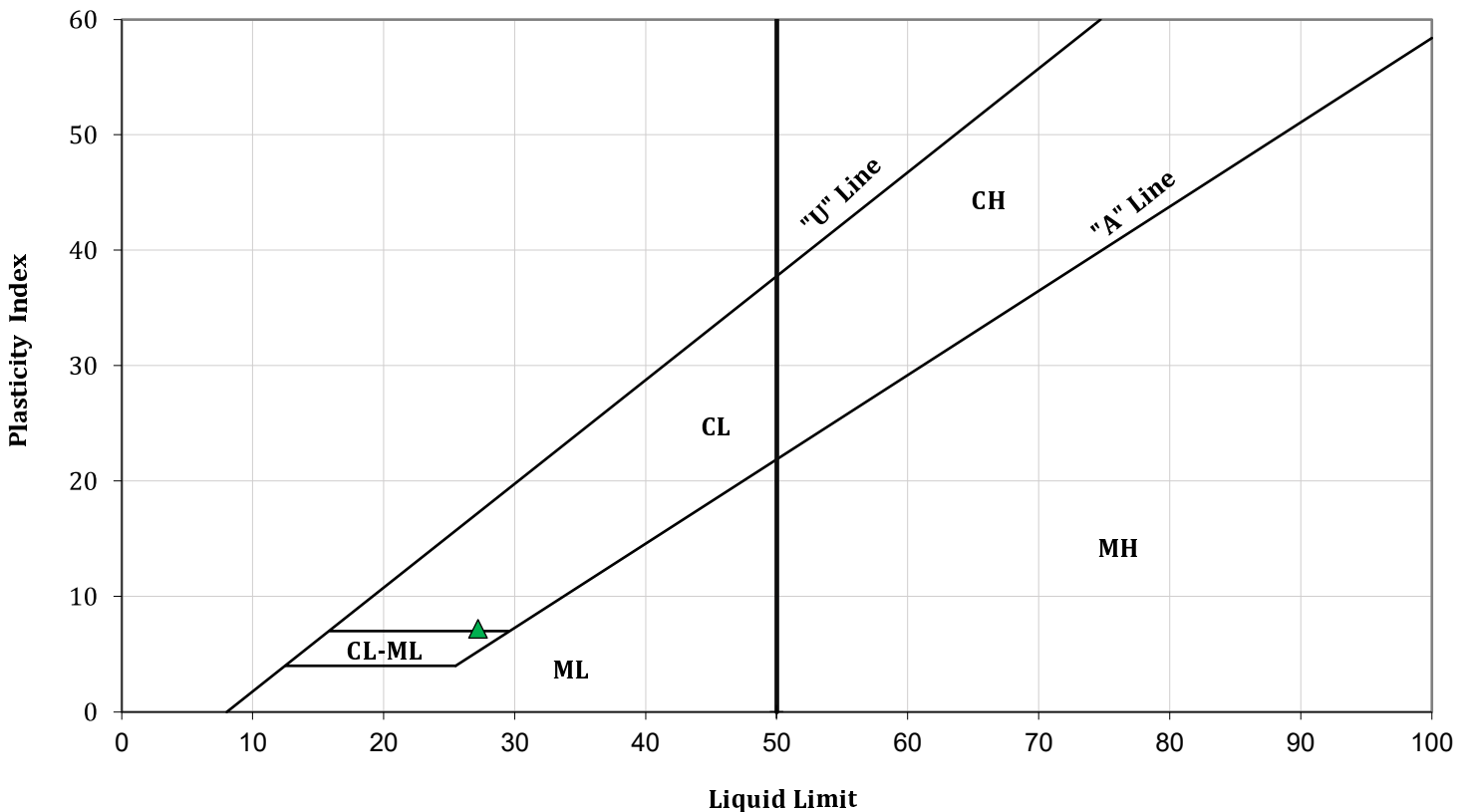
Date Received: June 23, 2021

Sample Description: -
Sample ID: T10 S4
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Method: Wet Preparation

Soil Classification (USCS)	Moisture Content	Liquid Limit	Plastic Limit	Plasticity Index
CL	26.9%	27	20	7



Comments: -

Report Date: July 5, 2021

Reviewed By: 
 Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

PARTICLE SIZE ANALYSIS REPORT
Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75- μ m (No. 200) Sieve in Mineral Aggregates by Washing

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.
Attn: Doug Clapp
CC: -

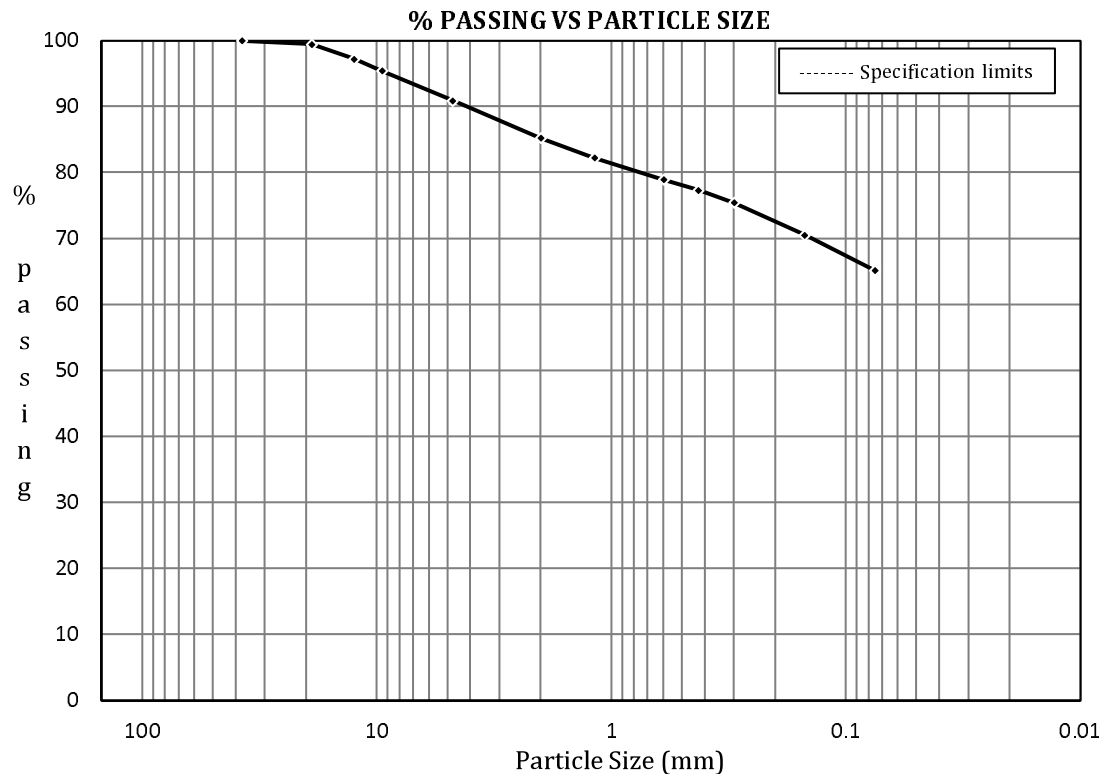
Lab ID: S21367
Client Project: RCR Phase 4
Date Received: June 9, 2021

Sample Description: Sandy SILT/CLAY, trace gravel
Sample ID: B5 S6
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
100.0		
75.0		
37.5	100.0	
19.0	99.4	
12.5	97.2	
9.5	95.4	
4.75	90.9	
2.00	85.2	
1.18	82.2	
0.60	78.9	
0.425	77.3	
0.300	75.4	
0.150	70.5	
0.075	65.2	


Summary

Cobble : >75mm %
 Gravel : < 75mm and > 4.75mm 9.1 %
 Sand : < 4.75mm and > 0.075mm 25.7 %
 Silt/Clay : < 0.075mm 65.2 %

Moisture Content: 15.4 %

Comments: -

Report Date: June 14, 2021

Reviewed By: 

Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

PARTICLE SIZE ANALYSIS REPORT
Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75- μ m (No. 200) Sieve in Mineral Aggregates by Washing

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.
Attn: Doug Clapp
CC: -

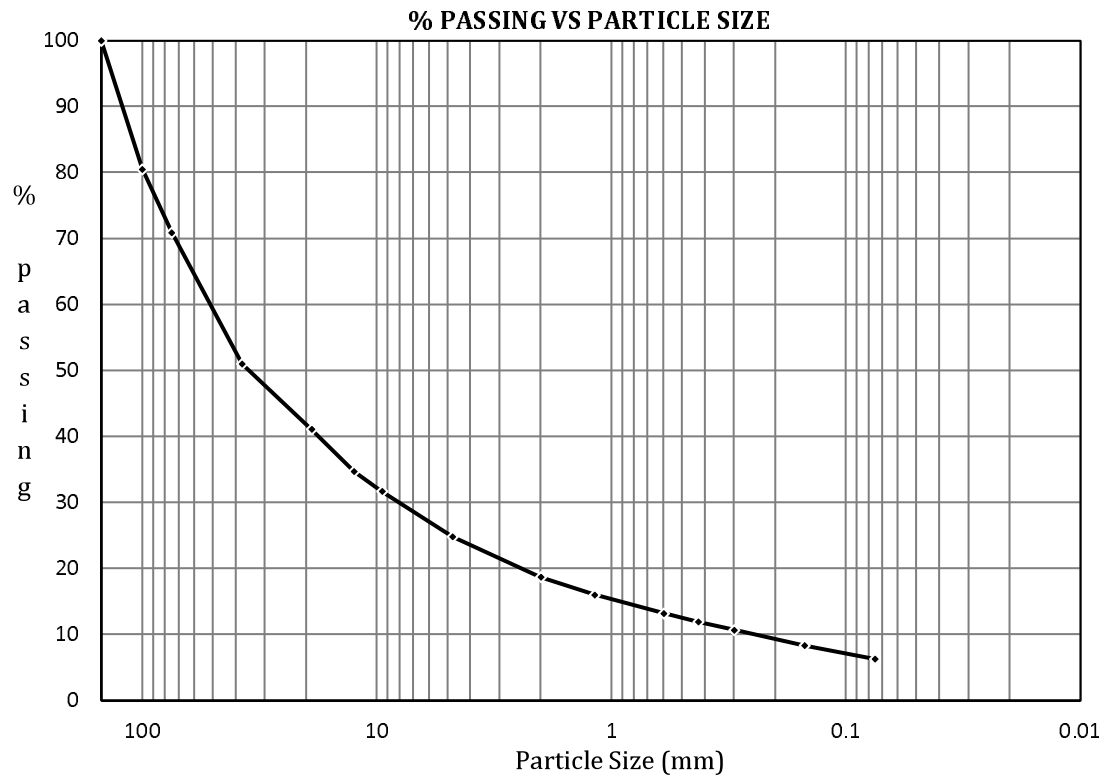
Lab ID: S21390
Client Project: RCR Phase 4
Date Received: June 18, 2021

Sample Description: Cobbly GRAVEL, some sand, trace silt/clay
Sample ID: T5 Pitrun
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0	100.0	
100.0	80.5	
75.0	70.9	
37.5	51.0	
19.0	41.1	
12.5	34.7	
9.5	31.7	
4.75	24.8	
2.00	18.7	
1.18	16.0	
0.60	13.2	
0.425	11.9	
0.300	10.7	
0.150	8.3	
0.075	6.3	


Summary

Cobble: >75mm 29.1 %
Gravel: < 75mm and > 4.75mm 46.1 %
Sand: < 4.75mm and > 0.075mm 18.5 %
Silt/Clay: < 0.075mm 6.3 %
Moisture Content: 5.0 %

Comments: -

Report Date: June 22, 2021

Reviewed By: 

Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

PARTICLE SIZE ANALYSIS REPORT
Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75- μ m (No. 200) Sieve in Mineral Aggregates by Washing

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.
Attn: Doug Clapp
CC: -

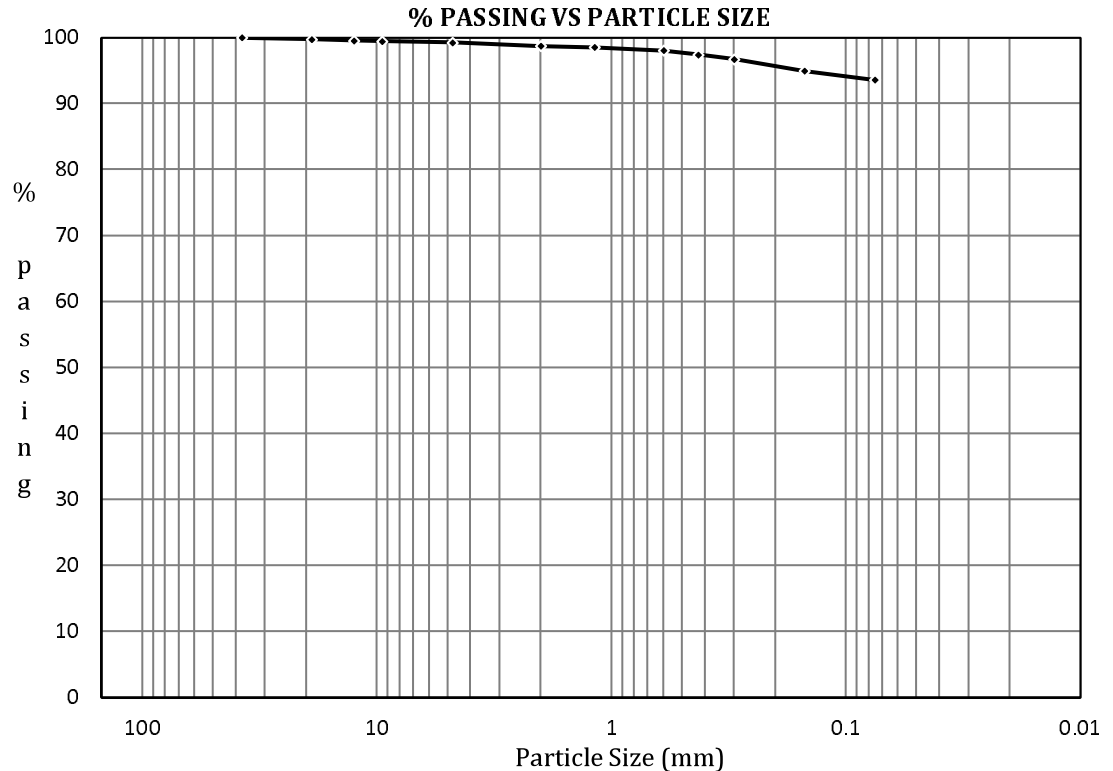
Lab ID: S21391
Client Project: RCR Phase 4
Date Received: June 18, 2021

Sample Description: SILT/CLAY, trace sand, trace gravel
Sample ID: Currie Bowl CDS backfill
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
100.0		
75.0		
37.5	100.0	
19.0	99.7	
12.5	99.5	
9.5	99.4	
4.75	99.2	
2.00	98.7	
1.18	98.5	
0.60	98.0	
0.425	97.4	
0.300	96.7	
0.150	94.9	
0.075	93.6	


Summary

Cobble : >75mm %
Gravel : < 75mm and > 4.75mm 0.8 %
Sand : < 4.75mm and > 0.075mm 5.6 %
Silt/Clay : < 0.075mm 93.6 %
Moisture Content: 15.7 %

Comments: -

Report Date: June 22, 2021

Reviewed By: 

Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

ATTERBERG LIMITS REPORT
Tested in accordance with ASTM D4318 Liquid Limit, Plastic Limit, and Plasticity Index of Soils

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.

Lab ID: S21409
Client Project: RCR Phase 4

Attn: Doug Clapp
CC: -

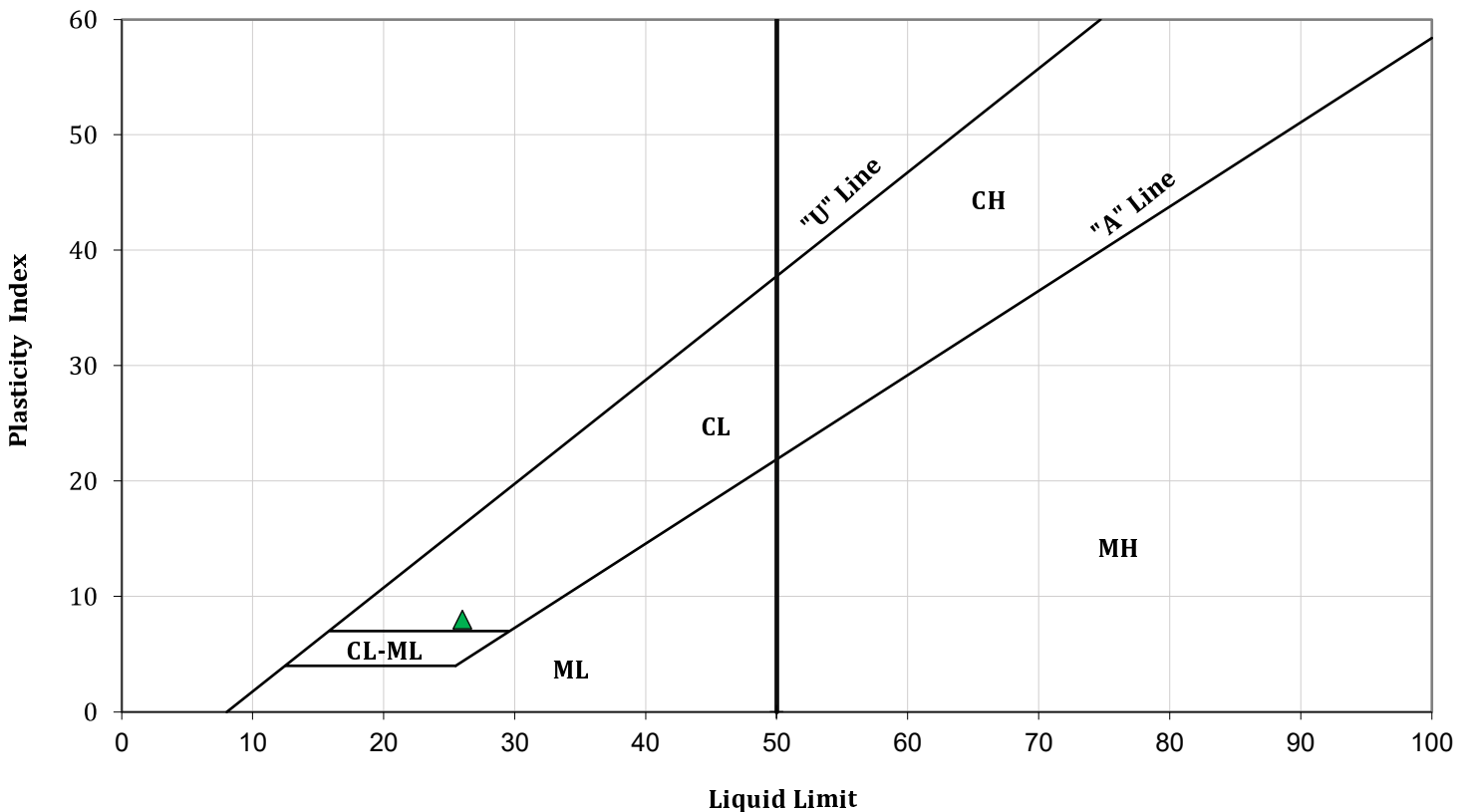
Date Received: June 23, 2021

Sample Description: -
Sample ID: B1 S8
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client


Method: Wet Preparation

Soil Classification (USCS)	Moisture Content	Liquid Limit	Plastic Limit	Plasticity Index
CL	26.5%	26	18	8



Comments: -

Report Date: July 5, 2021

Reviewed By: 
 Bryan Morrison, BSc.

MATERIALS TESTING & INSPECTION

STANDARD PROCTOR REPORT (Moisture-Density Relationship)
Tested in accordance with ASTM D698 Laboratory Compaction Characteristics of Soil Using Standard Effort and D4718 Correction of Unit Weight and Water Content for Soils Containing Oversize Particles

Project No: 21.0007.AR
Project: Groundtech General
Client: Groundtech Engineering Ltd.

Lab ID: S21391
Client Project: RCR Phase 4

Attn: Doug Clapp
CC: -

Date Received: June 18, 2021

Sample Description: SILT/CLAY, trace sand, trace gravel
Sample ID: Currie Bowl CDS backfill
Sample Source: Geotechnical Investigation

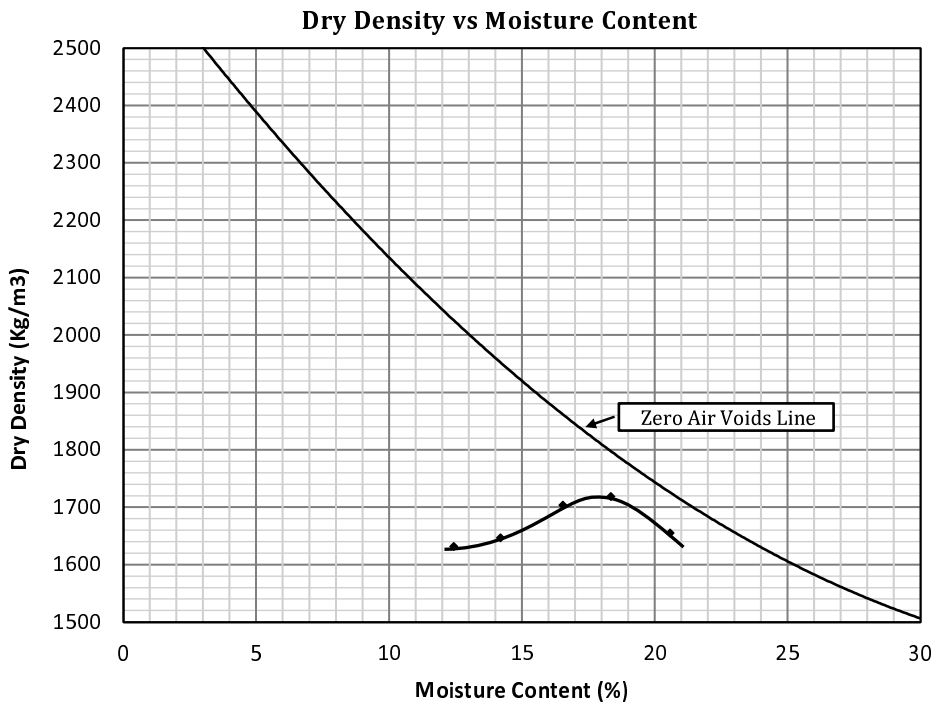
Sample Date: -
Sample Time: -
Sampled By: Client

Test Date: June 21, 2021
 Method used: Method A (< 25% retained on 4.75mm)
 Mold: 101.6mm
 Hammer type: Manual

Tested By: JM
 Oversize rock density (kg/m³): 2666
 % oversize rock in sample: 1%
 Oversize rock retained on sieve: 4.75mm

Test sample values: **Maximum Dry Density (kg/m³): 1719**
 (Uncorrected)

Optimum moisture (%): 18.3
 (Uncorrected)


Test Data

Trial No.	Wet Density (kg/m ³)	Dry Density (kg/m ³)	Moisture Content (%)
1	1835	1632	12.4
2	1880	1647	14.2
3	1985	1703	16.5
4	2034	1719	18.3
5	1996	1655	20.6

**Field oversize correction values:
(where applicable)**

% Oversize	Corrected Dry Density (kg/m ³)	Adjusted Moisture (%)
5	1750	17.5
10	1782	16.7
15	1815	15.8
20	1850	15.0
25	1886	14.1
30	1924	13.3

Comments: -

Report Date: June 22, 2021

Reviewed by:


 Bryan Morrison, BSc.

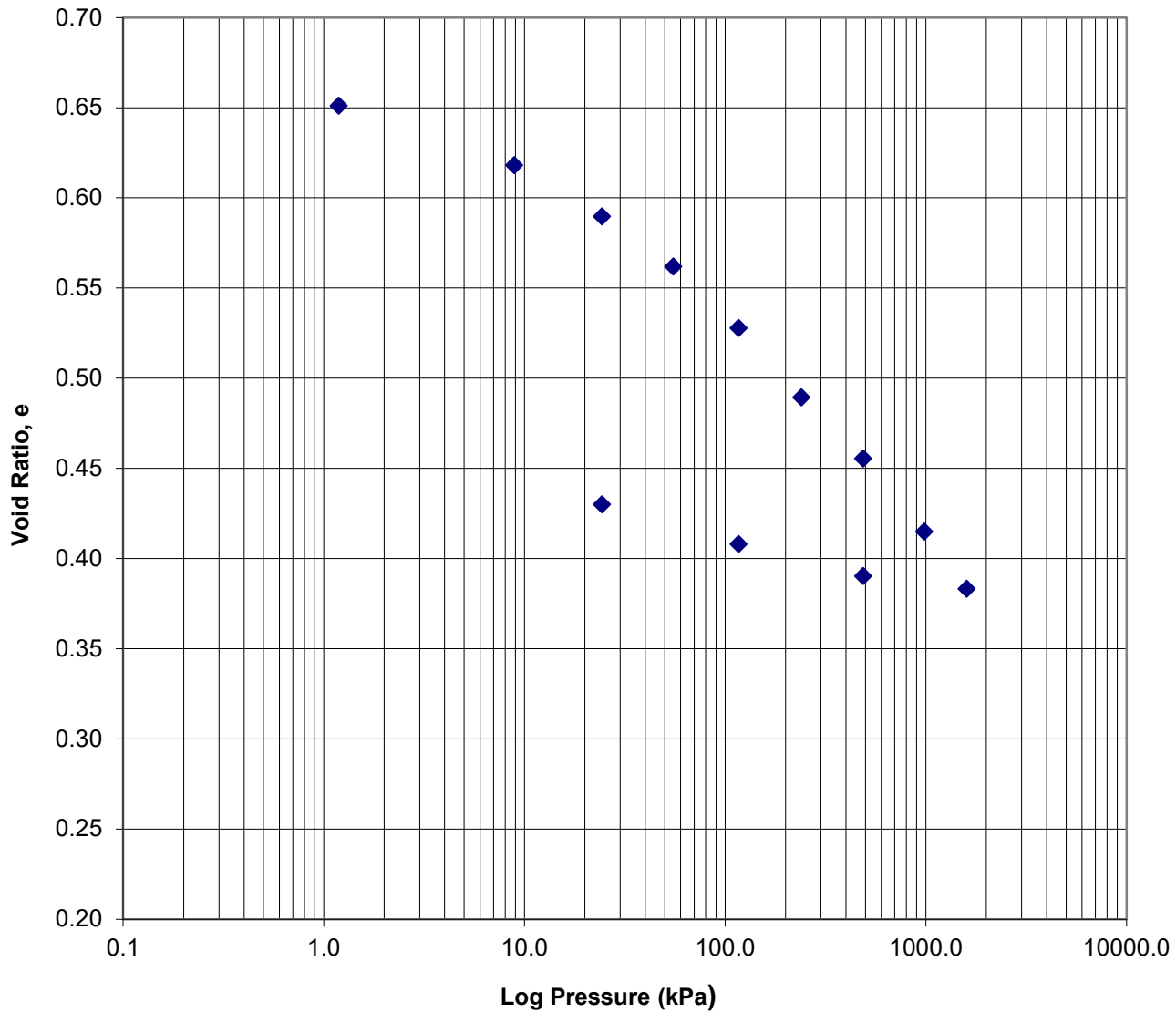
Consolidation Test

Project Number	10-1359-0009	Initial Water Content	26.04 %	Initial Wet Density	2048 kg/m ³
Borehole	BH-15	Initial Height	19.50 mm	Initial Dry Density	1625 kg/m ³
Field Tag No.	-	Initial Mass	158.55 g	Initial Void Ratio	0.662
Depth	30.0 ft	Sample Diameter	71.10 mm	Initial Saturation	106.24%
Lab No.	B570-03	Specific Gravity (assumed)	2.70	Height of Solids	11.735 mm
		Final Water Content	19.24 %	Final Void Ratio (from ht)	0.432
		Final Height (Measured)	16.80 mm	Area	0.00397 m ²
Loading Cap	1.19 kPa	Final Mass	150.85 g	Initial Dry Mass	125.80 g

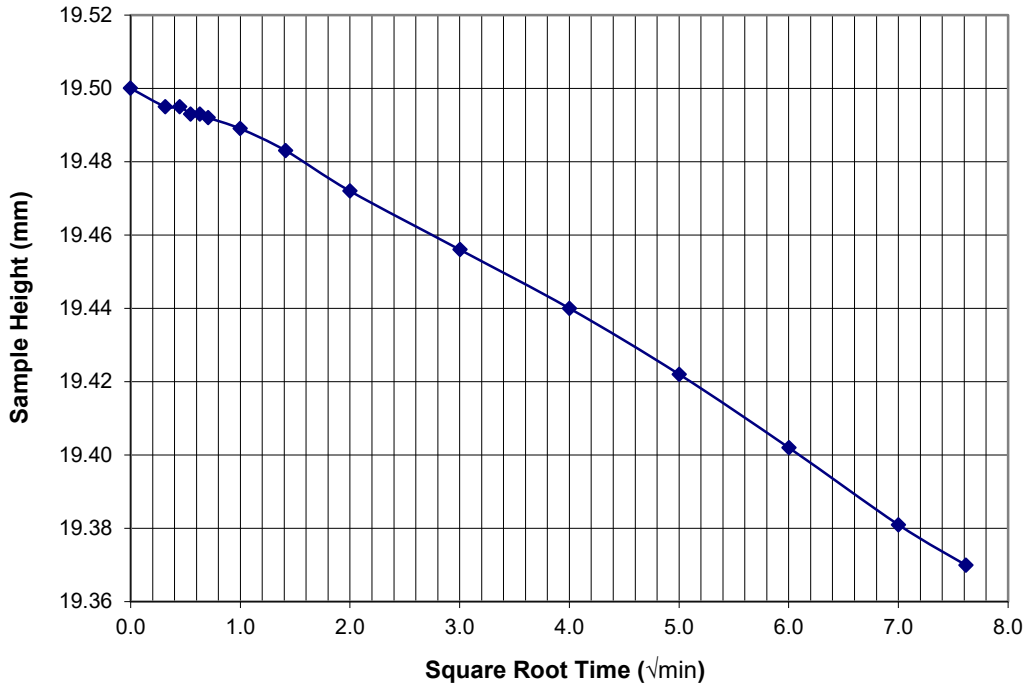
Load No.	H _{sample} (mm)	H _{D50} (mm)	Stone Correction	H _{corrected}	D ₅₀ _{corrected}	t ₅₀ (min)	Stress (kPa)	Void Ratio	Strain (%)	Incremental Work (kJ/m ³)	Cumulative Work (kJ/m ³)	Stress Point (kPa)
1	19.370		0.003	19.373			1.19	0.651	0.65	0.00	0.00	1.19
2	18.968		0.019	18.987			8.90	0.618	2.63	0.10	0.10	8.90
3	18.575		0.078	18.653			24.34	0.590	4.34	0.29	0.39	24.34
4	18.196		0.131	18.327			55.23	0.562	6.01	0.70	1.09	55.23
5	17.751		0.177	17.928			117.00	0.528	8.06	1.88	2.96	117.00
6	17.252		0.225	17.477			240.54	0.489	10.38	4.50	7.46	240.54
7	16.803		0.275	17.078			487.62	0.455	12.42	8.30	15.76	487.62
8	16.259		0.344	16.603			981.78	0.415	14.86	20.45	36.21	981.78
9	15.833		0.398	16.231			1599.48	0.383	16.77	28.94	65.15	1599.48
10	15.995		0.319	16.314			487.62	0.390	16.34			
11	16.265		0.256	16.521			117.00	0.408	15.28			
12	16.590		0.190	16.780			24.34	0.430	13.95			

Reviewed: _____

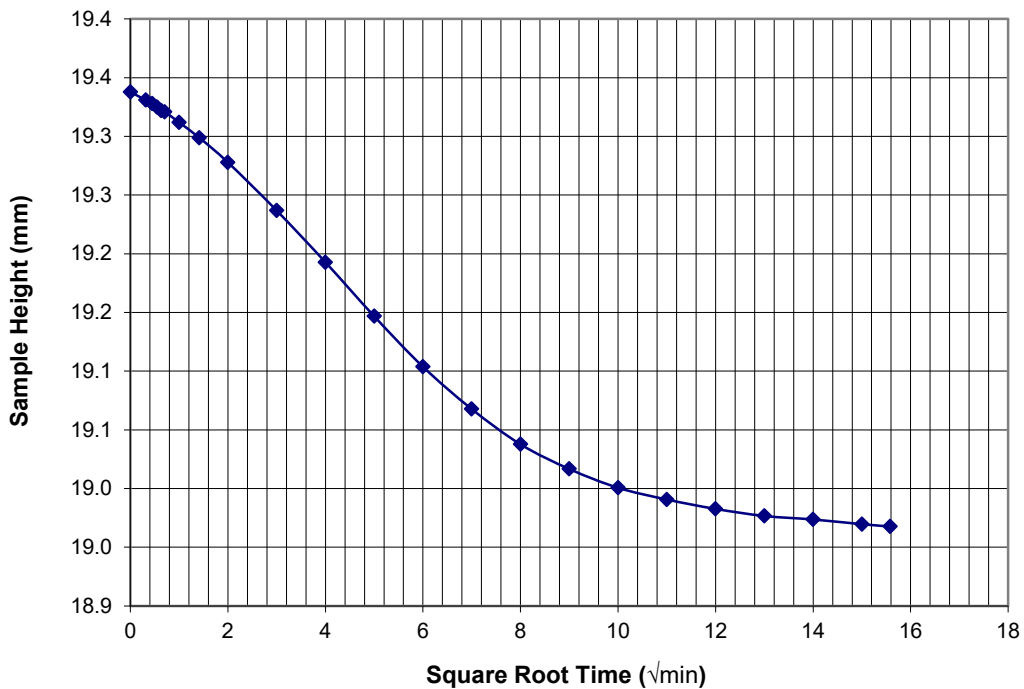
Void Ratio vs. Log Pressure



SAMPLE HEIGHT vs. SQUARE ROOT TIME

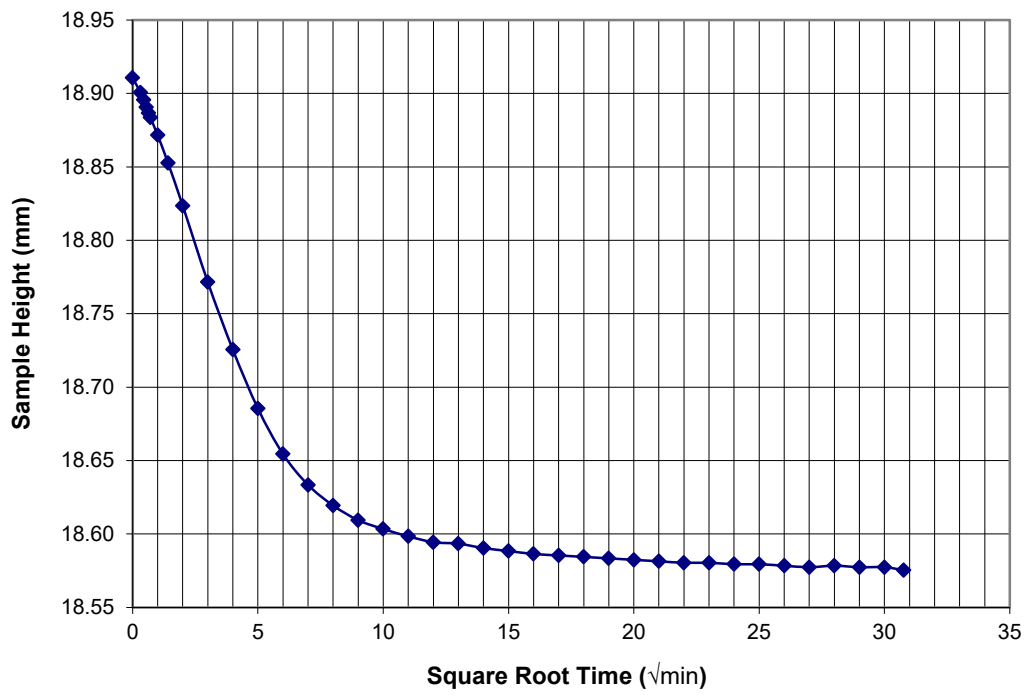


Total Stress: 1.19 kPa

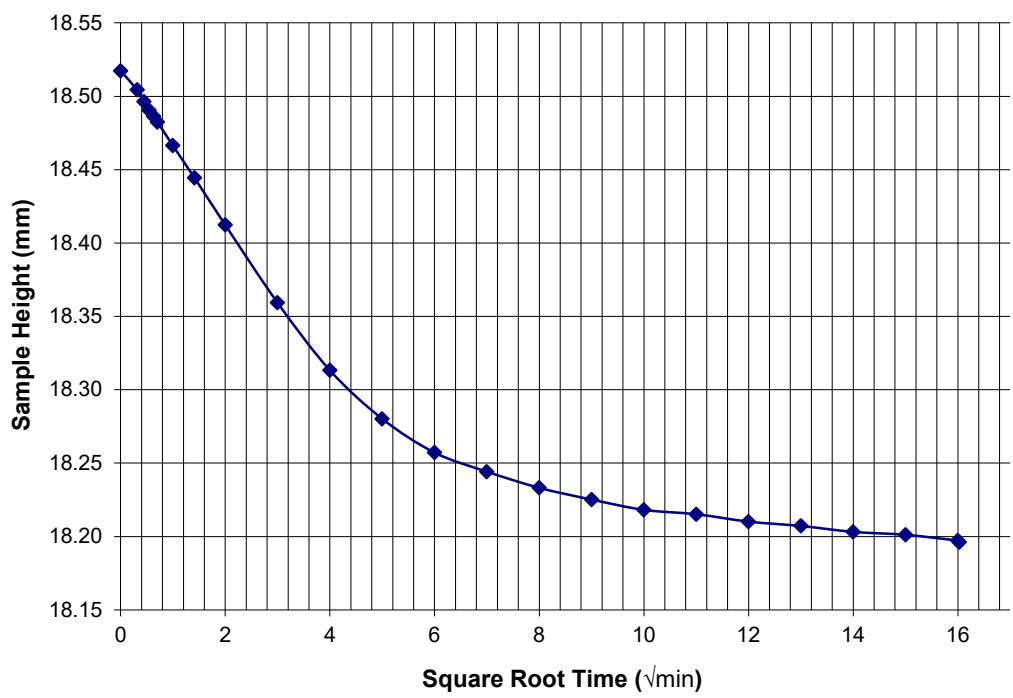


Total Stress: 8.90 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

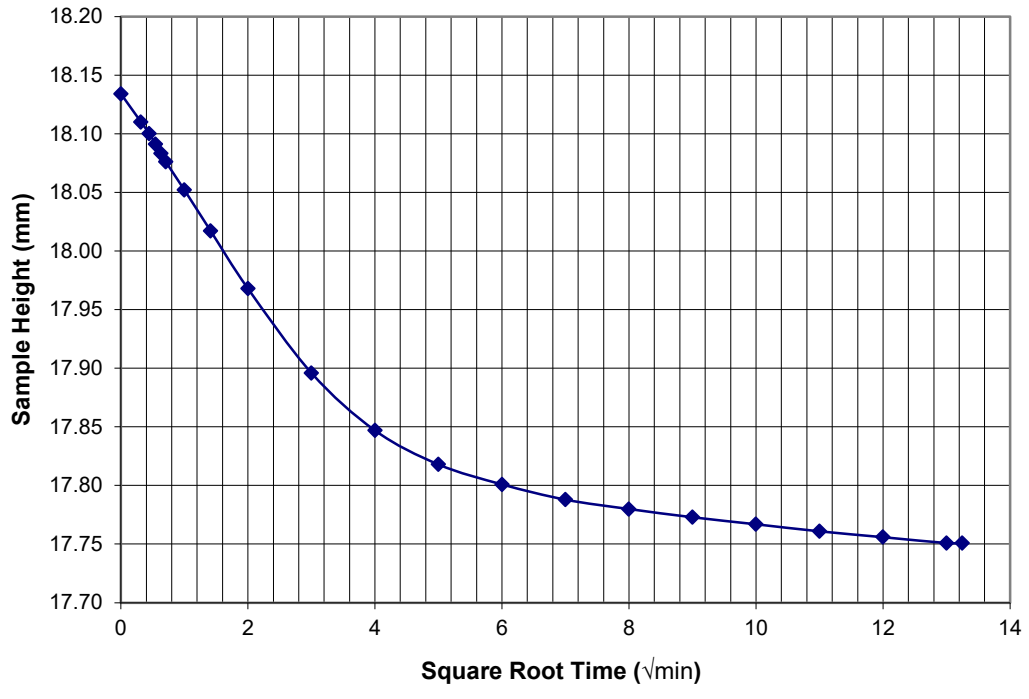


Total Stress: 24.34 kPa

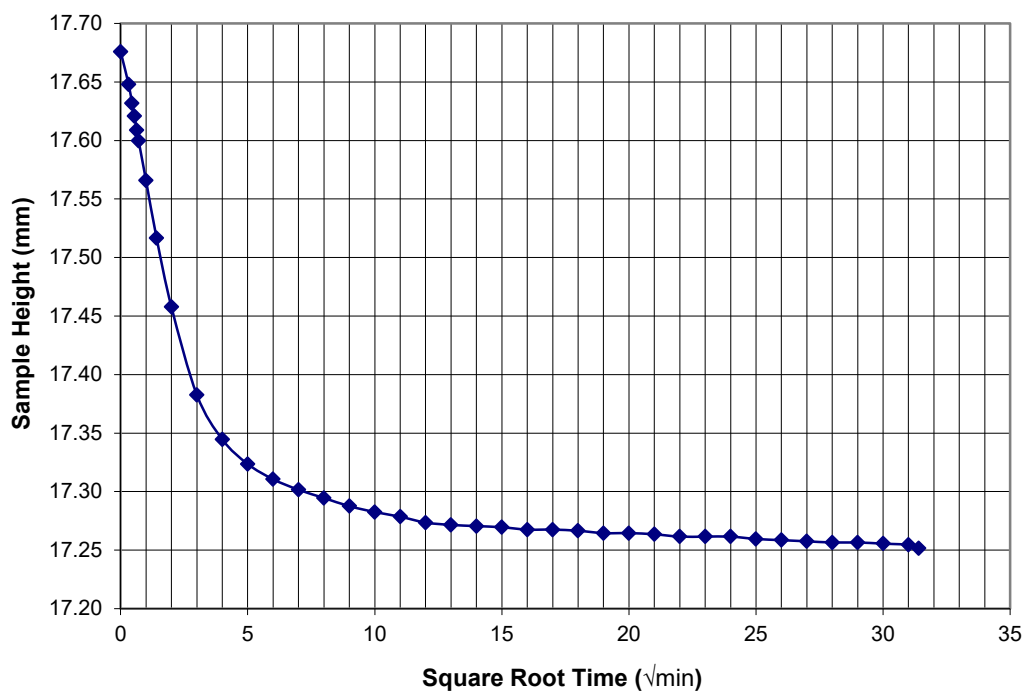


Total Stress: 55.23 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

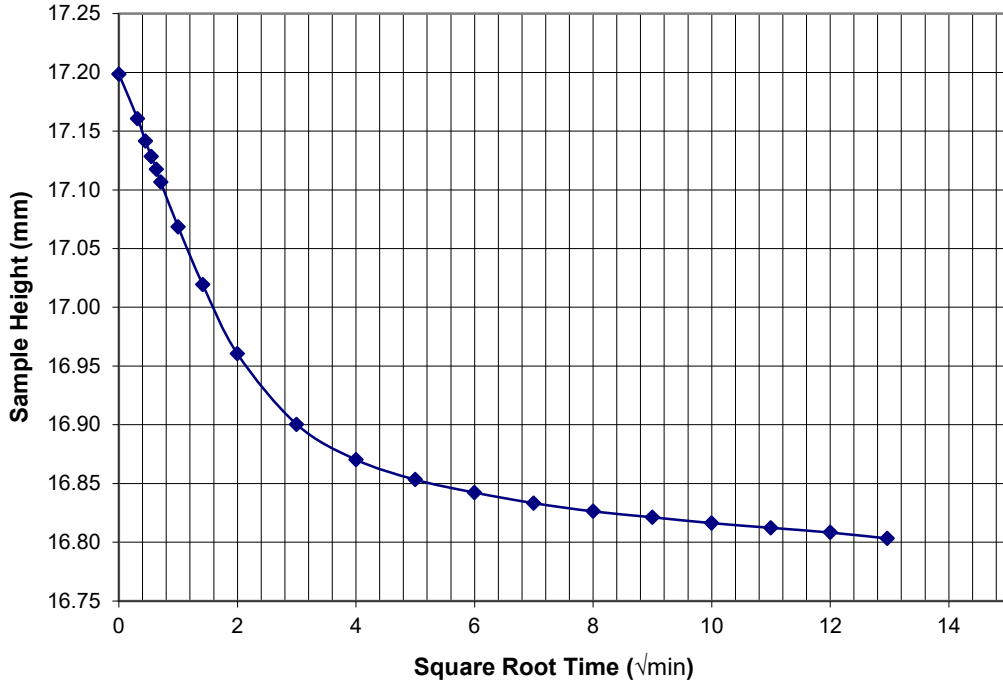


Total Stress: 117.00 kPa

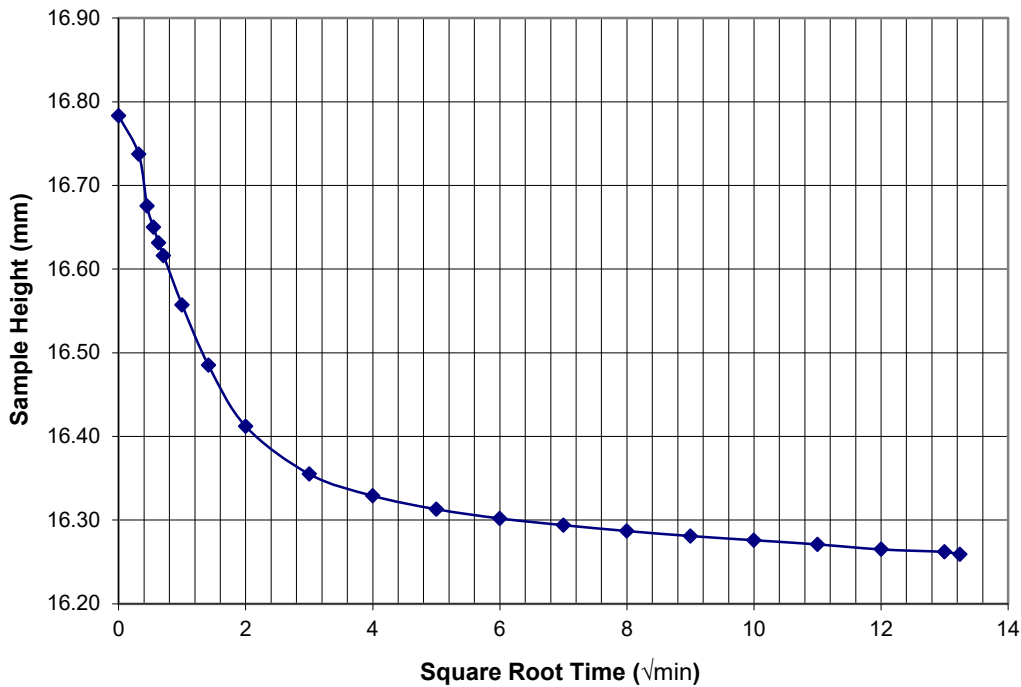


Total Stress: 240.54 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

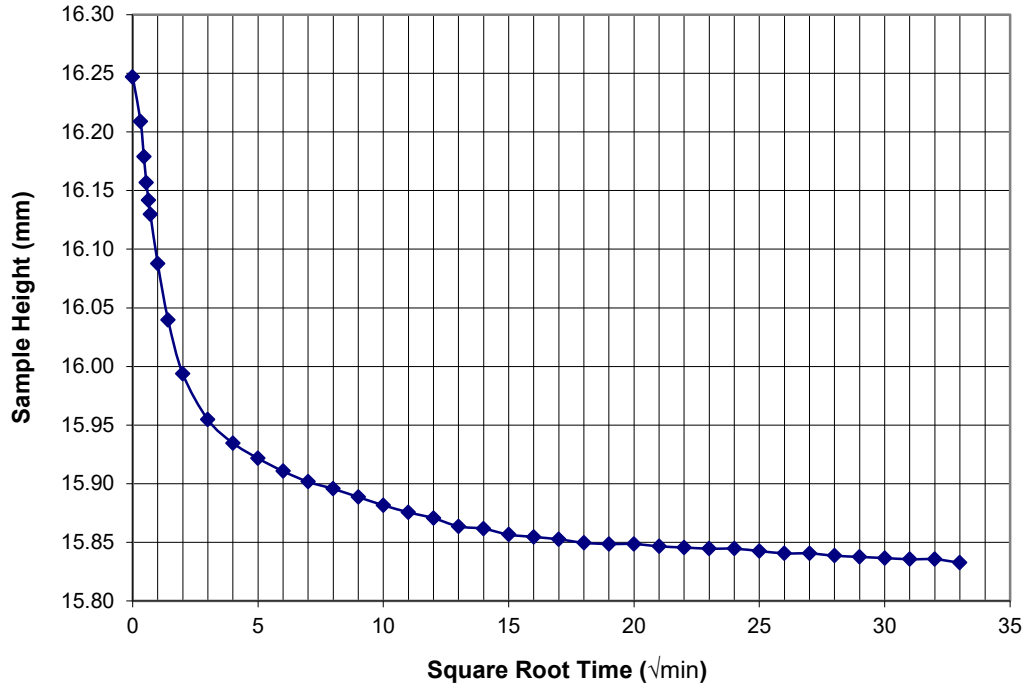


Total Stress: 487.62 kPa

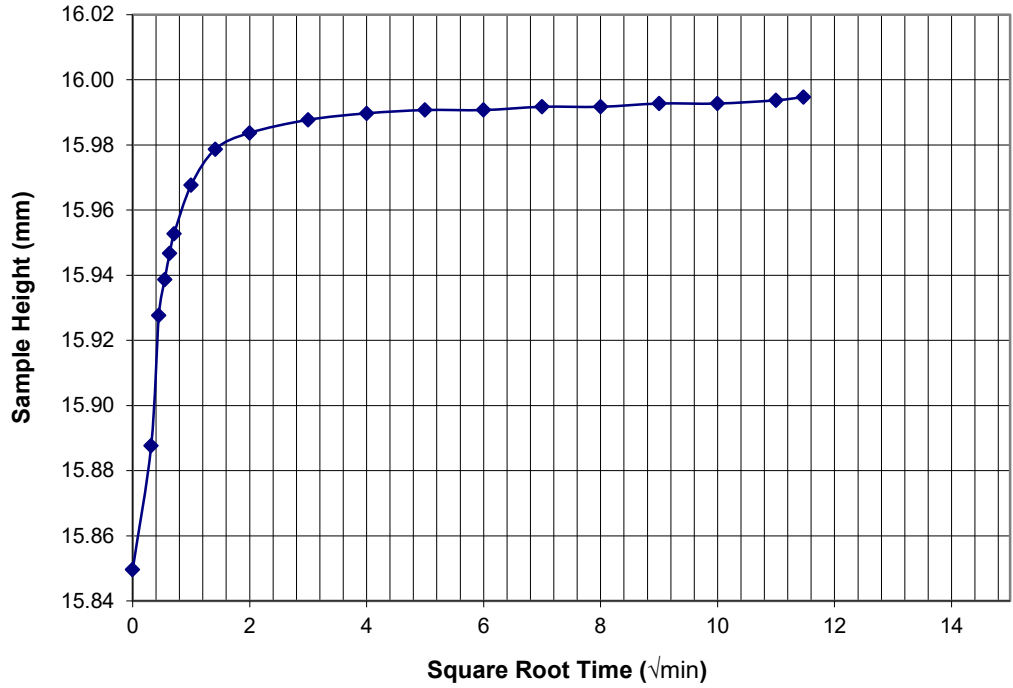


Total Stress: 981.78 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

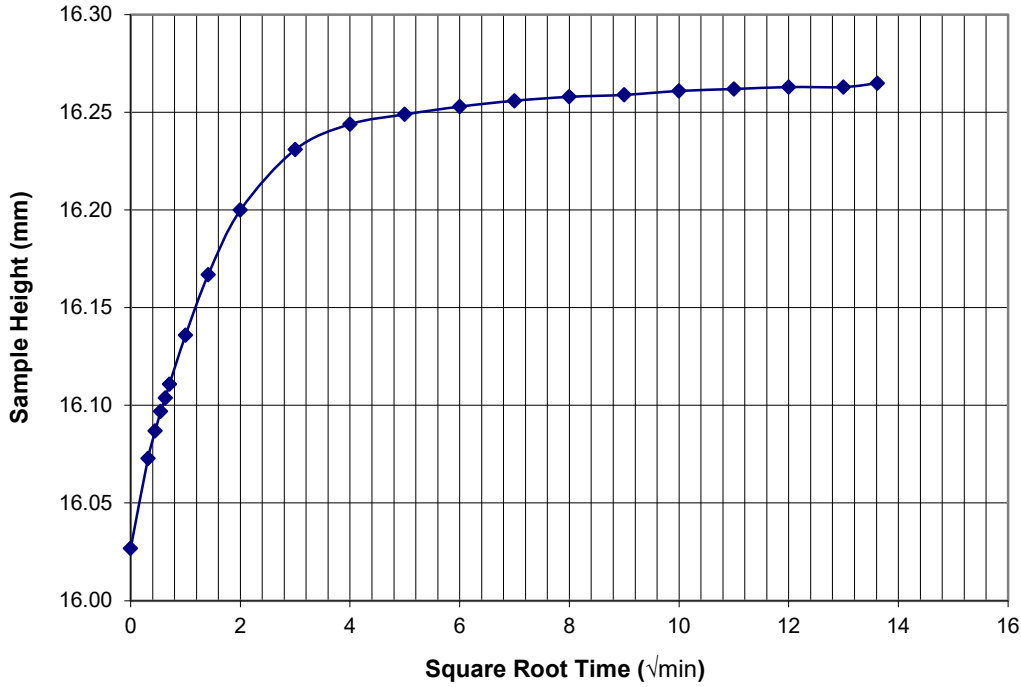


Total Stress: 1599.48 kPa

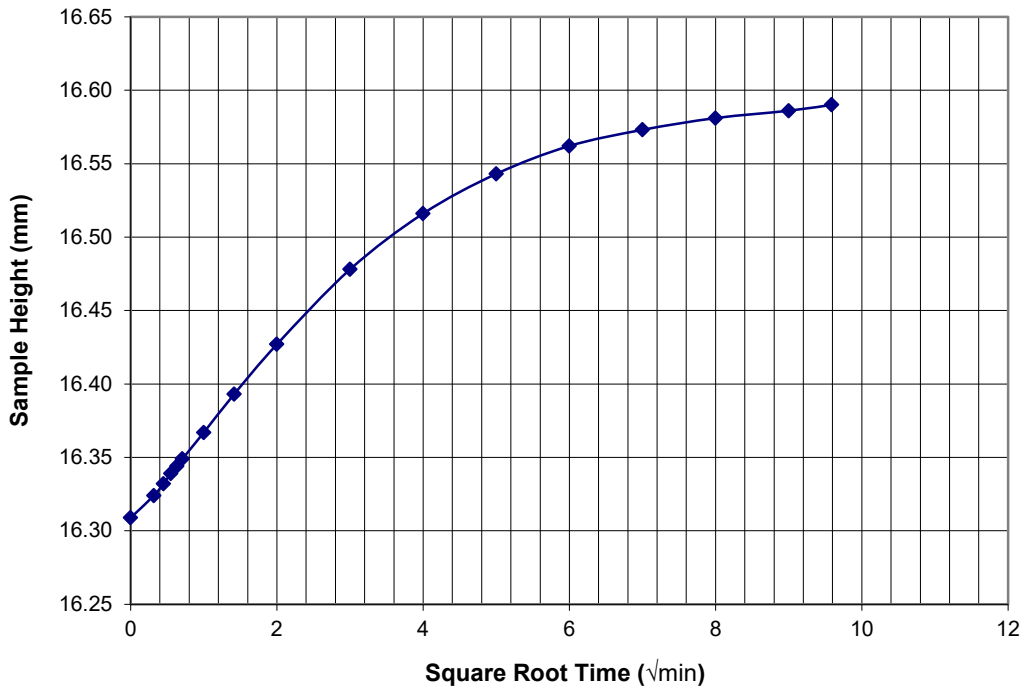


Total Stress: 487.62 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

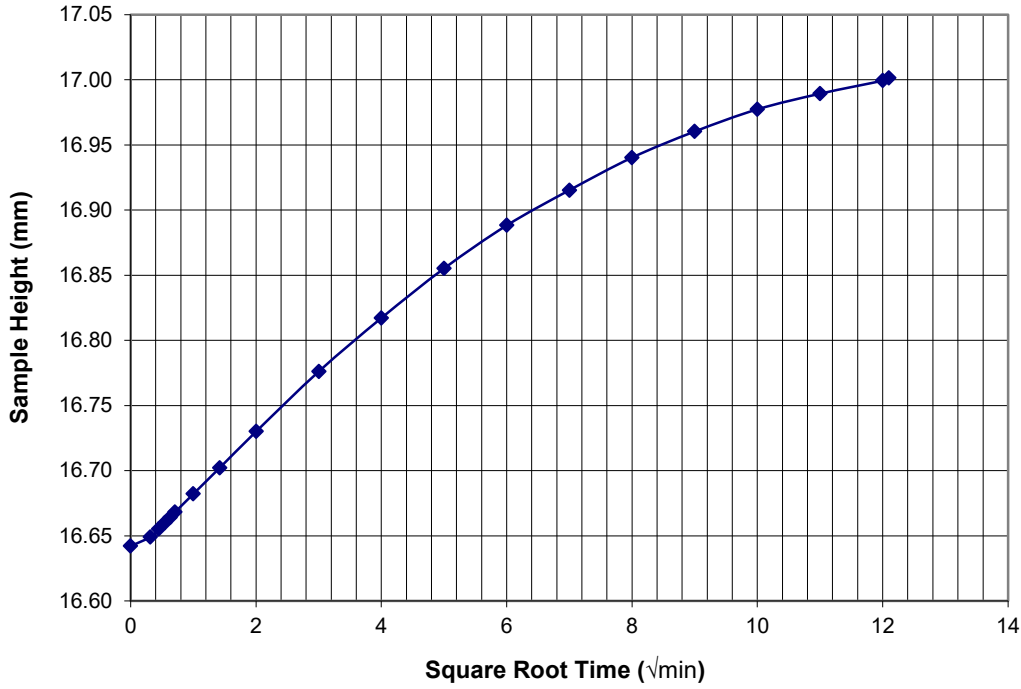


Total Stress: 117.00 kPa



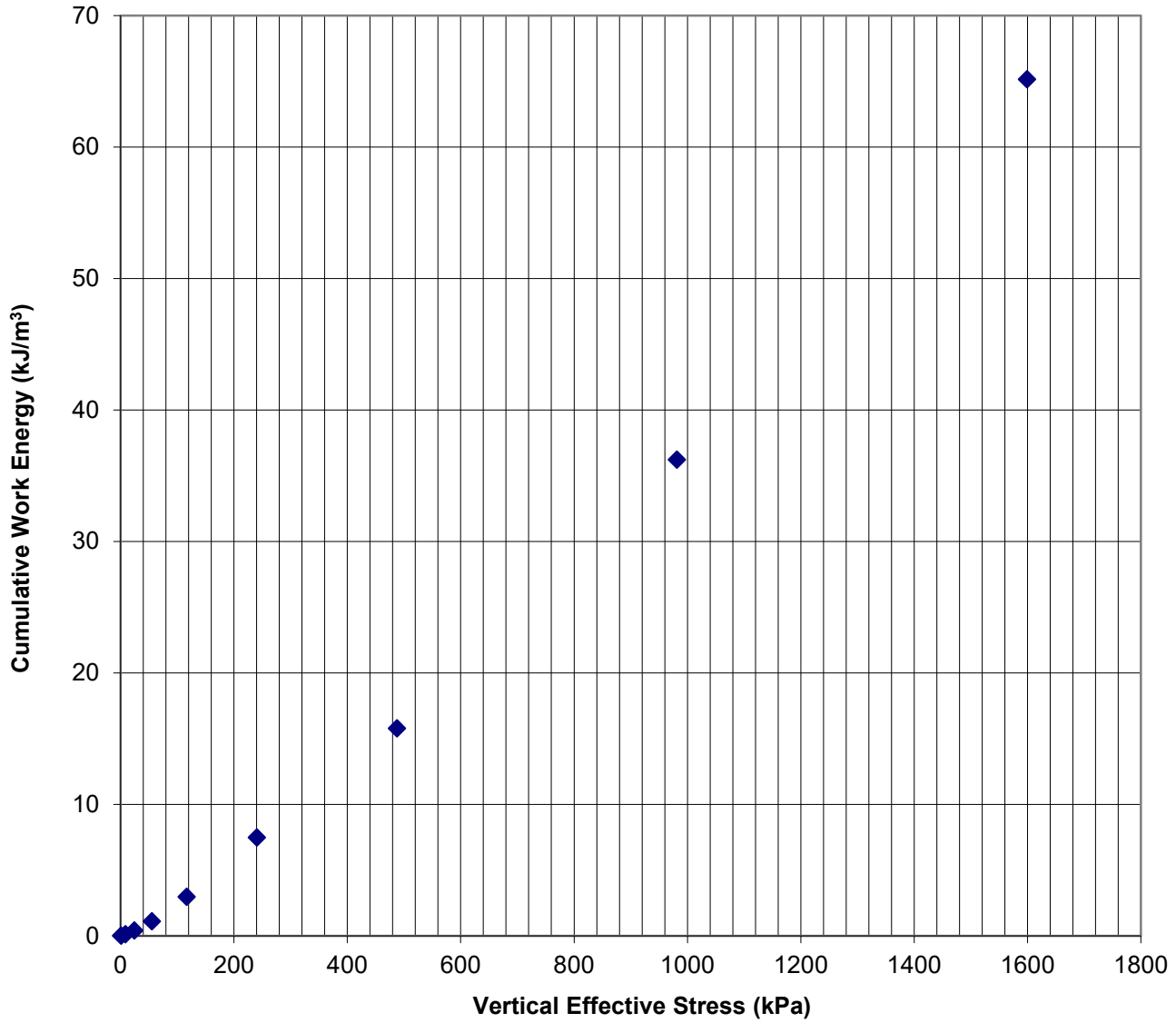
Total Stress: 24.34 kPa

SAMPLE HEIGHT vs. SQUARE ROOT TIME

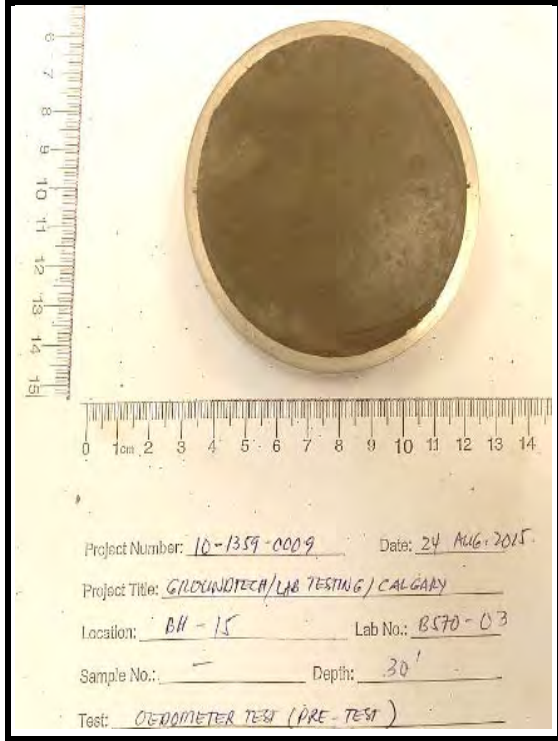


Total Stress: 1.19 kPa

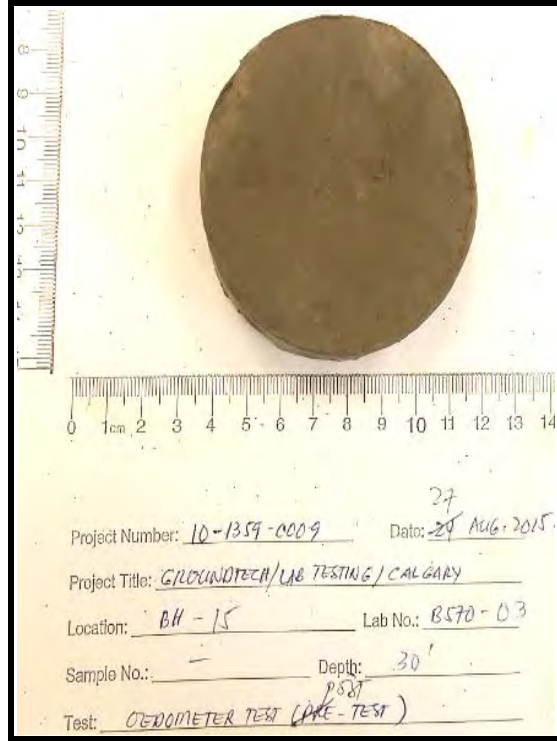
Work Energy Method



Project No.: 10-1359-0009
 Lab No.: B570-03
 BH No.: BH-15
 Sample No.: -
 Depth: 30.0 ft



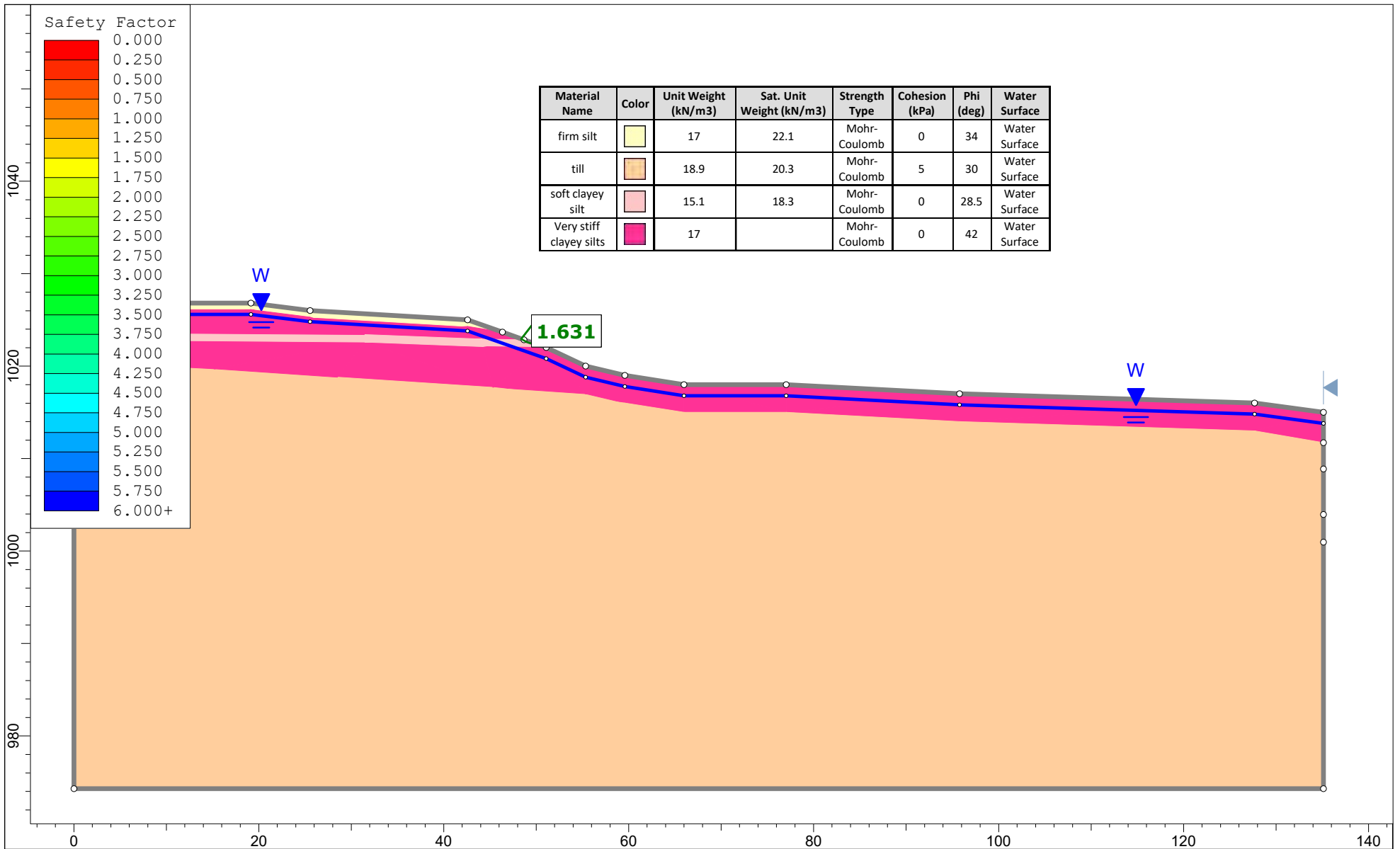
Pre-test



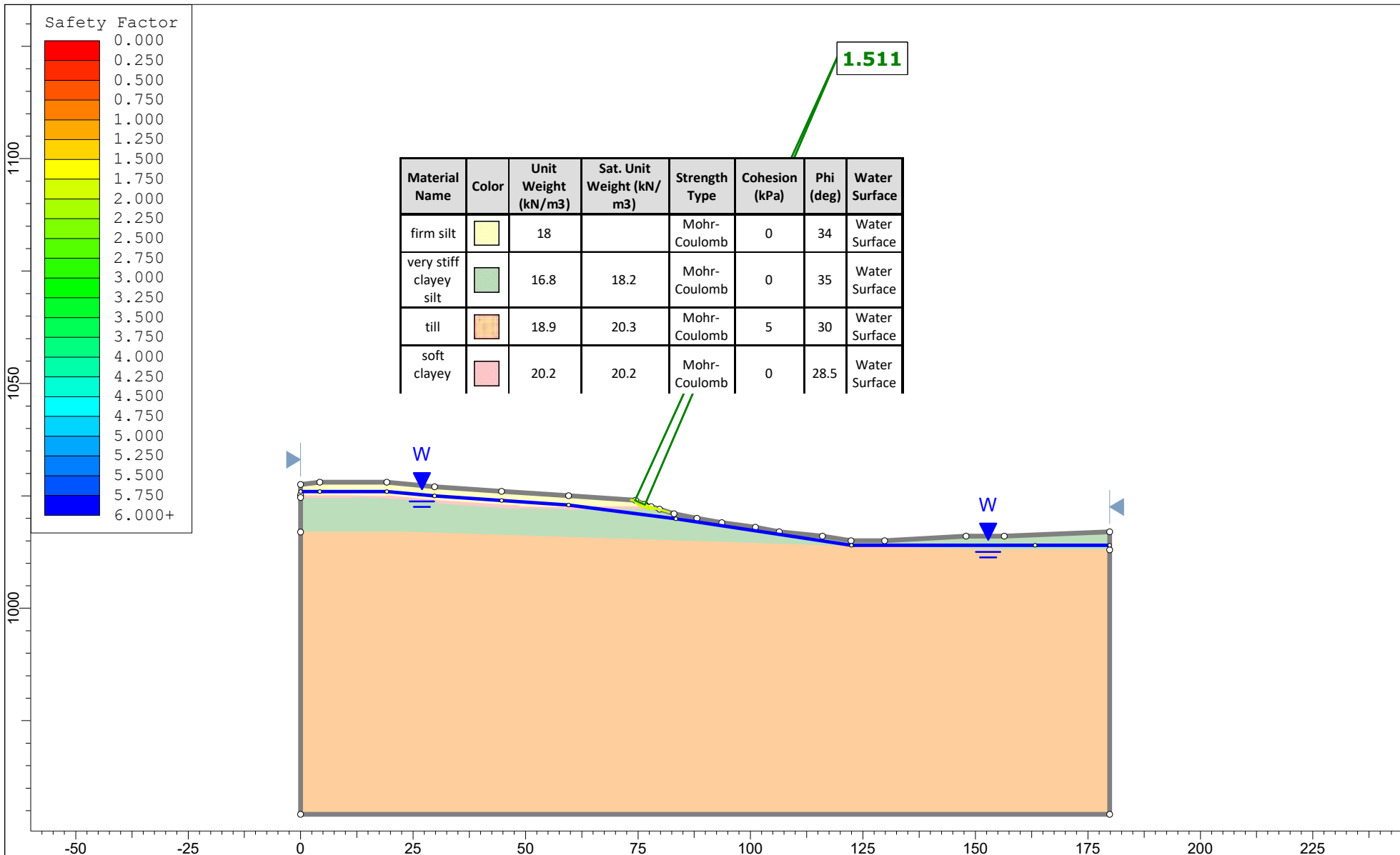
Post-test

APPENDIX V

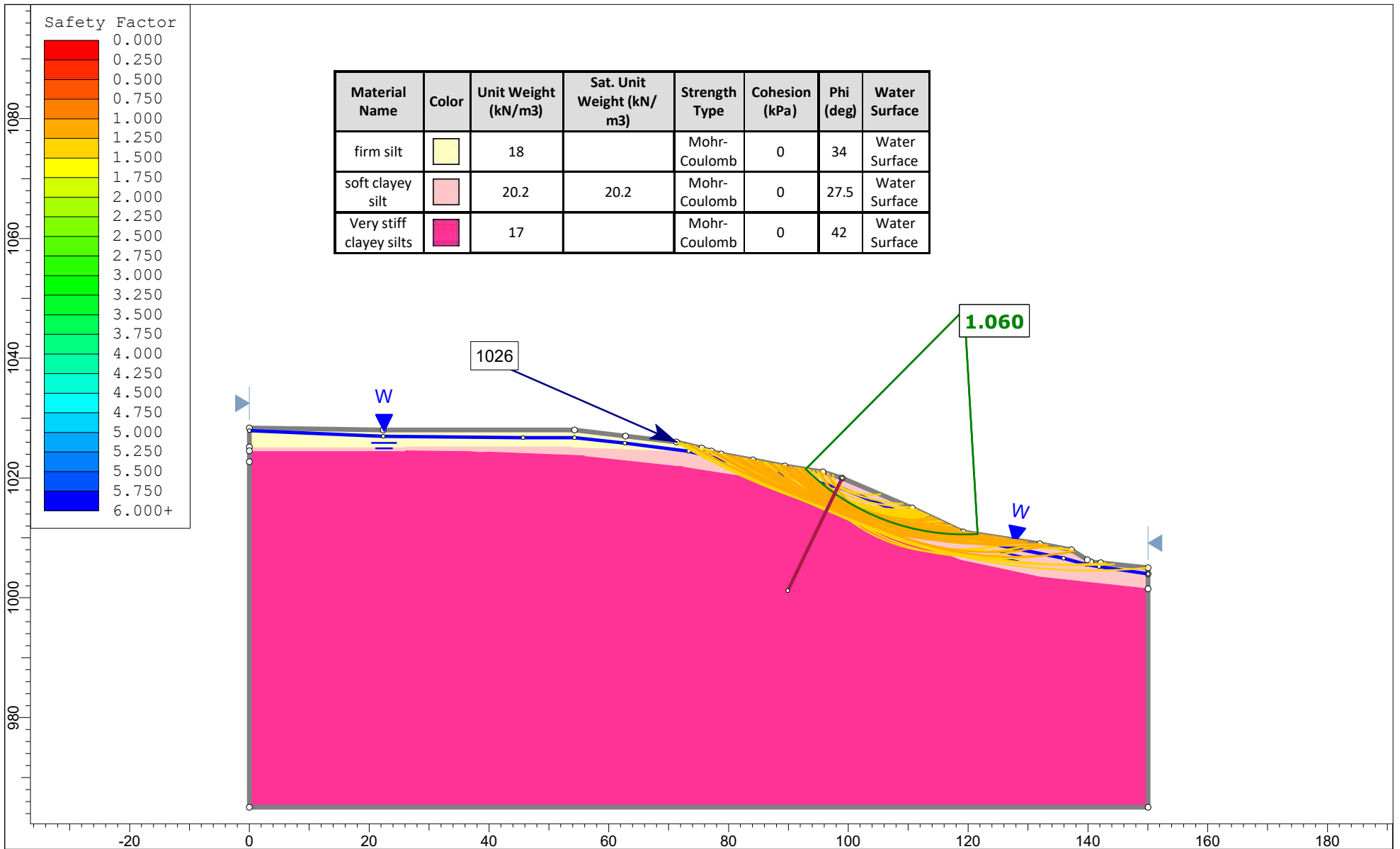
Slope Stability Analysis Plots



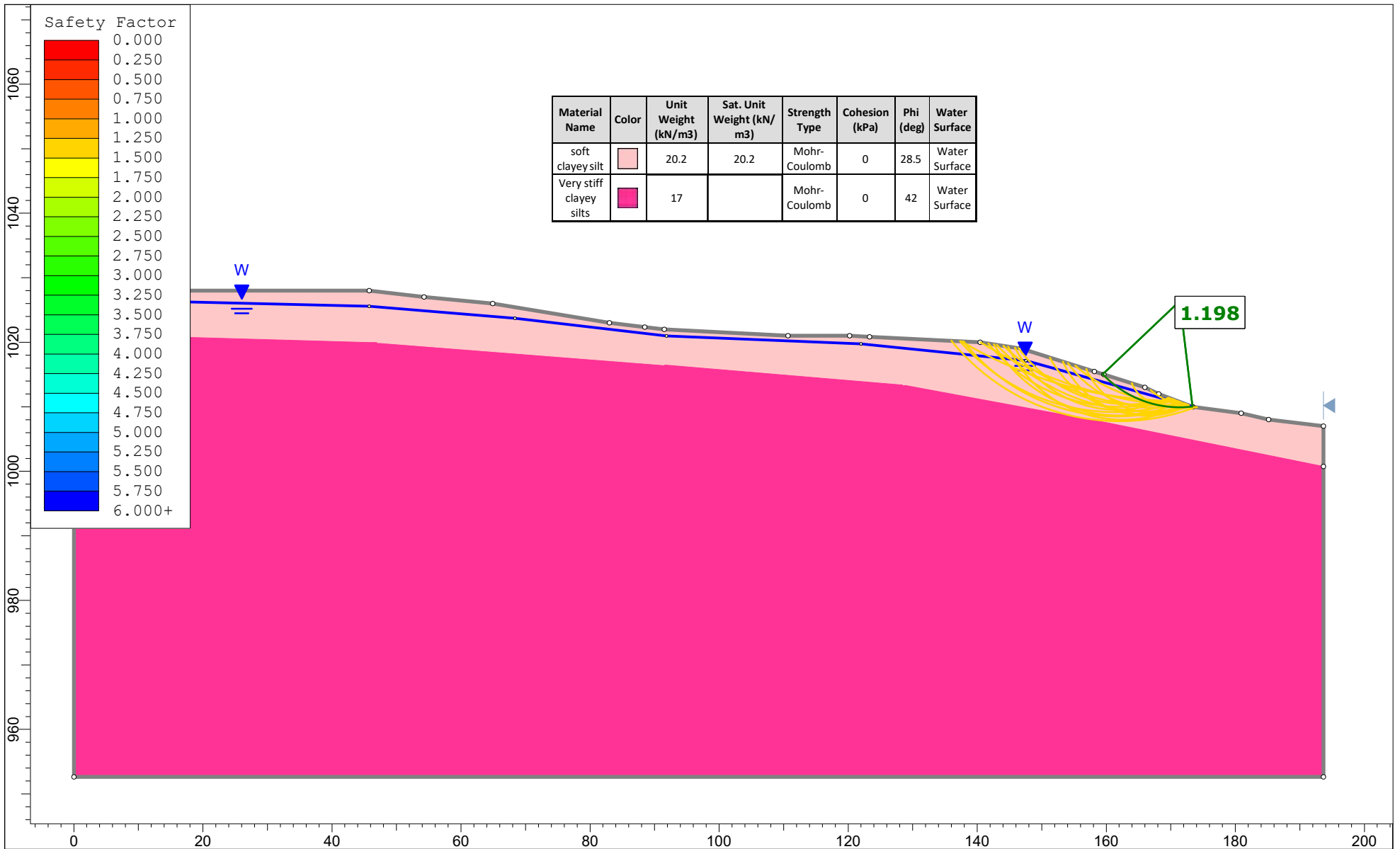
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
				Master Scenario
				xs1.slmd



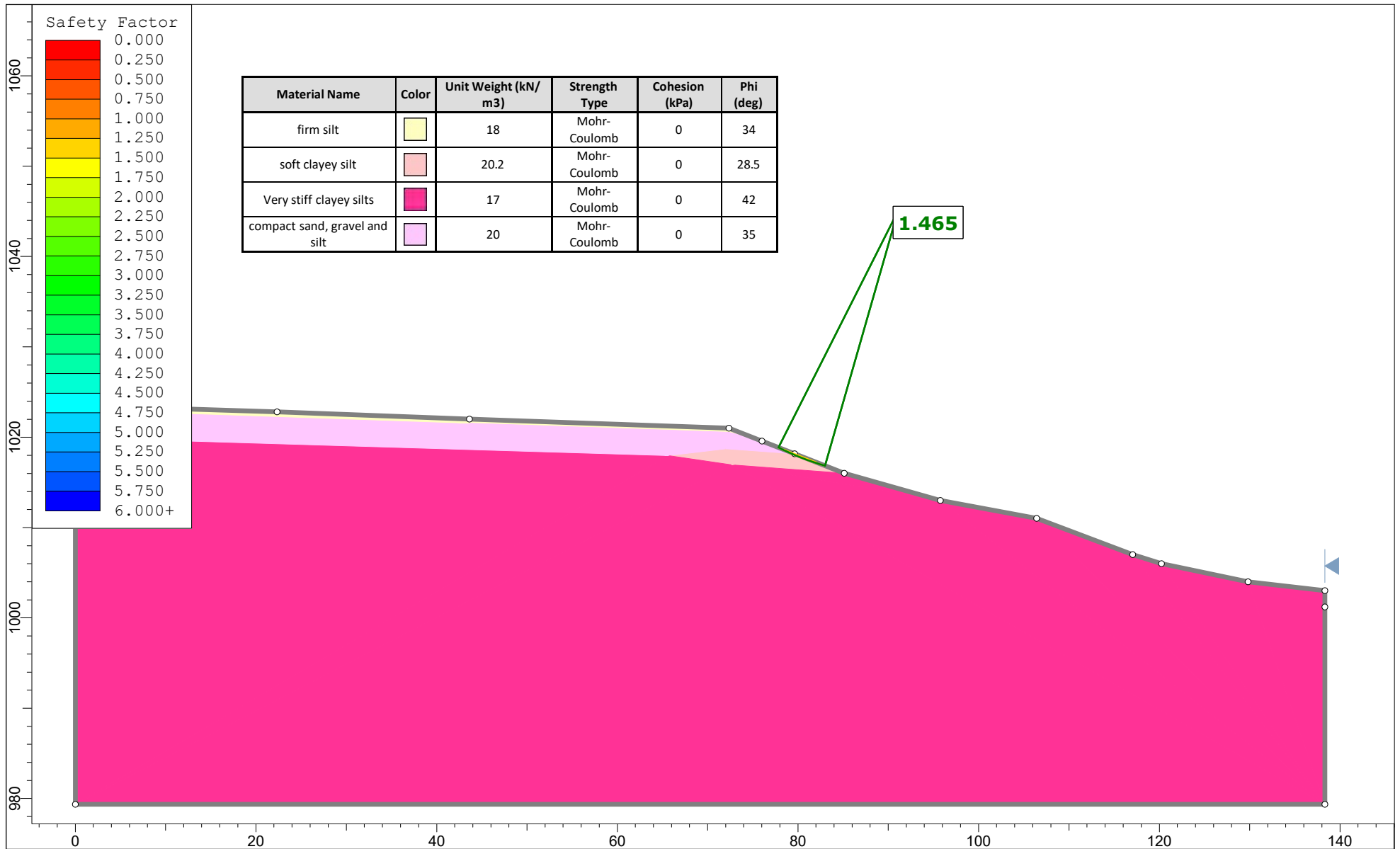
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
				Master Scenario
				xs2.slmd




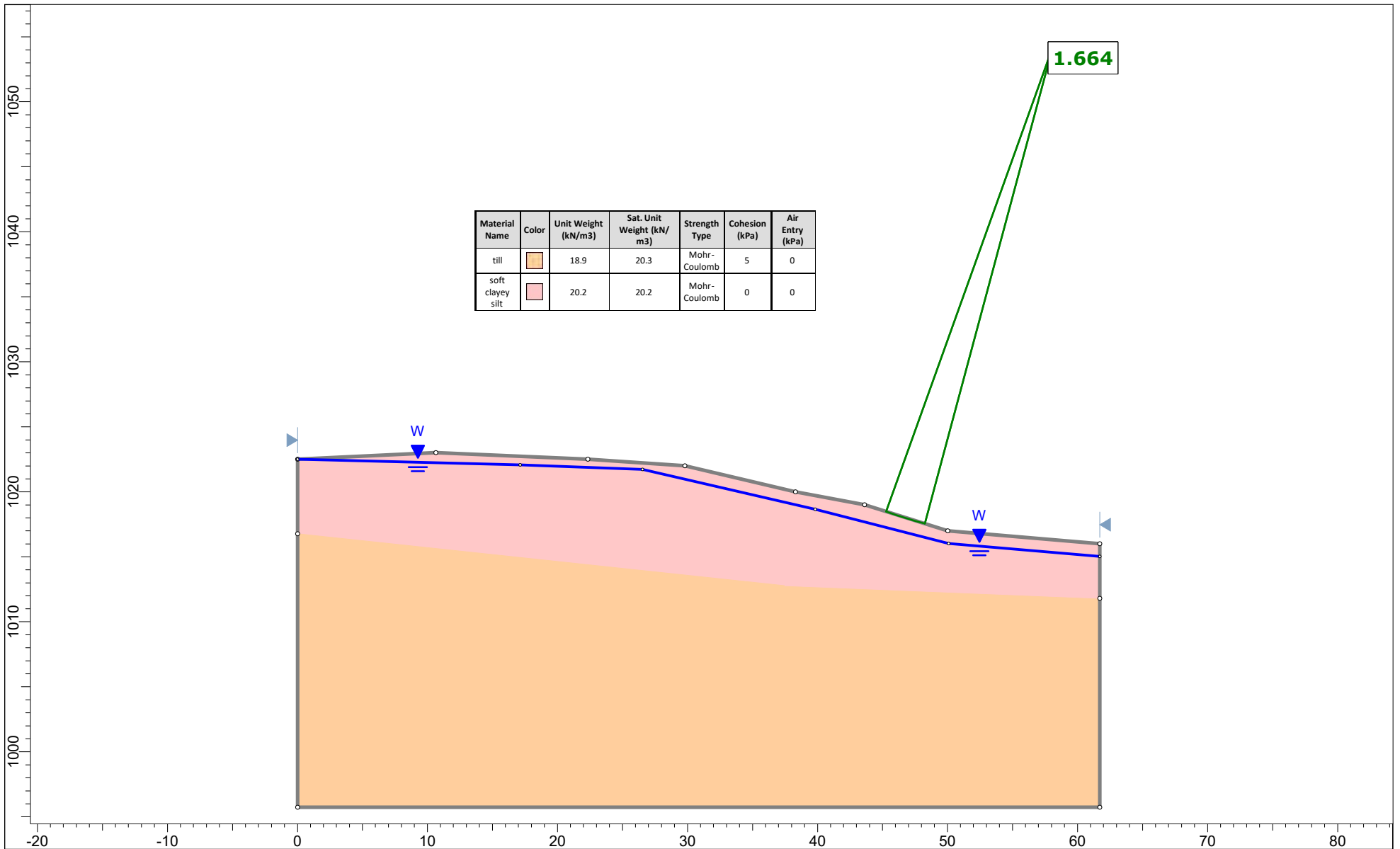
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
				Master Scenario
				xs3.slmd






	Project		SLIDE - An Interactive Slope Stability Program	
	Group	Group 2	Scenario	Master Scenario
	Drawn By		Company	
	Date	09/14/2021	File Name	xs4.slmd

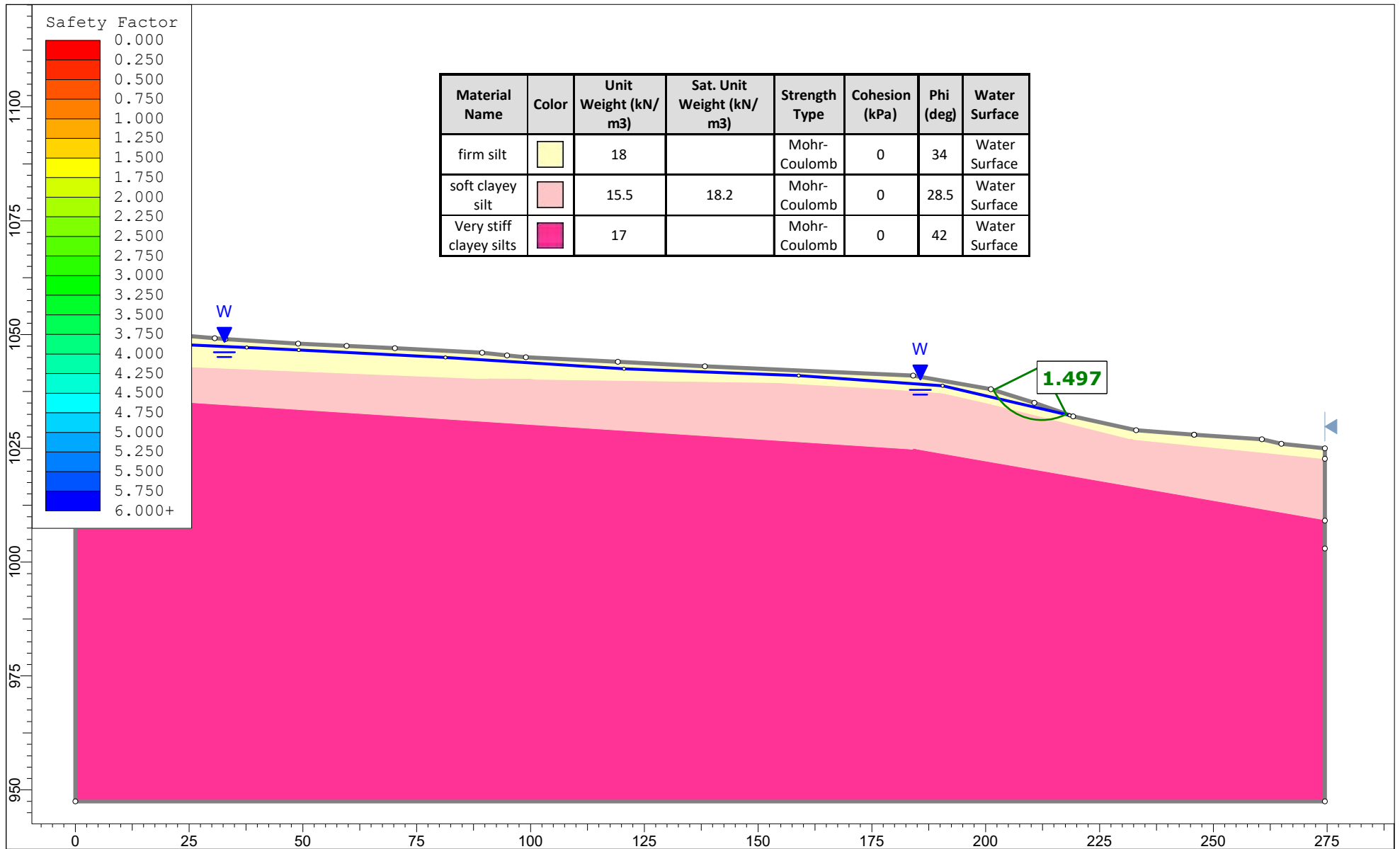


	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
			Master Scenario	xs5.slmd

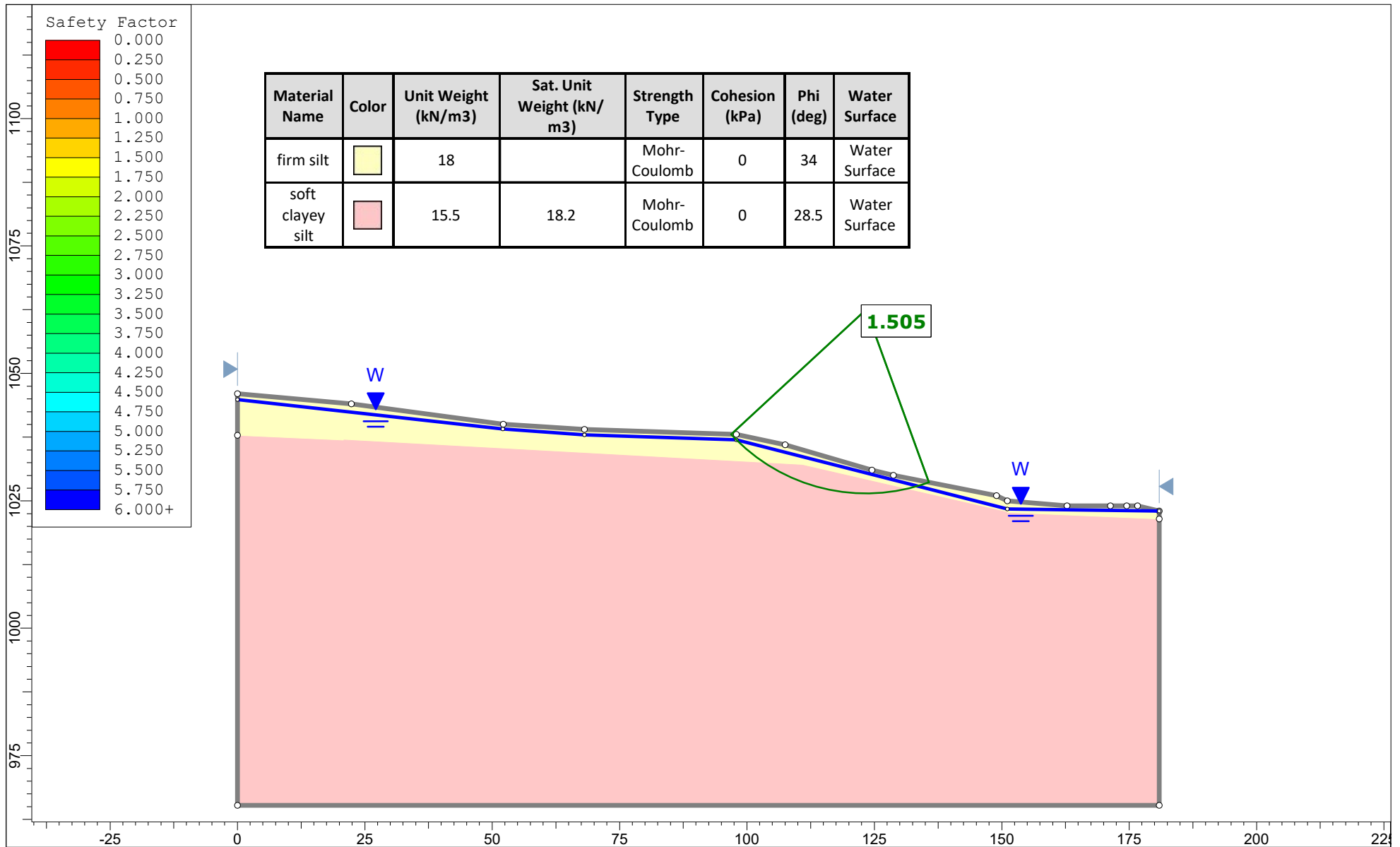


Material Name	Color	Unit Weight (kN/m ³)	Sat. Unit Weight (kN/m ³)	Strength Type	Cohesion (kPa)	Air Entry (kPa)
till		18.9	20.3	Mohr-Coulomb	5	0
soft clayey silt		20.2	20.2	Mohr-Coulomb	0	0

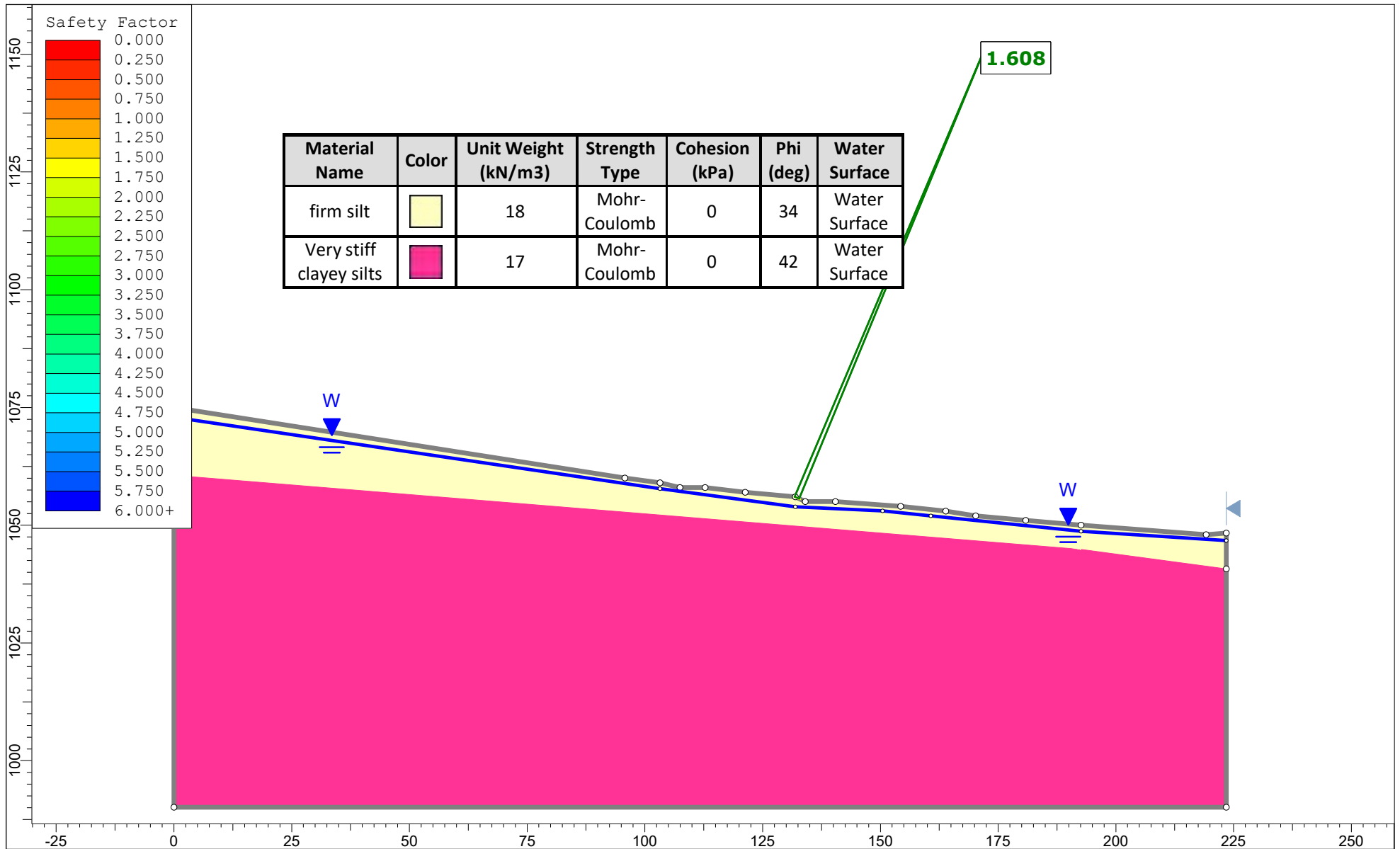
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
				Master Scenario
				xs6.slmd



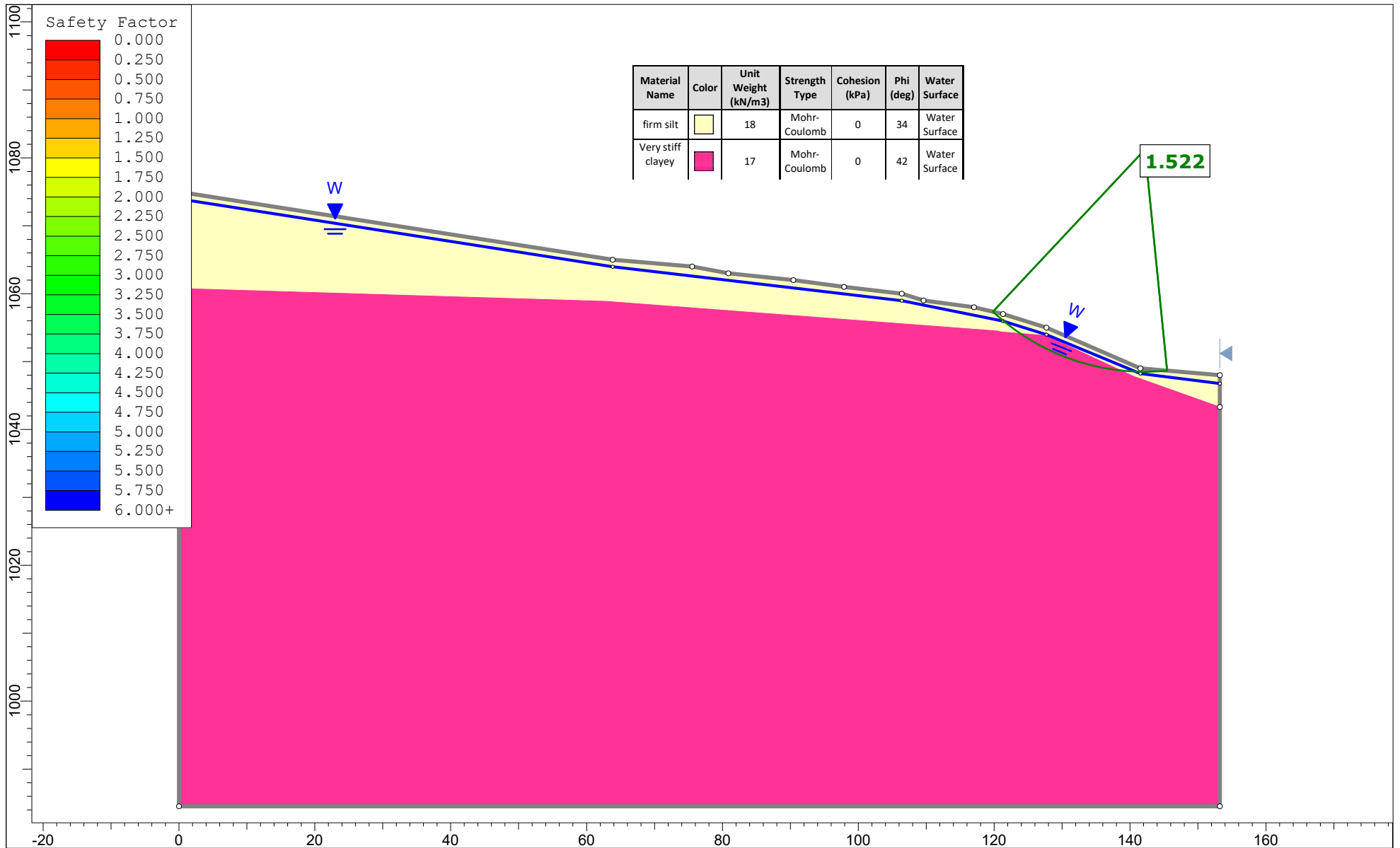
	<i>Project</i> SLIDE - An Interactive Slope Stability Program	
	<i>Group</i> pre	<i>Scenario</i> Master Scenario
	<i>Drawn By</i>	<i>Company</i>
	<i>Date</i> 09/14/2021	<i>File Name</i> xs7.slmd



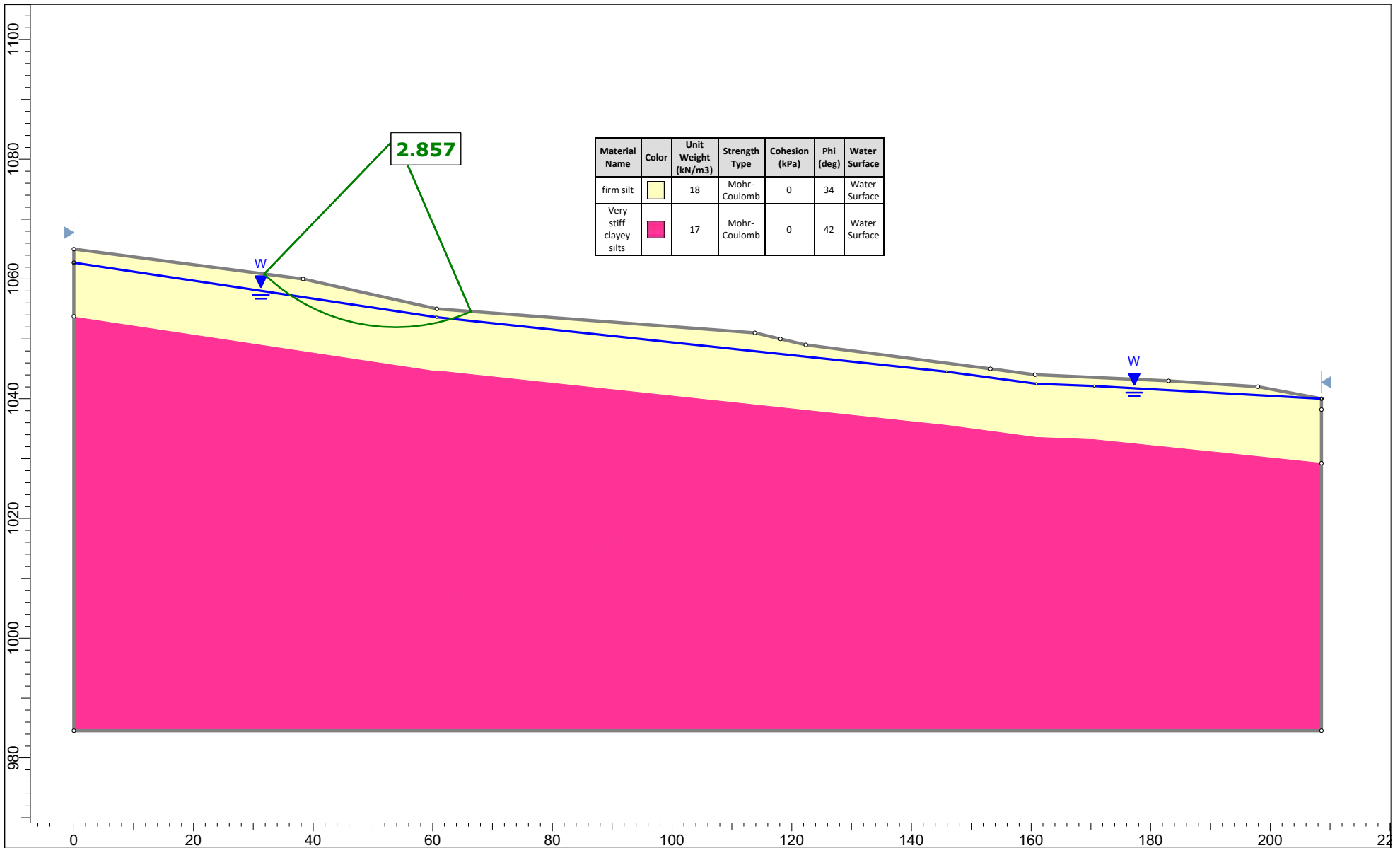
Project				SLIDE - An Interactive Slope Stability Program			
Group		pre		Scenario		Master Scenario	
Drawn By				Company			
Date		09/14/2021		File Name		xs8.slmd	




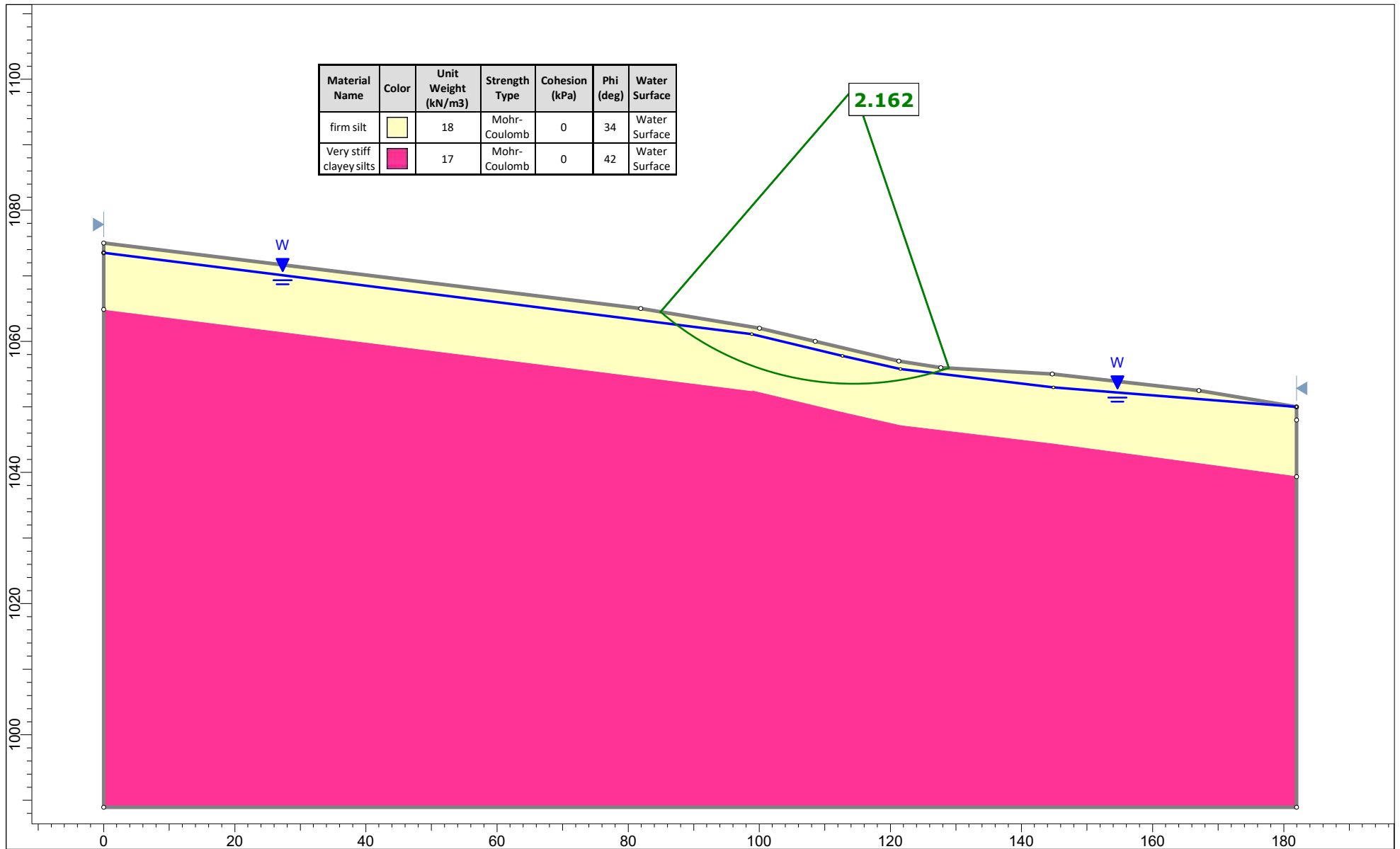
	<i>Project</i> SLIDE - An Interactive Slope Stability Program	
	<i>Group</i> pre	<i>Scenario</i> Master Scenario
	<i>Drawn By</i>	<i>Company</i>
	<i>Date</i> 09/14/2021	<i>File Name</i> xs9.slmd




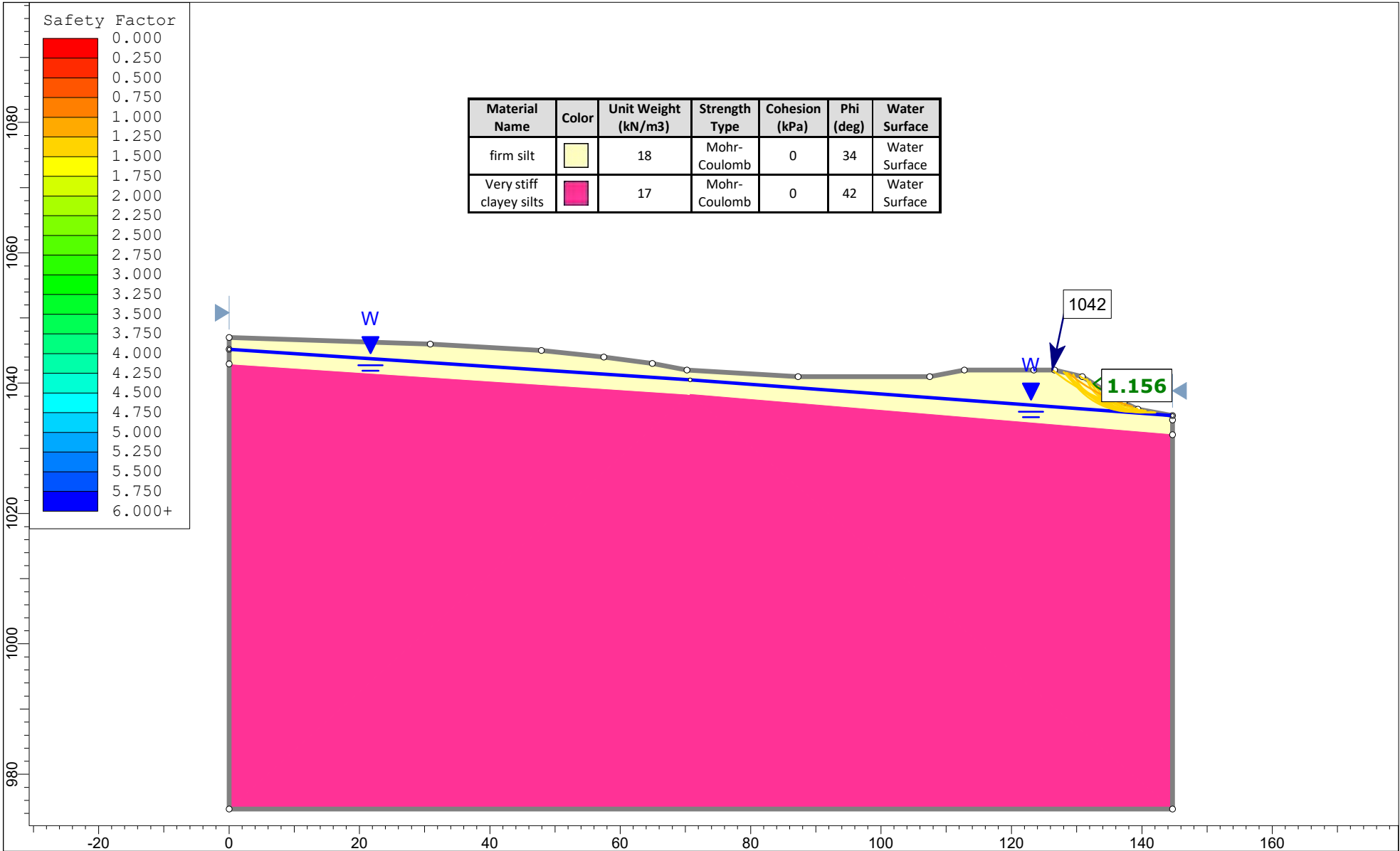
	Project		SLIDE - An Interactive Slope Stability Program	
	Group	pre	Scenario	Master Scenario
	Drawn By		Company	
	Date	09/14/2021	File Name	xs10.slmd




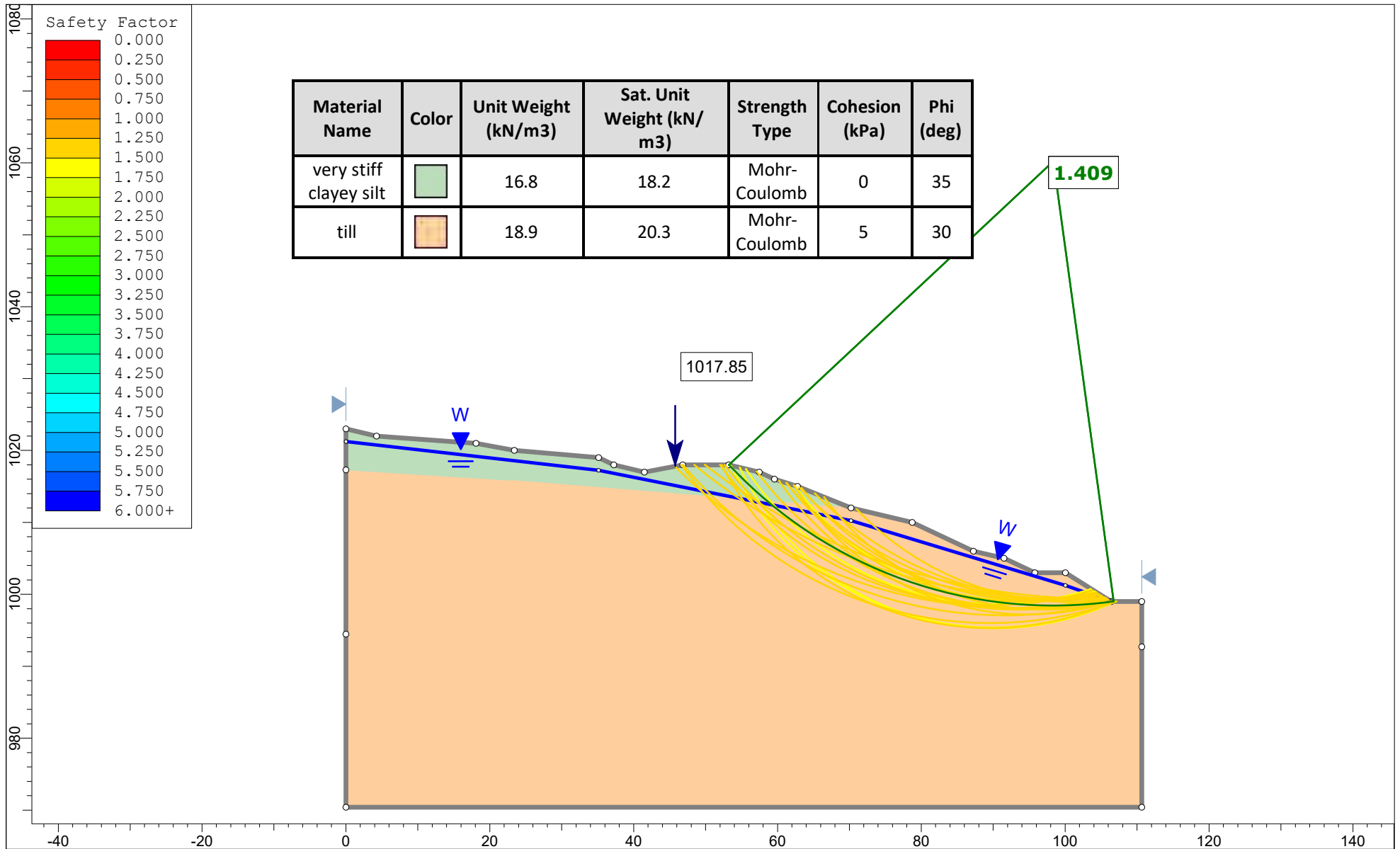
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
			Master Scenario	xs11.slmd



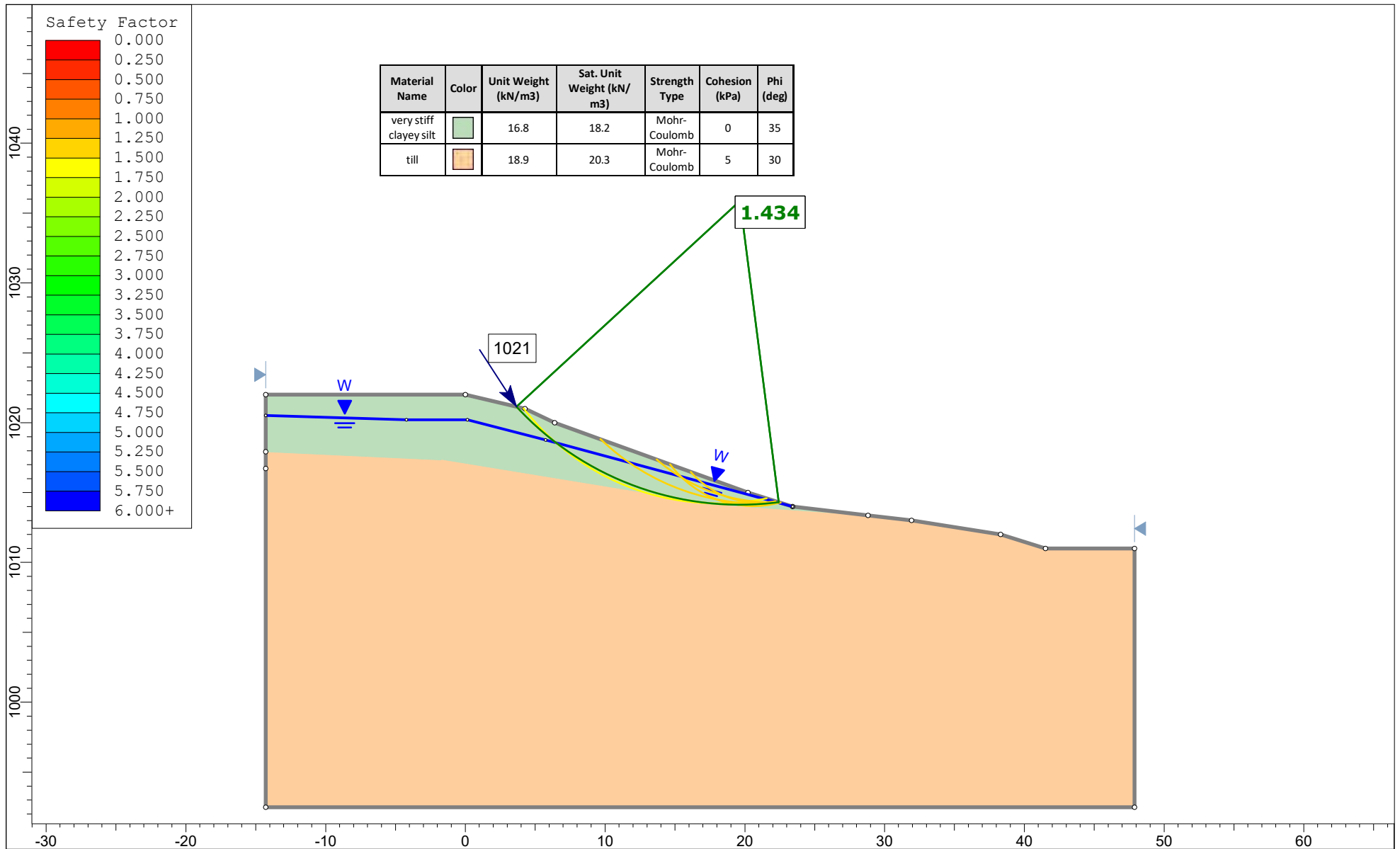
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	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
			Master Scenario	xs12.slmd



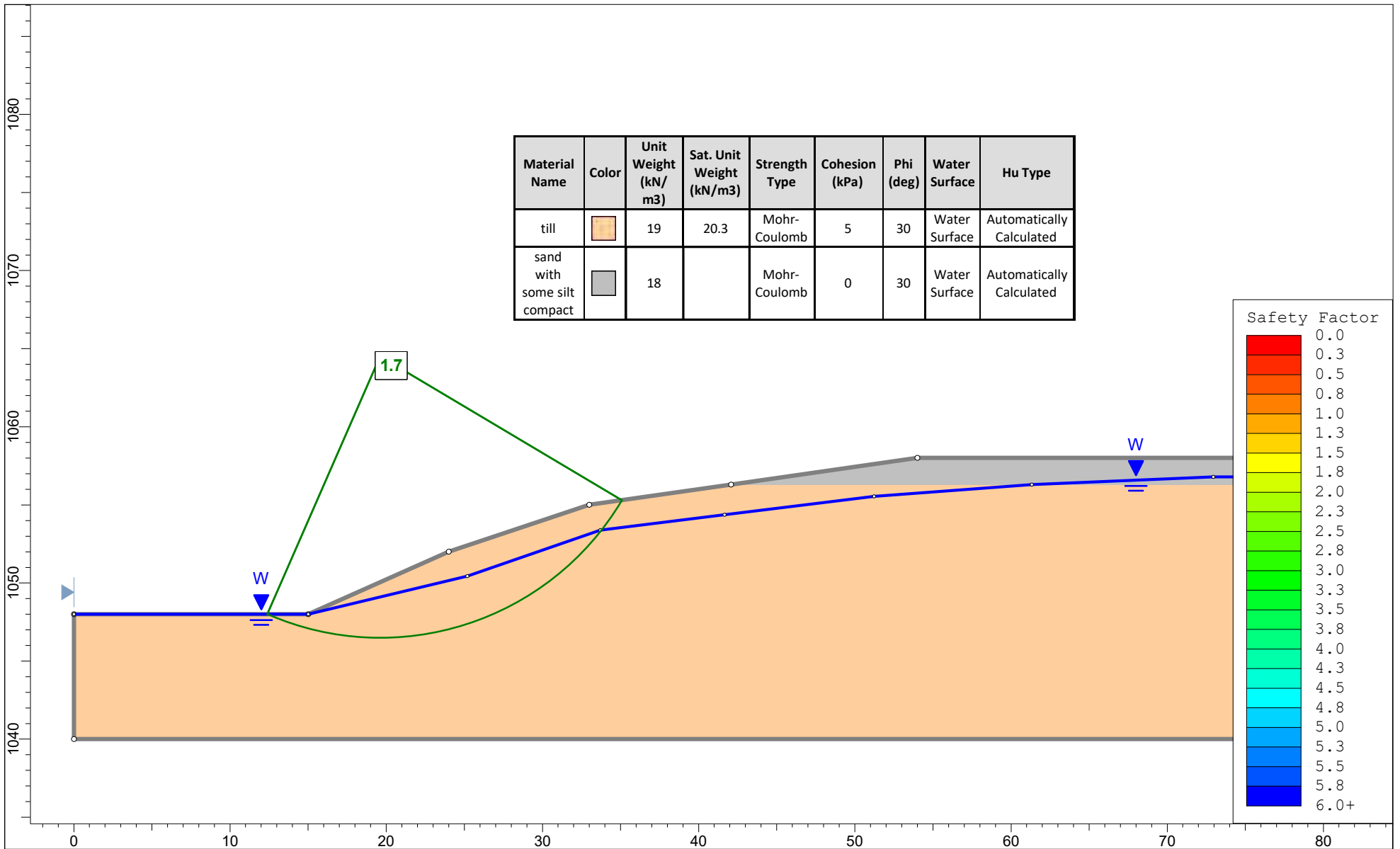
	Project SLIDE - An Interactive Slope Stability Program	
	Group pre	Scenario Master Scenario
	Drawn By	Company
	Date 09/14/2021	File Name xs13.slmd




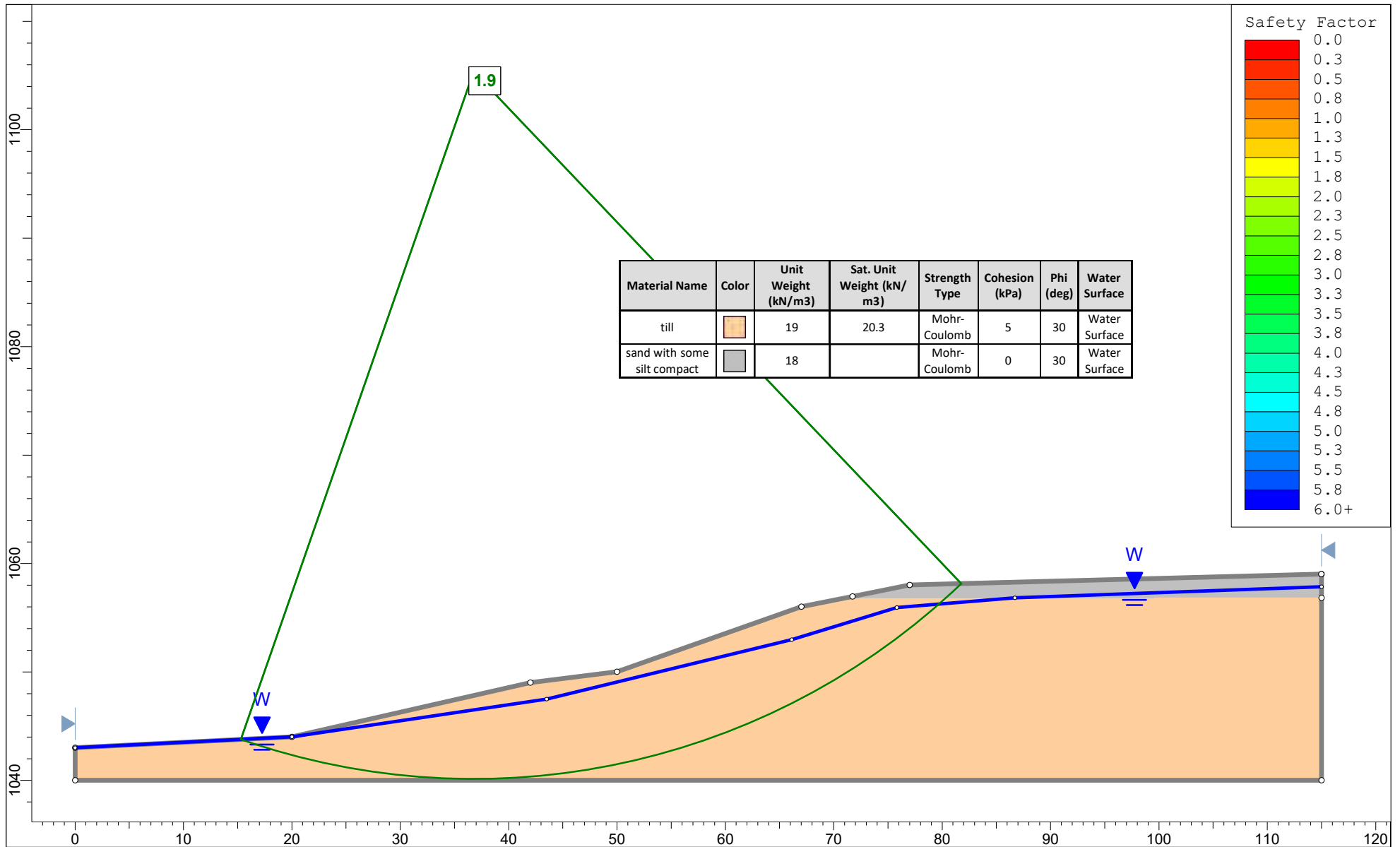
	Project		SLIDE - An Interactive Slope Stability Program	
	Group		pre	Scenario
	Drawn By			Company
	Date		09/14/2021	File Name
				Master Scenario
				xs14.slmd





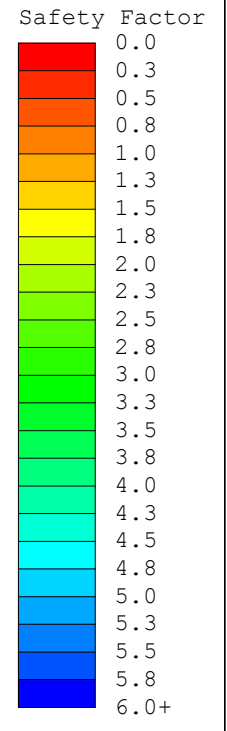
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	Group		pre	Scenario Master Scenario
	Drawn By			Company
	Date		09/14/2021	File Name xs15.slm



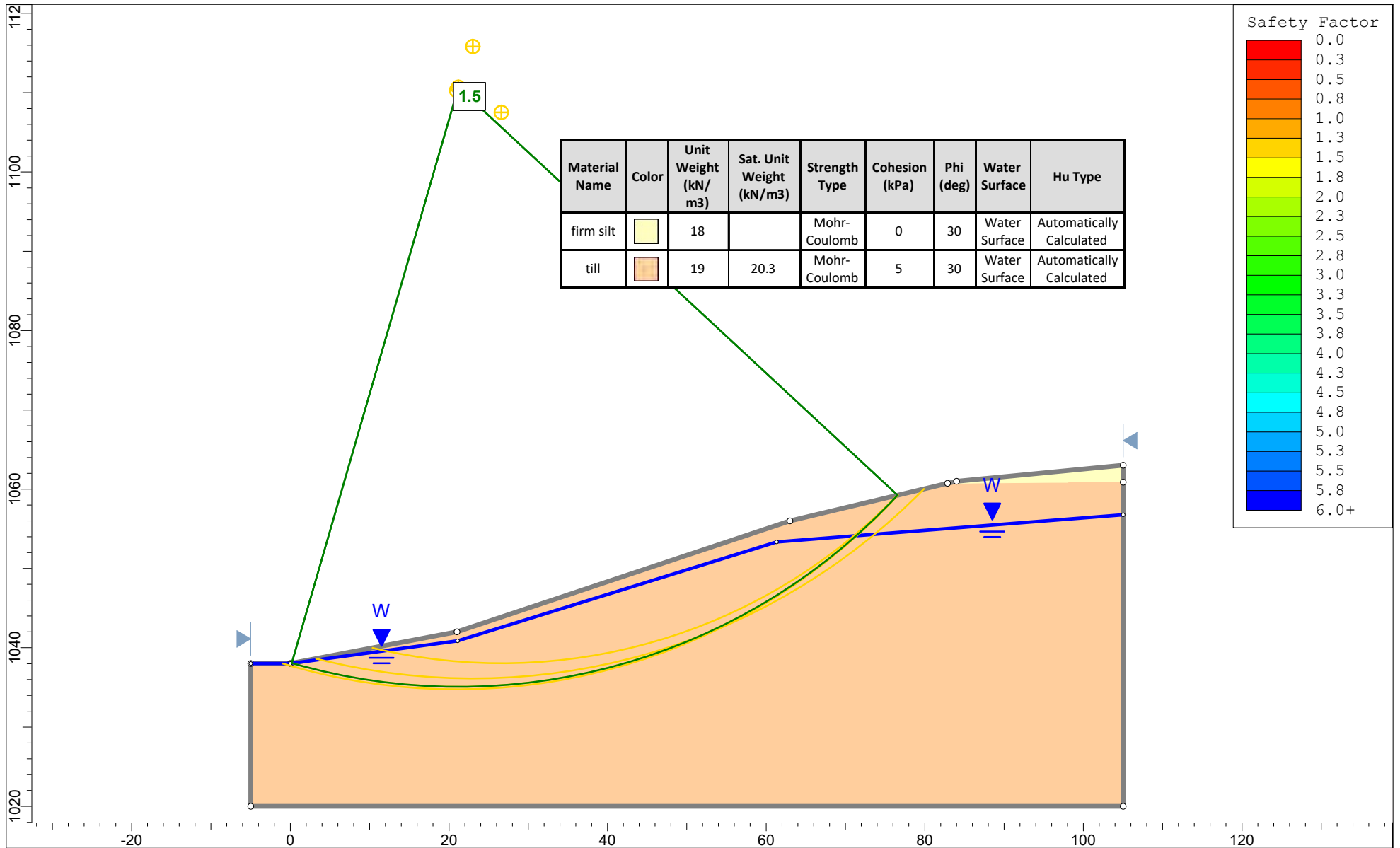
	Project SLIDE - An Interactive Slope Stability Program	
	Group 2015 xs3.slim	Scenario 2015 xs3.slim
	Drawn By	Company
	Date 11/9/2015, 9:13:31 AM	File Name 2015 xs3.slim





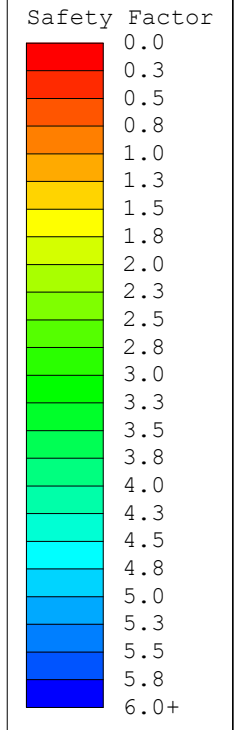
Material Name	Color	Unit Weight (kN/m ³)	Sat. Unit Weight (kN/m ³)	Strength Type	Cohesion (kPa)	Phi (deg)	Water Surface
till		19	20.3	Mohr-Coulomb	5	30	Water Surface
sand with some silt compact		18		Mohr-Coulomb	0	30	Water Surface



Project				SLIDE - An Interactive Slope Stability Program			
Group		2015 xs4.slim		Scenario		2015 xs4.slim	
Drawn By				Company			
Date		11/9/2015, 9:13:31 AM		File Name		2015 xs4.slim	



Material Name	Color	Unit Weight (kN/m ³)	Sat. Unit Weight (kN/m ³)	Strength Type	Cohesion (kPa)	Phi (deg)	Water Surface	Hu Type
firm silt		18		Mohr-Coulomb	0	30	Water Surface	Automatically Calculated
till		19	20.3	Mohr-Coulomb	5	30	Water Surface	Automatically Calculated



Project				SLIDE - An Interactive Slope Stability Program			
Group		2015 xs5.slim		Scenario		2015 xs5.slim	
Drawn By				Company			
Date		11/9/2015, 9:13:31 AM		File Name		2015 xs5.slim	

APPENDIX VI

Flood Assurance Statement &
Landslide Assessment Assurance Statement

FLOOD ASSURANCE STATEMENT

Note: This statement is to be read and completed in conjunction with the current Engineers and Geoscientists BC *Professional Practice Guidelines – Legislated Flood Assessments in a Changing Climate in BC* (“the guidelines”) and is to be provided for flood assessments for the purposes of the *Land Title Act*, Community Charter, or the *Local Government Act*. Defined terms are capitalized; see the Defined Terms section of the guidelines for definitions.

To: The Approving Authority

Date: _____

Jurisdiction and address

With reference to (CHECK ONE):

- Land Title Act* (Section 86) – Subdivision Approval
- Local Government Act* (Part 14, Division 7) – Development Permit
- Community Charter (Section 56) – Building Permit
- Local Government Act* (Section 524) – Flood Plain Bylaw Variance
- Local Government Act* (Section 524) – Flood Plain Bylaw Exemption

For the following property (“the Property”):

Legal description and civic address of the Property

The undersigned hereby gives assurance that he/she is a Qualified Professional and is a Professional Engineer or Professional Geoscientist who fulfils the education, training, and experience requirements as outlined in the guidelines.

I have signed, sealed, and dated, and thereby certified, the attached Flood Assessment Report on the Property in accordance with the guidelines. That report and this statement must be read in conjunction with each other. In preparing that Flood Assessment Report I have:

[CHECK TO THE LEFT OF APPLICABLE ITEMS]

- ___ 1. Consulted with representatives of the following government organizations:

- ___ 2. Collected and reviewed appropriate background information
- ___ 3. Reviewed the Proposed Development on the Property
- ___ 4. Investigated the presence of Covenants on the Property, and reported any relevant information
- ___ 5. Conducted field work on and, if required, beyond the Property
- ___ 6. Reported on the results of the field work on and, if required, beyond the Property
- ___ 7. Considered any changed conditions on and, if required, beyond the Property
- 8. For a Flood Hazard analysis I have:
 - ___ 8.1 Reviewed and characterized, if appropriate, Flood Hazard that may affect the Property
 - ___ 8.2 Estimated the Flood Hazard on the Property
 - ___ 8.3 Considered (if appropriate) the effects of climate change and land use change
 - ___ 8.4 Relied on a previous Flood Hazard Assessment (FHA) by others
 - ___ 8.5 Identified any potential hazards that are not addressed by the Flood Assessment Report
- 9. For a Flood Risk analysis I have:
 - ___ 9.1 Estimated the Flood Risk on the Property
 - ___ 9.2 Identified existing and anticipated future Elements at Risk on and, if required, beyond the Property
 - ___ 9.3 Estimated the Consequences to those Elements at Risk

FLOOD ASSURANCE STATEMENT

10. In order to mitigate the estimated Flood Hazard for the Property, the following approach is taken:
- 10.1 A standard-based approach
 - 10.2 A Risk-based approach
 - 10.3 The approach outlined in the guidelines, Appendix F: Flood Assessment Considerations for Development Approvals
 - 10.4 No mitigation is required because the completed flood assessment determined that the site is not subject to a Flood Hazard
11. Where the Approving Authority has adopted a specific level of Flood Hazard or Flood Risk tolerance, I have:
- 11.1 Made a finding on the level of Flood Hazard or Flood Risk on the Property
 - 11.2 Compared the level of Flood Hazard or Flood Risk tolerance adopted by the Approving Authority with my findings
 - 11.3 Made recommendations to reduce the Flood Hazard or Flood Risk on the Property
12. Where the Approving Authority has not adopted a level of Flood Hazard or Flood Risk tolerance, I have:
- 12.1 Described the method of Flood Hazard analysis or Flood Risk analysis used
 - 12.2 Referred to an appropriate and identified provincial or national guideline for level of Flood Hazard or Flood Risk
 - 12.3 Made a finding on the level of Flood Hazard or Flood Risk tolerance on the Property
 - 12.4 Compared the guidelines with the findings of my flood assessment
 - 12.5 Made recommendations to reduce the Flood Hazard or Flood Risk
13. Considered the potential for transfer of Flood Risk and the potential impacts to adjacent properties
14. Reported on the requirements for implementation of the mitigation recommendations, including the need for subsequent professional certifications and future inspections.

Based on my comparison between:

[CHECK ONE]

- The findings from the flood assessment and the adopted level of Flood Hazard or Flood Risk tolerance (item 11.2 above)
- The findings from the flood assessment and the appropriate and identified provincial or national guideline for level of Flood Hazard or Flood Risk tolerance (item 12.4 above)

I hereby give my assurance that, based on the conditions contained in the attached Flood Assessment Report:

[CHECK ONE]

- For subdivision approval, as required by the *Land Title Act* (Section 86), "that the land may be used safely for the use intended":
[CHECK ONE]
 - With one or more recommended registered Covenants.
 - Without any registered Covenant.
- For a development permit, as required by the *Local Government Act* (Part 14, Division 7), my Flood Assessment Report will "assist the local government in determining what conditions or requirements it will impose under subsection (2) of this section [Section 491 (4)]".
- For a building permit, as required by the *Community Charter* (Section 56), "the land may be used safely for the use intended":
[CHECK ONE]
 - With one or more recommended registered Covenants.
 - Without any registered Covenant.
- For flood plain bylaw variance, as required by the *Flood Hazard Area Land Use Management Guidelines* and the *Amendment Section 3.5 and 3.6* associated with the *Local Government Act* (Section 524), "the development may occur safely".
- For flood plain bylaw exemption, as required by the *Local Government Act* (Section 524), "the land may be used safely for the use intended".

FLOOD ASSURANCE STATEMENT

I certify that I am a Qualified Professional as defined below.

Date

Prepared by

Name (print)



Signature

Address

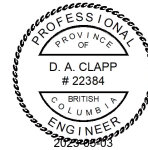
Telephone

Email

Reviewed by

Name (print)

Signature



(Affix PROFESSIONAL SEAL here)

If the Qualified Professional is a member of a firm, complete the following:

I am a member of the firm _____
and I sign this letter on behalf of the firm.

(Name of firm)

LANDSLIDE ASSESSMENT ASSURANCE STATEMENT

Notes: This statement is to be read and completed in conjunction with the Engineers and Geoscientists BC *Professional Practice Guidelines – Landslide Assessments in British Columbia* (“the guidelines”) and the current *BC Building Code (BCBC)*, and is to be provided for Landslide Assessments (not floods or flood controls), particularly those produced for the purposes of the *Land Title Act*, *Community Charter*, or *Local Government Act*. Some jurisdictions (e.g., the Fraser Valley Regional District or the Cowichan Valley Regional District) have developed more comprehensive assurance statements in collaboration with Engineers and Geoscientists BC. Where those exist, the Qualified Professional is to fill out the local version only. Defined terms are capitalized; see the Defined Terms section of the guidelines for definitions.

To: The Approving Authority (or Client)

Date: January 18, 2023

City of Kimberley

Jurisdiction/name and address

With reference to (CHECK ONE):

- A. *Land Title Act* (Section 86) – Subdivision Approval
- B. *Local Government Act* (Sections 919.1 and 920) – Development Permit
- C. Community Charter (Section 56) – Building Permit
- D. Non-legislated assessment

For the following property (the “Property”):

Lot 1 Plan NEP195000, DL 4128 8901 LD except Plan epp76410& Exc PI EPP122547; Lot 2 Plan NEP20673 DL 4128, LD; Lot 1 Plan NEP20673, DL4128 LD

Civic address of the Property

The undersigned hereby gives assurance that they are a Qualified Professional and a professional engineer or professional geoscientist who fulfils the education, training, and experience requirements as outlined in the guidelines.

I have signed, authenticated, and dated, and thereby certified, the attached Landslide Assessment Report on the Property in accordance with the guidelines. That report must be read in conjunction this statement.

In preparing that report I have:

[CHECK TO THE LEFT OF APPLICABLE ITEMS]

- 1. Collected and reviewed appropriate background information
- 2. Reviewed the proposed Residential Development or other development on the Property
- 3. Conducted field work on and, if required, beyond the Property
- 4. Reported on the results of the field work on and, if required, beyond the Property
- 5. Considered any changed conditions on and, if required, beyond the Property
- 6. For a Landslide Hazard analysis or Landslide Risk analysis, I have:
 - 6.1 reviewed and characterized, if appropriate, any Landslide that may affect the Property
 - 6.2 estimated the Landslide Hazard
 - 6.3 identified existing and anticipated future Elements at Risk on and, if required, beyond the Property
 - 6.4 estimated the potential Consequences to those Elements at Risk
- 7. Where the Approving Authority has adopted a Level of Landslide Safety, I have:
 - 7.1 compared the Level of Landslide Safety adopted by the Approving Authority with the findings of my investigation
 - 7.2 made a finding on the Level of Landslide Safety on the Property based on the comparison
 - 7.3 made recommendations to reduce Landslide Hazards and/or Landslide Risks

LANDSLIDE ASSESSMENT ASSURANCE STATEMENT

8. Where the Approving Authority has not adopted a Level of Landslide Safety, or where the Landslide Assessment is not produced in response to a legislated requirement, I have:

- 8.1 described the method of Landslide Hazard analysis or Landslide Risk analysis used
 - 8.2 referred to an appropriate and identified provincial, national, or international guideline for Level of Landslide Safety
 - 8.3 compared those guidelines (per item 8.2) with the findings of my investigation
 - 8.4 made a finding on the Level of Landslide Safety on the Property based on the comparison
 - 8.5 made recommendations to reduce Landslide Hazards and/or Landslide Risks
9. Reported on the requirements for future inspections of the Property and recommended who should conduct those inspections

Based on my comparison between:

[CHECK ONE]

- the findings from the investigation and the adopted Level of Landslide Safety (item 7.2 above)
- the appropriate and identified provincial, national, or international guideline for Level of Landslide Safety (item 8.4 above)

Where the Landslide Assessment is not produced in response to a legislated requirement, I hereby give my assurance that, based on the conditions¹ contained in the attached Landslide Assessment Report:

A. SUBDIVISION APPROVAL

- For subdivision approval, as required by the *Land Title Act* (Section 86), “the land may be used safely for the use intended”
[CHECK ONE]
 - with one or more recommended additional registered Covenants
 - without an additional registered Covenant(s)

B. DEVELOPMENT PERMIT

- For a development permit, as required by the *Local Government Act* (Sections 488 and 491), my report will “assist the local government in determining what conditions or requirements it will impose under subsection (2) of [Section 491]”
[CHECK ONE]
 - with one or more recommended additional registered Covenants
 - without an additional registered Covenant(s)

C. BUILDING PERMIT

- For a building permit, as required by the *Community Charter* (Section 56), “the land may be used safely for the use intended”
[CHECK ONE]
 - With one or more recommended additional registered Covenants
 - without any additional registered Covenant(s)

¹ When seismic slope stability assessments are involved, Level of Landslide Safety is considered to be a “life safety” criteria, as described in Commentary JJJ of the *National Building Code of Canada (NBC) 2015*, Structural Commentaries (User’s Guide – NBC 2015: part 4 of division B). This states:

“The primary objective of seismic design is to provide an acceptable level of safety for building occupants and the general public as the building responds to strong ground motion; in other words, to minimize loss of life. This implies that, although there will likely be extensive structural and non-structural damage, during the DGM (design ground motion), there is a reasonable degree of confidence that the building will not collapse, nor will its attachments break off and fall on people near the building. This performance level is termed ‘extensive damage’ because, although the structure may be heavily damaged and may have lost a substantial amount of its initial strength and stiffness, it retains some margin of resistance against collapse.”

LANDSLIDE ASSESSMENT ASSURANCE STATEMENT

Douglas A. Clapp, P.Eng.
Name (print)

April 14 2023
Date

152 4A Avenue, Fernie BC
Address

250 423 4829
Telephone

Groundtech@shaw.ca
Email



A handwritten signature in black ink, appearing to read "D. A. Clapp".

(Affix PROFESSIONAL SEAL and signature here)

The Qualified Professional, as a registrant on the roster of a registrant firm, must complete the following:

I am a member of the firm Groundtech Engineering Ltd.
(Print name of firm)

with Permit to Practice Number 1003695
(Print permit to practice number)

and I sign this letter on behalf of the firm.

EXHIBIT D

TITLE SEARCH PRINT

2023-09-12, 14:07:17

File Reference:

Requestor: Patricia Belcher-Bell

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District	NELSON
Land Title Office	NELSON
Title Number	CB316230
From Title Number	CA3017145
Application Received	2022-11-02
Application Entered	2022-11-21
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	RESORTS OF THE CANADIAN ROCKIES INC., INC.NO. A0100476 1505 - 17TH AVENUE SW CALGARY, AB T2T 0E2
Taxation Authority	East Kootenay Assessment Area
Description of Land	
Parcel Identifier:	018-357-326
Legal Description:	LOT 1 DISTRICT LOT 4128 KOOTENAY DISTRICT PLAN NEP20673
Legal Notations	NONE
Charges, Liens and Interests	
Nature:	COVENANT
Registration Number:	XG23184
Registration Date and Time:	1993-08-30 13:05
Registered Owner:	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA AS REPRESENTED BY THE MINISTRY OF ENVIRONMENT, LANDS AND PARKS REGIONAL DISTRICT OF EAST KOOTENAY
Remarks:	INTER ALIA SECTION 215 LTA

EXHIBIT D

TITLE SEARCH PRINT

2023-09-12, 14:07:17

File Reference:

Requestor: Patricia Belcher-Bell

Nature: COVENANT
Registration Number: XG23188
Registration Date and Time: 1993-08-30 13:05
Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA
AS REPRESENTED BY THE MINISTRY OF TRANSPORTATION AND HIGHWAYS
REGIONAL DISTRICT OF EAST KOOTENAY
Remarks: SECTION 215 LTA
PART PLAN NEP20674

Nature: STATUTORY RIGHT OF WAY
Registration Number: XG26294
Registration Date and Time: 1993-09-23 13:20
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks: PART PLAN NEP20717

Nature: STATUTORY RIGHT OF WAY
Registration Number: XG26295
Registration Date and Time: 1993-09-23 13:20
Registered Owner: BC TEL
Remarks: PART PLAN NEP20717

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

EXHIBIT D

TITLE SEARCH PRINT

2023-02-09, 10:57:23

File Reference: 137117 RCR TL3

Requestor: Patricia Belcher-Bell

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Title Issued Under	SECTION 189 LAND TITLE ACT
Land Title District Land Title Office	NELSON NELSON
Title Number From Title Number	JA638 BB1531625
Application Received	2022-09-16
Application Entered	2022-09-16
Registered Owner in Fee Simple Registered Owner/Mailing Address:	RESORTS OF THE CANADIAN ROCKIES INC., INC.NO. A100476 1505 - 17TH AVENUE S.W. CALGARY, AB T2T 0E2
Taxation Authority	East Kootenay Assessment Area
Description of Land Parcel Identifier: Legal Description:	017-470-013 LOT 1 DISTRICT LOTS 4128 AND 8901 KOOTENAY DISTRICT PLAN NEP19500 EXCEPT PLAN EPP76410 AND EPP122547
Legal Notations	THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL GOVERNMENT ACT, SEE CA8931708
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	MORTGAGE KR85494 2001-09-14 12:07 BANK OF MONTREAL INTER ALIA EXTENDED BY LB309620

EXHIBIT D

TITLE SEARCH PRINT

2023-02-09, 10:57:23

File Reference: 137117 RCR TL3

Requestor: Patricia Belcher-Bell

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA6917549
Registration Date and Time: 2018-07-09 12:17
Registered Owner: FERNIE ALPINE RESORTS UTILITIES CORPORATION
INCORPORATION NO. A0063131
Remarks: INTER ALIA

Nature: PRIORITY AGREEMENT
Registration Number: CA6917550
Registration Date and Time: 2018-07-09 12:17
Remarks: GRANTING CA6917549 PRIORITY OVER KR85494 AND
KR85495

Nature: COVENANT
Registration Number: CA6917570
Registration Date and Time: 2018-07-09 12:17
Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA
REGIONAL DISTRICT OF EAST KOOTENAY
Remarks: INTER ALIA

Nature: PRIORITY AGREEMENT
Registration Number: CA6917571
Registration Date and Time: 2018-07-09 12:17
Remarks: INTER ALIA
GRANTING CA6917570 PRIORITY OVER KR85494 AND
KR85495

Nature: STATUTORY RIGHT OF WAY
Registration Number: CB173349
Registration Date and Time: 2022-08-23 14:13
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
Registration Number: CB173350
Registration Date and Time: 2022-08-23 14:13
Registered Owner: TELUS COMMUNICATIONS INC.
INCORPORATION NO. BC1101218
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
Registration Number: CB187172
Registration Date and Time: 2022-08-30 09:15
Registered Owner: FERNIE ALPINE RESORT UTILITIES CORPORATION
INCORPORATION NO. A0063131
Remarks: INTER ALIA

EXHIBIT D

TITLE SEARCH PRINT

2023-02-09, 10:57:23

File Reference: 137117 RCR TL3

Requestor: Patricia Belcher-Bell

Nature:	PRIORITY AGREEMENT
Registration Number:	CB187173
Registration Date and Time:	2022-08-30 09:15
Remarks:	INTER ALIA GRANTING CB187172 PRIORITY OVER KL130073, KL130074, KM126260, KM126261 AND KR85494

Duplicate Infeasible Title	NONE OUTSTANDING
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Transfers	NONE
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Pending Applications	NONE
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EXHIBIT D

TITLE SEARCH PRINT

2023-02-09, 12:01:42

File Reference:

Requestor: Patricia Belcher-Bell

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District	NELSON
Land Title Office	NELSON
Title Number	CB316244
From Title Number	KV138335
Application Received	2022-11-02
Application Entered	2022-11-21
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	RESORTS OF THE CANADIAN ROCKIES INC., INC.NO. A0100476 1505 - 17TH AVENUE SW CALGARY, AB T2T 0E2
Taxation Authority	East Kootenay Assessment Area
Description of Land	
Parcel Identifier:	018-357-334
Legal Description:	LOT 2 DISTRICT LOT 4128 KOOTENAY DISTRICT PLAN NEP20673
Legal Notations	NONE
Charges, Liens and Interests	
Nature:	COVENANT
Registration Number:	XG23184
Registration Date and Time:	1993-08-30 13:05
Registered Owner:	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA AS REPRESENTED BY THE MINISTRY OF ENVIRONMENT, LANDS AND PARKS REGIONAL DISTRICT OF EAST KOOTENAY
Remarks:	INTER ALIA SECTION 215 LTA
Nature:	MORTGAGE
Registration Number:	KP109918
Registration Date and Time:	2000-12-01 13:18
Registered Owner:	BANK OF MONTREAL

EXHIBIT D

TITLE SEARCH PRINT

2023-02-09, 12:01:42

File Reference:

Requestor: Patricia Belcher-Bell

Nature: MORTGAGE
Registration Number: KR63168
Registration Date and Time: 2001-07-12 15:07
Registered Owner: 3848175 CANADA INC.

Nature: ASSIGNMENT OF RENTS
Registration Number: KR63169
Registration Date and Time: 2001-07-12 15:07
Registered Owner: 3848175 CANADA INC.

Nature: MORTGAGE
Registration Number: KR63170
Registration Date and Time: 2001-07-12 15:07
Registered Owner: 3848175 CANADA INC.

Nature: ASSIGNMENT OF RENTS
Registration Number: KR63171
Registration Date and Time: 2001-07-12 15:07
Registered Owner: 3848175 CANADA INC.

Duplicate Infeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

EXHIBIT E

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

Page 1 of 11 pages

RENT CHARGE - RESORT AMENITIES AND SERVICES

BETWEEN:

Purchaser of Lot #*
(the “Grantor” or “Owner”)

AND:

RESORTS OF THE CANADIAN ROCKIES INC.,
INC. NO. A100476
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situated at Fernie Alpine Resort, British Columbia and more particularly known and described as follows:

(Legal Description of lands to be inserted upon subdivision)

(the “Lands”);

- B. The Grantee may provide to the Grantor and other owners and occupiers of land at the Resort the Resort Amenities and Services in accordance with this Agreement;
- C. The Grantee requires this Agreement in connection with the provision by the Grantee of the Resort Amenities and Services in accordance with this Agreement and the Grantor has agreed to grant this Agreement; and
- D. The Grantee hereby attests that the Lands encumbered by this Agreement do not lie within an Agricultural Land Reserve.

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

1. Definitions. In this Agreement:
 - (a) **“Assessments”** has the meaning assigned to such term in section 4.
 - (b) **“Business Day”** means any day that is not a Saturday, Sunday, a statutory holiday in British Columbia, Easter Monday or Boxing Day.
 - (c) **“Expenses”** means all costs and expenses incurred by or on behalf of the Grantee in respect of the provision of the Resort Amenities and Services, including, without limitation, all goods and services tax, provincial sales tax and other taxes payable thereon, amounts paid to any Related Person in respect of the provision of any Resort Amenities and Services and a general administration charge not to exceed 10% of all other costs and expenses.
 - (d) **“Grantee’s Representatives”** means any person who is a Related Person to the Grantee and any officer, director, employee, agent, contractor, subcontractor, consultant or advisor of the Grantee or any person who is a Related Person to the Grantee.
 - (e) **“Grantor”** means the above-described Grantor and any subsequent owner of the Lands or any portion thereof.
 - (f) **“Operating Plan and Budget”** has the meaning assigned to such term in section 3.
 - (g) **“person”** means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative.
 - (h) **“Related Person”**, in respect of any person, means:
 - (i) any affiliate of such person, within the meaning of the *Company Act* (British Columbia) or the *Canada Business Corporations Act*;
 - (ii) any associate of such person, within the meaning of the *Company Act* (British Columbia) or the *Securities Act* (British Columbia); and
 - (iii) any partnership, including a limited partnership, in which such person is a partner.
 - (i) **“Resort”** means the Fernie Alpine Resort located near Fernie, British Columbia.
 - (j) **“Resort Amenities and Services”** has the meaning assigned to such term in section 2.
2. Provision of Resort Amenities and Services. The Grantee, in its discretion, may provide or cause to be provided from time to time, as determined by the Grantee, facilities, amenities and services (collectively, the “Resort Amenities and Services”) in connection

EXHIBIT E

with the Resort. The Resort Amenities and Services may include any or all of the following:

- (a) fire protection and response facilities and services (including, without limitation, the construction, maintenance, repair and operation of a fire hall for the Resort) until fire protection services are provided to the Resort by a governmental authority or body or any other person;
- (b) supplementary snow and ice removal, salting, sanding and similar services in respect of public roads, sidewalks, paths and trails in addition to any such services provided by a governmental authority or body or any other person, including a strata corporation;
- (c) inspection, maintenance, repair and replacement services in respect of any public trails at the Resort;
- (d) inspection, maintenance, repair and replacement services for any landscaping which is not on private land;
- (e) inspection, maintenance, repair and replacement services in respect of any storm sewer or drainage lines, works or systems, or portions thereof, which are operated or maintained by the Grantee or the Grantee's Representatives;
- (f) the provision of signage and banners at the Resort;
- (g) the operation and maintenance of any public amenities or services at the Resort, including, without limitation, public swimming pools and skating rinks; and
- (h) such other amenities and services as are determined by the Grantee to be in the best interests of the Resort.

The Resort Amenities and Services which the Grantee provides or causes to be provided will be determined by the Grantee in its absolute discretion, having regard to the funds available for the payment thereof from the Assessments and other sources, and such other factors as are determined by the Grantee, in its sole and absolute discretion. Neither the Grantee nor any of the Grantee's Representatives will be required to provide any Resort Amenities and Services unless they specifically agree to do so in writing and neither the Grantee nor any of the Grantee's Representatives will have any duty, obligation or liability whatsoever in connection with the provision of the Resort Amenities and Services or the failure to provide or discontinuance of any amenities or services. The provision by the Grantee of any of the Resort Amenities shall not relieve any governmental authority or body or any other person, including a strata corporation, from any obligation to provide similar or like services that they would otherwise be obligated to provide.

3. **Operating Plan and Budget.** For each calendar year, commencing with the calendar year after the year in which this Agreement is registered against title to the Lands, the Grantee

will prepare an operating plan and budget (the “Operating Plan and Budget”) in connection with the provision of the Resort Amenities and Services. The Operating Plan and Budget will describe the Resort Amenities and Services the Grantee anticipates will be provided and the anticipated Expenses in connection therewith for the period covered by the Operating Plan and Budget. The Grantee may amend the Operating Plan and Budget at any time. On or before March 15 of each calendar year, commencing with the year following the year in which this Agreement is registered against title to the Lands, the Grantee will provide to the Grantor a written summary of the Operating Plan and Budget for that calendar year. The Grantee will provide the Grantor with a revised summary of the Operating Plan and Budget if the Grantee makes any material changes to the Operating Plan and Budget. The Grantor may inspect the full Operating Plan and Budget at the offices of the Grantee at any time during normal business hours, upon reasonable written notice to the Grantee.

4. Assessments. The Grantee, in its discretion, will establish from time to time the assessments (the “Assessments”) which will be payable by the Grantor and others in connection with the Grantee’s provision of the Resort Amenities and Services. The Grantee’s schedule of the Assessments as of the date of this Agreement is set out in Schedule A hereto. The Grantee may revise the Assessments, the method of calculation of the Assessments and the intervals for the payment of the Assessments at any time, upon written notice to the Grantor. The Grantor agrees to pay all Assessments established by the Grantee in respect of the Lands or such portion thereof as is owned by the Grantor. The Grantor will pay all GST and other taxes and charges payable on Assessments levied against the Grantor.
5. Assurances re: Assessments. The Grantee covenants and agrees that:
 - (a) all Assessments collected by the Grantee will be applied by the Grantee toward the payment of Expenses and for no other purpose whatsoever;
 - (b) the Grantee will not incur Expenses except in accordance with the then current Operating Plan and Budget;
 - (c) the Assessments will be fair and reasonable, based on the Resort Amenities and Services provided by or on behalf of the Grantee; and
 - (d) the annual Assessments in respect of the Lands or any portion of the Lands for any calendar year will not exceed 0.3% of the fair market value of the Lands and any improvements thereon, as determined by *BC Assessment* for that year, or portion of the Lands, as applicable.

If at any time the Grantor takes the position that the annual Assessments for any calendar year exceed 0.3% of the fair market value of the Lands and any improvements thereon (or portion thereof), then:

- (e) the Grantor may deliver to the Grantee a written notice (the “Grantor’s Notice”) setting out the Grantor’s position as to the fair market value of the Lands and

improvements thereon (or portion thereof), together with a written appraisal of the Lands (or portion thereof) prepared and signed by an appraiser duly qualified and licenced under the laws of British Columbia; and

- (f) for the purposes of section 5(d), the fair market value of the Lands and any improvements thereon (or portion thereof) for the calendar year for which the Grantor's Notice was given will be deemed to be the amount set out in the Grantor's Notice unless within 60 days after receipt by the Grantee of the Grantor's Notice the Grantee delivers to the Grantor a written notice (the "Grantee's Reply") setting out the Grantee's position of the fair market value of the Lands (or portion thereof), together with a written appraisal of the Lands and improvements thereon (or portion thereof) prepared and signed by an appraiser duly qualified and licenced under the laws of British Columbia, in which case the fair market value of the Lands (or portion thereof) for such calendar year will be deemed to be the average of the amounts set out in the Grantor's Notice and the Grantee's Reply,

and after such determination of the fair market value of the Lands and improvements thereon (or portion thereof) the annual Assessments for such calendar year will be reduced by the amount, if any, that they exceed 0.3% of the fair market value of the Lands and improvements thereon (or portion thereof).

6. Payment of Assessments / Grant of Rent Charge. The Grantor hereby covenants and agrees to pay to the Grantee the Assessments and the Grantor hereby grants to the Grantee a rent charge in respect of the Lands, for a term of 99 years from the date of the registration of this Agreement against title to the Lands, in respect of the payment of such amounts. Such rent charge will be the absolute property of the Grantee and all amounts payable in respect thereof will be payable by the Grantor forthwith upon demand, without any deduction or set-off whatsoever. The Grantor will pay all Assessments to the Grantee at the Grantee's address set out above or at such other address as the Grantee may advise the Grantor in writing in accordance with this Agreement.
7. Timing of Payment / Late Charges. The Assessments will be payable by the Grantor within 15 days of receipt by the Grantor of the Grantee's invoice therefor. If any such amount is not paid when due, the Grantor will be required to pay any reasonable late payment charge established by the Grantee and the outstanding amount will bear interest at the rate of 18% per annum, calculated daily and compounded annually, not in advance, from the date payment was due until the date payment is made.

EXHIBIT E

8. Certificate of Payment. Within 10 days of any written request by the Grantor, the Grantee will issue a written certificate to the Grantor or any lender to or purchaser from the Grantor, certifying the amount outstanding under this Agreement as of the date of the certificate. The Grantor will be required to pay in advance the Grantee's reasonable fee for the issuance of the certificate.
9. Shortfalls. If the Assessments and all other assessments and recoveries received by the Grantee are not sufficient to pay the Expenses, the Grantee may (but will not be obligated to):
 - (a) advance its own funds or borrow funds from any Related Person in order to pay any Expenses, and the Grantee may repay the principal amount of such funds from the proceeds of any borrowings in accordance with section 9(b) or from Assessments subsequently collected, but no interest will be payable by the Grantor in respect of any such advances or borrowings; and
 - (b) borrow funds from any person who is not a Related Person in order to pay any Expenses, and the Grantee may repay the principal amount of such funds from other borrowings or from assessments subsequently collected and any reasonable interest payable in respect of such borrowings will be deemed to be Expenses.
10. Rebates, Exemptions, Waivers and Discharge. The Grantee in its absolute discretion may:
 - (a) give rebates in respect of the Assessments, exempt all or any portion of the Lands in respect of the Assessments or waive payment of the Assessments for such portions of the Lands or such periods of time as may be determined by the Grantee; or
 - (b) discharge this Agreement in respect of all or any portion of the Lands.
11. Grantor's Use of the Lands. The Grantor acknowledges, covenants and agrees that:
 - (a) the Grantor will not use the Lands or any portion thereof or any building or other improvement thereon for any purpose that conflicts with, impairs or otherwise adversely impacts upon the provision by the Grantee of the Resort Amenities and Services; and
 - (b) the Grantor will act reasonably and cooperate with the Grantee in connection with the provision by the Grantee of the Resort Amenities and Services, upon request by the Grantee.
12. Subdivision / Effect of Agreement. This Agreement and the rights herein granted will run with the Lands and each part into which the Lands may be subdivided, whether by subdivision plan, strata plan or otherwise howsoever, and the term "Grantor" includes the owner of each subdivided portion of the Lands and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lands

and each part into which the Lands may be subdivided. Notwithstanding anything contained in this Agreement, if the Lands are subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided portion of the Lands, including a default with respect to any amount payable in connection with any subdivided portion of the Lands, will not be a default with respect to any other portion of the Lands 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 portion or portions of the Lands for which there has been a default.

13. First Charge. This Agreement shall be a first financial charge against title to the Lands in priority to all financial charges and encumbrances subsequently registered and all amounts payable to the Grantee hereunder will have priority to all amounts payable pursuant to any financial charges and other encumbrances subsequently registered, other than those approved by the Grantee in its absolute discretion. The Grantor will do all acts and things determined by the Grantee to be necessary to gain priority for this Agreement over any other financial charge or encumbrance registered against title to the Lands or any portion thereof, other than any financial charge or encumbrance consented to by the Grantee in its absolute discretion.
14. Grantee's Remedies. The Grantor hereby agrees that:
 - (a) If the Grantor defaults in payment of all or any part of any amount payable under this Agreement for any period of two months or more, then the Grantee may, at any time thereafter, upon not less than 15 days' written notice to the Grantor, enter upon any part or parts of the Lands for which the Grantor is in default of payment and may distrain for the amount in arrears, including interest payable in accordance herewith, and the Grantee shall have all such remedies in respect thereof as if the Grantee were a landlord distraining for rent in arrears, including, without limitation, the powers of seizure, removal and sale.
 - (b) If the Grantor defaults in the payment of all or any part of any amount payable under this Agreement 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, appoint a receiver in respect of any part or parts of the Lands for which the Grantor is in default of payment, and may foreclose upon such part or parts of the Lands and may cause such part or parts of the Lands 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 any part or parts of the Lands, pay the full amount owing, including interest thereon and all costs payable in connection with the exercise by the Grantee of its rights and remedies, including legal fees and disbursements on a solicitor and own client basis; 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 amounts owing to the Grantee hereunder 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 remedy available at common law in respect of the enforcement of a rent charge.
 - (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 distraint and sale and legal fees and disbursements on a solicitor and own client basis.
 - (f) Injunctive Relief. The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee, 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 duties or obligations under this Agreement.
15. Remedies Cumulative. 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. 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.
16. Grantor's Releases and Indemnities. The Grantor hereby releases and agrees to fully indemnify and save harmless the Grantee and all of the Grantee's Representatives in respect of any loss, cost, damage or liability whatsoever, whether for property damage, personal injury, death or otherwise and whether arising from negligence, gross negligence or otherwise in respect of any of the following:
- (g) any act or omission by the Grantee or any of the Grantee's Representatives under or in connection with this Agreement;
 - (h) the Grantee's exercise or failure to exercise any power, duty, authority or discretion under or in connection with this Agreement, including any inspection or any confirmation of compliance or conformity with this Agreement or any failure to inspect or so confirm, or the enforcement of or failure to enforce any of the Grantee's rights or remedies under this Agreement or any other agreement in respect of any lands adjacent to or in the vicinity of the Lands;
 - (i) the provision of the Resort Amenities and Services or the failure to provide or discontinuance of any amenities or services;
 - (j) any action based on nuisance, escape or the rule in Rylands v. Fletcher where the loss, cost, damage or liability arises, directly or indirectly, in whole or in part, out

of any failure, breakdown, malfunction, insufficiency or inadequacy in respect of any of any of the Resort Amenities and Services; or

- (k) the neglect or failure, for any reason, to discover any breach or default under, or to enforce any of its rights under, this Agreement,

provided that such release and indemnity will not apply to the extent, if any, that the Grantee or any of the Grantee's Representatives has acted in bad faith or been guilty of dishonest or malicious misconduct, libel or slander. This section 18 will survive any release or termination of this Agreement.

17. Amendment. Except as expressly set out herein, this Agreement may only be amended by an agreement in writing signed by the Grantee and the Grantor of all portions of the Lands to which the amendment relates. No modification or amendment of any provision of this Agreement will be inferred from anything done or omitted by any of the parties except by an express agreement in writing duly executed and delivered by all of the parties.
18. 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.
19. 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.
20. 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.
20. Notices. All notices under this Agreement must be given in writing and delivered in accordance with this provision. The parties agree that:
- (l) any notice to the Grantor may be sent to the Grantor's address according to Land Title Office records in respect of the Lands or delivered to the Grantor; and
- (m) 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.

If any portion of the Lands are stratified by a strata plan (including a bare land strata plan), any notice in respect of such stratified lands will be sufficiently given if given to

the strata corporation and it will not be necessary to give notice to all of the strata lots within the strata plan. Notices will be sent by personal delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered by hand, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth Business Day after the mailing thereof, if sent by registered mail from a post office in British Columbia or Alberta. 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.

21. Transfer of Lands / Release of Grantor Upon Transfer. All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lands or any part thereof and the rent charge granted hereunder will continue to charge the Lands notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lands or any portion of the Lands where such duty or obligation arises after the Grantor has ceased to be the owner of the Lands or that portion of the Lands, as applicable.
22. Assignment by Grantee / Release. The Grantee may assign this Agreement to any person. Upon any assignment of this Agreement by the Grantee, the Grantee will be released from any and all further duties and obligations arising under this Agreement which arise after the time of such assignment.
23. 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.

IN WITNESS WHEREOF the parties have executed and delivered this Agreement by signing on the *Land Title Act* Form C above.

SCHEDULE A

SCHEDULE OF ASSESSMENTS

The Assessments are yet to be established by the Grantee.

In addition to the Assessments, the following charges will apply:

- Late Payment Charge: \$10.00 per occurrence (plus interest at 18% per annum)
- NSF or returned cheque charge: \$25.00 per NSF or returned cheque
- Certificate of Payment charge: \$25.00

Notes:

1. The above Assessments and other amounts are those in effect as of the date of this Agreement. The Grantee may change or supplement any of the foregoing at any time, in accordance with any requirements set out in this Agreement.
2. The Grantor will pay all GST and other taxes and charges payable on all Assessments.

- END OF DOCUMENT -

EXHIBIT F

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

Page 1 of 10 pages

RENT CHARGE – LIFT SERVICES

BETWEEN:

Purchaser of Lot #*
(the “Grantor” or “Owner”)

AND:

RESORTS OF THE CANADIAN ROCKIES INC.,
INC. NO. **A100476**
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situated at Fernie Alpine Resort, British Columbia and more particularly known and described as follows:

(Legal Description of lands to be inserted upon subdivision)

(the “Lands”);

- B. The Grantee may provide to the Grantor and other owners and occupiers of the Lands a ski lift to service the Lands and other users of the Resort (the “Lift”);
- C. The Grantee requires this Agreement in connection with the provision by the Grantee of the Lift and contribution to the operational costs of the Lift and the Grantor has agreed to grant this Agreement; and
- D. The Grantee hereby attests that the Lands encumbered by this Agreement do not lie within an Agricultural Land Reserve.

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

1. Definitions. In this Agreement:
 - (a) **“Assessments”** has the meaning assigned to such term in section 4.
 - (b) **“Business Day”** means any day that is not a Saturday, Sunday, a statutory holiday in British Columbia, Easter Monday or Boxing Day.
 - (c) **“Expenses”** means all costs and expenses incurred by or on behalf of the Grantee in respect of the operation and maintenance of the Lift, including, without limitation, all goods and services tax, provincial sales tax and other taxes payable thereon, amounts paid to any Related Person in respect of the operation and maintenance of the Lift and a general administration charge not to exceed 10% of all other costs and expenses.
 - (d) **“Grantee’s Representatives”** means any person who is a Related Person to the Grantee and any officer, director, employee, agent, contractor, subcontractor, consultant or advisor of the Grantee or any person who is a Related Person to the Grantee.
 - (e) **“Grantor”** means the above-described Grantor and any subsequent owner of the Lands or any portion thereof.
 - (f) **“Operating Plan and Budget”** has the meaning assigned to such term in section 3.
 - (g) **“person”** means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative.
 - (h) **“Related Person”**, in respect of any person, means:
 - (i) any affiliate of such person, within the meaning of the *Company Act* (British Columbia) or the *Canada Business Corporations Act*;
 - (ii) any associate of such person, within the meaning of the *Company Act* (British Columbia) or the *Securities Act* (British Columbia); and
 - (iii) any partnership, including a limited partnership, in which such person is a partner.
 - (i) **“Resort”** means the Fernie Alpine Resort located near Fernie, British Columbia.
 - (j) **“Lift”** has the meaning assigned to such term in section 2.
2. Provision of Lift. The Grantee, in its absolute discretion, may provide or cause to be provided, a Lift to service the Lands, the bottom station of which is located on lands legally described as PID 017-470-013, LOT 1 DISTRICT LOTS 4128 AND 8901 KOOTENAY DISTRICT PLAN NEP1950. The location, construction, operation and

maintenance of the Lift which the Grantee provides or causes to be provided will be determined by the Grantee in its absolute discretion, having regard to the funds available for the payment thereof from the Assessments and other sources, and such other factors as are determined by the Grantee, in its sole and absolute discretion. Neither the Grantee nor any of the Grantee's Representatives will be required to construct, operate or maintain the Lift and neither the Grantee nor any of the Grantee's Representatives will have any duty, obligation or liability whatsoever in connection with the construction, operation or maintenance of the Lift or the failure to construct, operate or maintain the Lift.

3. Operating Plan and Budget. For each calendar year, commencing with the calendar year after the year in which the Lift is constructed, the Grantee will prepare an operating plan and budget (the "Operating Plan and Budget") in connection with the operation and maintenance of the Lift. The Operating Plan and Budget will describe the anticipated Expenses in connection therewith for the period covered by the Operating Plan and Budget. The Grantee may amend the Operating Plan and Budget at any time. On or before March 15 of each calendar year, commencing with the year following the year in which year in which the Lift is constructed, the Grantee will provide to the Grantor a written summary of the Operating Plan and Budget for that calendar year. The Grantee will provide the Grantor with a revised summary of the Operating Plan and Budget if the Grantee makes any material changes to the Operating Plan and Budget. The Grantor may inspect the full Operating Plan and Budget at the offices of the Grantee at any time during normal business hours, upon reasonable written notice to the Grantee.
4. Assessments. The Grantee, in its discretion, will establish from time to time the assessments (the "Assessments") which will be payable by the Grantor and others in connection with the Grantee's provision of the Lift. The Grantee's schedule of the Assessments as of the date of this Agreement is set out in Schedule A hereto. The Grantee may revise the Assessments, the method of calculation of the Assessments and the intervals for the payment of the Assessments at any time, upon written notice to the Grantor. The Grantor agrees to pay all Assessments established by the Grantee in respect of the Lands or such portion thereof as is owned by the Grantor. The Grantor will pay all GST and other taxes and charges payable on Assessments levied against the Grantor.
5. Assurances re: Assessments. The Grantee covenants and agrees that:
 - (a) all Assessments collected by the Grantee will be applied by the Grantee toward the payment of Expenses and for no other purpose whatsoever;
 - (b) the Grantee will not incur Expenses except in accordance with the then current Operating Plan and Budget; and
 - (c) the annual Assessments in respect of the Lands or any portion of the Lands for any calendar year will not exceed 0.3% of the fair market value of the Lands and any improvements thereon, as determined by *BC Assessment* for that year, or portion of the Lands, as applicable.

EXHIBIT F

If at any time the Grantor takes the position that the annual Assessments for any calendar year exceed 0.3% of the fair market value of the Lands and any improvements thereon (or portion thereof), then:

- (d) the Grantor may deliver to the Grantee a written notice (the “Grantor’s Notice”) setting out the Grantor’s position as to the fair market value of the Lands and improvements thereon (or portion thereof), together with a written appraisal of the Lands (or portion thereof) prepared and signed by an appraiser duly qualified and licenced under the laws of British Columbia; and
- (e) for the purposes of section 5(d), the fair market value of the Lands and any improvements thereon (or portion thereof) for the calendar year for which the Grantor’s Notice was given will be deemed to be the amount set out in the Grantor’s Notice unless within 60 days after receipt by the Grantee of the Grantor’s Notice the Grantee delivers to the Grantor a written notice (the “Grantee’s Reply”) setting out the Grantee’s position of the fair market value of the Lands (or portion thereof), together with a written appraisal of the Lands and improvements thereon (or portion thereof) prepared and signed by an appraiser duly qualified and licenced under the laws of British Columbia, in which case the fair market value of the Lands (or portion thereof) for such calendar year will be deemed to be the average of the amounts set out in the Grantor’s Notice and the Grantee’s Reply,

and after such determination of the fair market value of the Lands and improvements thereon (or portion thereof) the annual Assessments for such calendar year will be reduced by the amount, if any, that they exceed 0.3% of the fair market value of the Lands and improvements thereon (or portion thereof).

- 6. Payment of Assessments / Grant of Rent Charge. The Grantor hereby covenants and agrees to pay to the Grantee the Assessments and the Grantor hereby grants to the Grantee a rent charge in respect of the Lands, for a term of 99 years commencing with the calendar year after the year in which the Lift is constructed and operational but in no event, greater than 99 years from the date of the registration of this Agreement against title to the Lands, in respect of the payment of such amounts. Such rent charge will be the absolute property of the Grantee and all amounts payable in respect thereof will be payable by the Grantor forthwith upon demand, without any deduction or set-off whatsoever. The Grantor will pay all Assessments to the Grantee at the Grantee’s address set out above or at such other address as the Grantee may advise the Grantor in writing in accordance with this Agreement.
- 7. Timing of Payment / Late Charges. The Assessments will be payable by the Grantor within 15 days of receipt by the Grantor of the Grantee’s invoice therefor. If any such amount is not paid when due, the Grantor will be required to pay any reasonable late payment charge established by the Grantee and the outstanding amount will bear interest at the rate of 18% per annum, calculated daily and compounded annually, not in advance, from the date payment was due until the date payment is made.

EXHIBIT F

8. Certificate of Payment. Within 10 days of any written request by the Grantor, the Grantee will issue a written certificate to the Grantor or any lender to or purchaser from the Grantor, certifying the amount outstanding under this Agreement as of the date of the certificate. The Grantor will be required to pay in advance the Grantee's reasonable fee for the issuance of the certificate.
9. Shortfalls. If the Assessments and all other assessments and recoveries received by the Grantee are not sufficient to pay the Expenses, the Grantee may (but will not be obligated to):
 - (a) advance its own funds or borrow funds from any Related Person in order to pay any Expenses, and the Grantee may repay the principal amount of such funds from the proceeds of any borrowings in accordance with section 9(b) or from Assessments subsequently collected, but no interest will be payable by the Grantor in respect of any such advances or borrowings; and
 - (b) borrow funds from any person who is not a Related Person in order to pay any Expenses, and the Grantee may repay the principal amount of such funds from other borrowings or from assessments subsequently collected and any reasonable interest payable in respect of such borrowings will be deemed to be Expenses.
10. Rebates, Exemptions, Waivers and Discharge. The Grantee in its absolute discretion may:
 - (a) give rebates in respect of the Assessments, exempt all or any portion of the Lands in respect of the Assessments or waive payment of the Assessments for such portions of the Lands or such periods of time as may be determined by the Grantee; or
 - (b) discharge this Agreement in respect of all or any portion of the Lands.
11. Grantor's Use of the Lands. The Grantor acknowledges, covenants and agrees that:
 - (a) the Grantor will not use the Lands or any portion thereof or any building or other improvement thereon for any purpose that conflicts with, impairs or otherwise adversely impacts upon the construction, operation or maintenance of the Lift by the Grantee; and
 - (b) the Grantor will act reasonably and cooperate with the Grantee in connection with the operation by the Grantee of the Lift, upon request by the Grantee.
12. Subdivision / Effect of Agreement. This Agreement and the rights herein granted will run with the Lands and each part into which the Lands may be subdivided, whether by subdivision plan, strata plan or otherwise howsoever, and the term "Grantor" includes the owner of each subdivided portion of the Lands and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lands and each part into which the Lands may be subdivided. Notwithstanding anything

contained in this Agreement, if the Lands are subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided portion of the Lands, including a default with respect to any amount payable in connection with any subdivided portion of the Lands, will not be a default with respect to any other portion of the Lands 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 portion or portions of the Lands for which there has been a default.

13. First Charge. This Agreement shall be a second financial charge against title to the Lands in priority to all financial charges and encumbrances subsequently registered and all amounts payable to the Grantee hereunder will have priority to all amounts payable pursuant to any financial charges and other encumbrances subsequently registered, other than those approved by the Grantee in its absolute discretion. The Grantor will do all acts and things determined by the Grantee to be necessary to gain priority for this Agreement over any other financial charge or encumbrance registered against title to the Lands or any portion thereof, other than any financial charge or encumbrance consented to by the Grantee in its absolute discretion.
14. Grantee's Remedies. The Grantor hereby agrees that:
 - (a) If the Grantor defaults in payment of all or any part of any amount payable under this Agreement for any period of two months or more, then the Grantee may, at any time thereafter, upon not less than 15 days' written notice to the Grantor, enter upon any part or parts of the Lands for which the Grantor is in default of payment and may distrain for the amount in arrears, including interest payable in accordance herewith, and the Grantee shall have all such remedies in respect thereof as if the Grantee were a landlord distraining for rent in arrears, including, without limitation, the powers of seizure, removal and sale.
 - (b) If the Grantor defaults in the payment of all or any part of any amount payable under this Agreement 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, appoint a receiver in respect of any part or parts of the Lands for which the Grantor is in default of payment, and may foreclose upon such part or parts of the Lands and may cause such part or parts of the Lands 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 any part or parts of the Lands, pay the full amount owing, including interest thereon and all costs payable in connection with the exercise by the Grantee of its rights and remedies, including legal fees and disbursements on a solicitor and own client basis; 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 amounts owing to the Grantee hereunder and thirdly to pay the surplus, if any, to the Grantor.

EXHIBIT F

- (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 remedy available at common law in respect of the enforcement of a rent charge.
 - (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 distraint and sale and legal fees and disbursements on a solicitor and own client basis.
 - (f) Injunctive Relief. The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee, 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 duties or obligations under this Agreement.
15. Remedies Cumulative. 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. 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.
16. Grantor's Releases and Indemnities. The Grantor hereby releases and agrees to fully indemnify and save harmless the Grantee and all of the Grantee's Representatives in respect of any loss, cost, damage or liability whatsoever, whether for property damage, personal injury, death or otherwise and whether arising from negligence, gross negligence or otherwise in respect of any of the following:
- (g) any act or omission by the Grantee or any of the Grantee's Representatives under or in connection with this Agreement;
 - (h) the Grantee's exercise or failure to exercise any power, duty, authority or discretion under or in connection with this Agreement, including any inspection or any confirmation of compliance or conformity with this Agreement or any failure to inspect or so confirm, or the enforcement of or failure to enforce any of the Grantee's rights or remedies under this Agreement or any other agreement in respect of any lands adjacent to or in the vicinity of the Lands;
 - (i) the construction, maintenance or operation of the Lift or the failure to construct, operate or maintain the Lift;
 - (j) any action based on nuisance, escape or the rule in Rylands v. Fletcher where the loss, cost, damage or liability arises, directly or indirectly, in whole or in part, out of any failure, breakdown, malfunction, insufficiency or inadequacy in respect of the Lift; or

EXHIBIT F

- (k) the neglect or failure, for any reason, to discover any breach or default under, or to enforce any of its rights under, this Agreement,

provided that such release and indemnity will not apply to the extent, if any, that the Grantee or any of the Grantee's Representatives has acted in bad faith or been guilty of dishonest or malicious misconduct, libel or slander. This section 18 will survive any release or termination of this Agreement.

17. Amendment. Except as expressly set out herein, this Agreement may only be amended by an agreement in writing signed by the Grantee and the Grantor of all portions of the Lands to which the amendment relates. No modification or amendment of any provision of this Agreement will be inferred from anything done or omitted by any of the parties except by an express agreement in writing duly executed and delivered by all of the parties.
18. 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.
19. 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.
20. 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.
20. Notices. All notices under this Agreement must be given in writing and delivered in accordance with this provision. The parties agree that:
- (l) any notice to the Grantor may be sent to the Grantor's address according to Land Title Office records in respect of the Lands or delivered to the Grantor; and
- (m) 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.

If any portion of the Lands are stratified by a strata plan (including a bare land strata plan), any notice in respect of such stratified lands will be sufficiently given if given to the strata corporation and it will not be necessary to give notice to all of the strata lots within the strata plan. Notices will be sent by personal delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered

EXHIBIT F

- (i) upon delivery, if delivered by hand, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth Business Day after the mailing thereof, if sent by registered mail from a post office in British Columbia or Alberta. 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.
21. Transfer of Lands / Release of Grantor Upon Transfer. All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lands or any part thereof and the rent charge granted hereunder will continue to charge the Lands notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lands or any portion of the Lands where such duty or obligation arises after the Grantor has ceased to be the owner of the Lands or that portion of the Lands, as applicable.
22. Assignment by Grantee / Release. The Grantee may assign this Agreement to any person. Upon any assignment of this Agreement by the Grantee, the Grantee will be released from any and all further duties and obligations arising under this Agreement which arise after the time of such assignment.
23. 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.

IN WITNESS WHEREOF the parties have executed and delivered this Agreement by signing on the *Land Title Act* Form C above.

SCHEDULE A

SCHEDULE OF ASSESSMENTS

The Assessments at the date hereof will be \$800.00 per annum, billed on semi-annual benefits.

In addition to the Assessments, the following charges will apply:

- Late Payment Charge: \$10.00 per occurrence (plus interest at 18% per annum)
- NSF or returned cheque charge: \$25.00 per NSF or returned cheque
- Certificate of Payment charge: \$25.00

Notes:

1. The above Assessments and other amounts are those in effect as of the date of this Agreement. The Grantee may change or supplement any of the foregoing at any time, in accordance with any requirements set out in this Agreement.
2. The Grantor will pay all GST and other taxes and charges payable on all Assessments.

- END OF DOCUMENT -

EXHIBIT G

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

Page 1 of 12 pages

SECTION 219 COVENANT (INCLUDING RENT CHARGE) AND RIGHT OF WAY - SANITARY SEWER SERVICES

BETWEEN:

RESORTS OF THE CANADIAN ROCKIES INC.

Incorporation No. **A100476**
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantor”)

AND:

FERNIE ALPINE RESORT UTILITIES CORPORATION

(Incorporation No. A0063131)
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situated in the Province of British Columbia and more particularly known and described as follows:
- Lots 1 through 44, District Lot 8901, Kootenay District Plan
EPP _____
- (collectively, the “Lots” or “Lands” or individually, a “Lot”);
- B. The Grantee operates a sanitary sewer service in respect of, *inter alia*, the Lots;
- C. The Grantee has been designated under section 218(1)(d) of the *Land Title Act* (British Columbia) as a person authorized to hold statutory rights of way over certain lands at Fernie Alpine Resort, in the Kootenay Land District, evidence of which designation has been registered in the Land Title Office;
- D. The Grantee has been designated under section 219(3)(c) of the *Land Title Act* (British Columbia) as a person authorized to hold covenants pursuant to section 219 of the *Land Title Act* over certain lands at Fernie Alpine Resort, in the Kootenay Land District, evidence of which designation has been registered in the Land Title Office;

- E. The right of way granted under this Agreement is necessary for the operation and maintenance of the Grantee's undertaking; and
- F. The Grantee hereby attests that the Lots encumbered by this Agreement do not lie within an Agricultural Land Reserve.

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

1. Definitions In this Agreement:

- (a) **"Business Day"** means any day that is not a Saturday, Sunday, or a statutory holiday in British Columbia.
- (b) **"Grantee's Representatives"** means any person who is a Related Person to the Grantee and any officer, director, employee, agent, contractor, subcontractor, consultant or advisor of the Grantee or any person who is a Related Person to the Grantee.
- (c) **"person"** means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative.
- (d) **"Related Person"**, in respect of any person, means:
 - (i) any affiliate of such person, within the meaning of the *Company Act* (British Columbia) or the *Canada Business Corporations Act*;
 - (ii) any associate of such person, within the meaning of the *Company Act* (British Columbia) or the *Securities Act* (British Columbia); and
 - (iii) any partnership, including a limited partnership, in which such person is a partner.
- (e) **"Sewer Fees and Charges"** means all fees and charges established by the Grantee in accordance with section 2, as amended and in effect from time to time.

2. Sewer Fees and Charges The Grantee, in its discretion, will establish from time to time a schedule of fees and charges which will be payable by the Grantor and others in connection with the Grantee's provision of sanitary sewer services in respect of the Lots. The Grantee's schedule of fees and charges as of the date of this Agreement is set out in Schedule A hereto. The Grantee may modify, supplement or replace any of the fees and charges set out in Schedule A in accordance with section 12. The Grantor will pay all GST and other taxes and charges payable on all Sewer Fees and Charges. The Grantor hereby acknowledges and agrees that the sanitary sewer services provided by the Grantee in respect of the Lots constitutes an amenity in relation to the Lots within the meaning of section 219 of the *Land Title Act* (British Columbia).

3. Grant of Rent Charge - Sewer Services The Grantor hereby covenants and agrees to pay to the Grantee the Sewer Fees and Charges and the Grantor hereby grants to the Grantee a rent charge in respect of the Lots, for a term of 99 years from the date of the registration of this Agreement in the Land Title Office, in respect of the payment of such amounts. Such rent charge will be the absolute property of the Grantee and all amounts payable in respect thereof will be payable by the Grantor forthwith upon demand, without any deduction or set-off whatsoever. The Grantor will pay all Sewer Fees and Charges to the Grantee at the Grantee's address set out above or at such other address as the Grantee may advise the Grantor in writing in accordance with this Agreement.
4. Timing of Payment / Late Charges The Sewer Fees and Charges will be payable, in advance, by the Grantor within 15 days of receipt by the Grantor of the Grantee's invoice therefor. If any such amount is not paid when due, the Grantor will be required to pay any late payment charge established by the Grantee pursuant to section 2, as revised in accordance with section 11, and the outstanding amount will bear interest at the rate of 18% per annum, calculated daily and compounded annually, not in advance, from the date payment was due until the date payment is made.
5. Certificate of Payment Within 10 days of any written request by the Grantor, the Grantee will issue a written certificate to the Grantor or any lender to or purchaser from the Grantor, certifying the amount outstanding under this Agreement as of the date of the certificate. The Grantor will be required to pay in advance the Grantee's reasonable fee for the issuance of the certificate.
6. Application for Service The Grantor will apply in advance to the Grantee for any connection to the Grantee's sanitary sewer service system, using any form established by the Grantee for such purpose, and the Grantor will provide the Grantee with any information and documentation required by the Grantee in connection therewith.
7. Discontinuation of Service The Grantor will give the Grantee not less than 30 days' written notice of any discontinuation of the Grantor's use of the Grantee's sanitary sewer service system.
8. Interruption of Service The Grantee will have the right to interrupt the provision of sanitary sewer services to the Lands in order to carry out any repairs, alterations, extensions and replacements in respect of the Grantee's sanitary sewer services system, as determined by the Grantee in its absolute discretion. Whenever reasonably possible, the Grantee will give reasonable advance notice of any such interruption.
9. Grantor's Use of the Lands The Grantor acknowledges, covenants and agrees that:
 - (a) all sanitary sewer lines, services, works, systems and facilities within the Lands will be constructed, maintained, repaired and replaced by the Grantor in a good and workmanlike manner and in accordance with all laws, all requirements of all applicable governmental authorities and all reasonable requirements of the Grantee;
 - (b) it is the Grantor's responsibility to construct, maintain, repair and replace, at its own cost and expense, its own sanitary sewer lines, services, works, systems and

facilities within the Lands (other than any main lines owned by the Grantee and subject to a statutory right of way or other encumbrance in favour of the Grantee) and that the Grantor has relied and will rely exclusively on itself and its own contractors, consultants and other representatives in connection therewith and that neither the Grantee nor any of the Grantee's Representatives has made or will make, by any act or omission, any representation, warranty or statement whatsoever in respect of the sanitary sewer lines, services, works, systems and facilities within the Lands on which the Grantor is entitled to rely;

- (c) the Grantor will not use any sanitary sewer disposal system or service other than that operated by the Grantee and, without limiting the generality of the foregoing, the Grantor will not install any septic tanks or septic fields within the Lands;
- (d) the Grantor will not use the Lands or any part thereof or any building or other improvement thereon for any purpose that conflicts with, impairs or otherwise adversely impacts upon the provision by the Grantee of sanitary sewer services to the Lands or any other lands; and
- (e) the Grantor will act reasonably and cooperate with the Grantee in connection with the provision by the Grantee of sanitary sewer services to the.

10. Right of Way The Grantor hereby grants to the Grantee a right of way for the Grantee and the Grantee's Representatives to enter onto the Lands at any time and from time to time to:

- (a) make and remove sanitary sewer service connections and open and close the sanitary sewer service lines;
- (b) inspect and repair as reasonably required any sanitary sewer lines, services, works, systems and facilities located on the Lands, and/or on land adjacent to the Lands including but not limited to those owned by the Grantor, and for such purpose the Grantee shall be permitted to temporarily store fill, equipment, materials, etc. on such portion of the Lands reasonably required by the Grantee for such purpose; and
- (c) exercise any of the Grantee's other rights set out in this Agreement.

The Grantee agrees to act reasonably when exercising such rights and to use all reasonable efforts to minimize any disruption to the Grantor in connection with the exercise by the Grantee and the Grantee's Representatives of such rights.

11. Revisions to Sewer Fees and Charges / Further Requirements The Grantor acknowledges and agrees that the Grantee may, upon written notification of the Grantor, revise or supplement any of the Sewer Fees and Charges (including revising the method of calculating any of the Sewer Fees or Charges) or establish further and other requirements in respect of the Grantor's use of the Grantee's sanitary sewer system and the Grantor agrees to be bound by all of such revised or supplemented Sewer Fees and Charges and such further and other requirements. Without limiting the generality of the foregoing, the

Grantee may change the sanitary sewer service user fee to a fee based on the volume of water supplied to the Lands and the Grantor will be bound by such a change.

12. No Requirement to do Works, pay Fees, etc. This Agreement does not in any way require the Grantee to provide any works or services whatsoever to the Lands, to develop, construct, inspect, clean, maintain, repair or replace any works or improvements whatsoever within or in respect of the Lands or to pay any fee or other amount whatsoever in connection with this Agreement, unless the Grantee is expressly required to do so under the terms of this Agreement or under any other agreement in writing.
13. Subdivision / Effect of Agreement This Agreement and the rights herein granted will run with the Lands and each part into which the Lands may be subdivided, whether by subdivision plan, strata plan or otherwise howsoever, and the term "Grantor" includes the owner of each subdivided portion of the Lands and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lands and each part into which the Lands may be subdivided. Notwithstanding anything contained in this Agreement, if the Lands are subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided portion of the Lands, including a default with respect to any amount payable in connection with any subdivided portion of the Lands, will not be a default with respect to any other portion of the Lands 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 portion or portions of the Lands for which there has been a default.
14. Assessment of Strata Corporation If at any time the Lands or any portion thereof are stratified by a strata plan (excepting a bare land strata plan), the Grantee may levy the amounts payable hereunder to the strata corporation created in respect of such strata plan and the strata corporation will pay the amounts payable hereunder so levied. If the Grantee levies any amounts payable hereunder to a strata corporation, the owners of the strata lots created by the strata plan will not be released from their obligation to pay the amounts payable hereunder or any other amount hereunder except to the extent that the strata corporation has made payment thereof, and the Grantor may levy the amounts payable hereunder against the owners of the strata lots if the strata corporation does not pay the Sewer Rates and Charges to the Grantor.
15. First Charge This Agreement shall be a first financial charge against title to the Lands in priority to all financial charges and encumbrances subsequently registered and all amounts payable to the Grantee hereunder will have priority to all amounts payable pursuant to any other financial charges and encumbrances subsequently registered, other than those approved by the Grantee in its absolute discretion. The Grantor will do all acts and things determined by the Grantee to be necessary to gain priority for this Agreement over any financial charge or encumbrance registered against title to the Lands or any portion thereof, other than any financial charge or encumbrance consented to by the Grantee in its absolute discretion.

16. Grantee's Remedies The Grantor hereby agrees that:
- (a) If the Grantor defaults in payment of all or any part of any amount payable under this Agreement for any period of one month or more, then the Grantee may, at any time thereafter, upon not less than 15 days' written notice thereof to the Grantor, close the Grantor's sanitary sewer feed, to or from any part or parts of the Lands for which the Grantor is in default of payment.
 - (b) If the Grantor defaults in payment of all or any part of any amount payable under this Agreement for any period of two months or more, then the Grantee may, at any time thereafter, upon not less than 15 days' written notice to the Grantor, enter upon any part or parts of the Lands for which the Grantor is in default of payment and may distrain for the amount in arrears, including interest payable in accordance herewith, and the Grantee shall have all such remedies in respect thereof as if the Grantee were a landlord distraining for rent in arrears, including, without limitation, the powers of seizure, removal and sale.
 - (c) If the Grantor defaults in the payment of all or any part of any amount payable under this Agreement 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, appoint a receiver in respect of any part or parts of the Lands for which the Grantor is in default of payment, and may foreclose upon such part or parts of the Lands and may cause such part or parts of the Lands 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 any part or parts of the Lands, pay the full amount owing, including interest thereon 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 amounts owing to the Grantee hereunder and thirdly to pay the surplus, if any, to the Grantor.
 - (d) 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.
 - (e) The Grantee may exercise any other remedy available at common law in respect of the enforcement of a rent charge.
 - (f) 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 distraint and sale and legal fees and disbursements on a solicitor and own client basis.
17. Injunctive Relief The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee, 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 duties or obligations under this Agreement.

18. Remedies Cumulative 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. 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.
19. Grantor's Releases and Indemnities The Grantor hereby releases and agrees to fully indemnify and save harmless the Grantee and all of the Grantee's Representatives in respect of any loss, cost, damage or liability whatsoever, whether for property damage, personal injury, death or otherwise and whether arising from negligence, gross negligence or otherwise in respect of any of the following:
 - (a) any act or omission by the Grantee or any of the Grantee's Representatives under or in connection with this Agreement;
 - (b) the Grantee's exercise or failure to exercise any power, duty, authority or discretion under or in connection with this Agreement, including any inspection or any confirmation of compliance or conformity with this Agreement or any failure to inspect or so confirm, or the enforcement of or failure to enforce any of the Grantee's rights or remedies under this Agreement or any other agreement in respect of any lands adjacent to or in the vicinity of the Lands;
 - (c) the provision of or failure to provide sanitary sewer to the Lands, including the use of, the provision of, the failure to provide or the interruption of any sanitary sewer services;
 - (d) any action based on nuisance, escape or the rule in Rylands v. Fletcher where the loss, cost, damage or liability arises, directly or indirectly, in whole or in part, out of any failure, breakdown, malfunction, insufficiency or inadequacy of any of the Grantee's sanitary sewer services;
 - (e) any advice, comforts or assurances given in respect of the Lands or any part thereof or any development thereof; or
 - (f) the neglect or failure, for any reason, to discover any breach or default under, or to enforce any of its rights under, this Agreement, provided that such release and indemnity will not apply to the extent, if any, that the Grantee or any of the Grantee's Representatives has acted in bad faith or been guilty of dishonest or malicious misconduct, libel or slander. This section 19 will survive any release or termination of this Agreement.
20. Application to Strata Corporation Without limiting anything set out in this Agreement, any strata corporation, excepting a strata corporation created through a bare land strata plan, created in respect of any portion of the Lands will be a "Grantor" and will be bound by all of the terms and conditions of this Agreement and any common property created

by any strata plan in respect of any portion of the Lands will remain as part of the “Lands” and will be subject to this Agreement.

21. Amendment Except as expressly set out herein, this Agreement may only be amended by an agreement in writing signed by the Grantee and the Grantor of all portions of the Lands to which the amendment relates. No modification or amendment of any provision of this Agreement will be inferred from anything done or omitted by any of the parties except by an express agreement in writing duly executed and delivered by all of the parties.
22. 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.
23. 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.
24. 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.
25. 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 Lands 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.

If any portion of the Lands is stratified by a strata plan (including a bare land strata plan), any notice in respect of such stratified lands will be sufficiently given if given to the strata corporation and it will not be necessary to give notice to all of the strata lots within the strata plan. Notices will be sent by personal delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered by hand, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth Business Day after the mailing thereof, if sent by registered mail from a post office in British Columbia or Alberta. 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.

26. Transfer of Lands / Release of Grantor Upon Transfer All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lands or any part thereof and the rent charge granted hereunder will continue to charge the Lands notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lands or any portion of the Lands where such duty or obligation arises after the Grantor has ceased to be the owner of the Lands or that portion of the Lands, as applicable.
27. Grantee's Licences and Authorizations The Grantee may grant to any other person a licence or other agreement, authorizing such person to exercise any right granted to the Grantee pursuant to this Agreement.
28. Assignment by Grantee / Release The Grantee may assign this Agreement to any person, provided that the Grantee and its assignee satisfy any requirements set out in sections 218 and 219 of the *Land Title Act* (British Columbia). Upon any assignment of this Agreement by the Grantee, the Grantee will be released from any and all further duties and obligations arising under this Agreement which arise after the time of such assignment.
29. 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.
30. Notice Any notice to be given by the Grantee to the Grantor pursuant to this Agreement shall be deemed to be validly given to the Grantor if mailed by regular mail to the Grantor's address as specified on title to the Lands and shall be deemed to be received 3 business days from the date of mailing, regardless of the date of actual receipt by the Grantee.
31. Transfer to Public Authority If at any time the sanitary sewer service system operated by the Grantee in respect of the Lands is taken over and operated by any public authority having taxing powers, then the Grantee will release the Lands from this Agreement with respect to the sanitary sewer system, provided that the Grantor has paid to the Grantee all amounts payable hereunder.

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

SCHEDULE A

SEWER FEES AND CHARGES

Sanitary Sewer Service User Fees: At this time, the sanitary sewer user fees will be based on ‘Bed Units’, where Bed Units are defined as follows:

- (a) For the developments known as “Timberlanding 3” on the Lands
 - (i) each Lot with a 1 bedroom home thereon will be deemed to be comprised of 2 Bed Units;
 - (ii) each Lot with a 2 bedroom home thereon will be deemed to be comprised of 4 Bed Units;
 - (iii) each Lot with a 3 bedroom home thereon will be deemed to be comprised of 6 Bed Units;
 - (iv) each Lot with a 4 bedroom home thereon will be deemed to be comprised of 8 Bed Units;
 - (v) each Lot with a 5 bedroom home thereon will be deemed to be comprised of 10 Bed Units;

And the sanitary sewer service user fees will be as follows:

- (a) for the period prior to connection to the Grantee's sanitary sewer system, \$63.50 per Bed Unit per annum, billed bi-annually and for this purpose: Single Family Lots will be deemed to be comprised of 6 Bed Units, until the issuance of an approval to construct in respect thereof, at which time they will be deemed to utilize the number of Bed Units determined in accordance with the approved development;
- (b) following connection to the Grantee's sanitary sewer system, at the date of registration of this Agreement, \$105.90 per Bed Unit per annum, all billed and payable bi-annually.

Application for Sewer Service Charge: \$25.00

Sanitary Sewer Service Connection Charge - New Connection: Cost plus 10% administration charge.

Sanitary Sewer Service Connection Charge - Existing Connection: \$200.00

Late Payment Charge: \$25.00 per occurrence (plus interest at 18% per annum)

Disconnection Charge for discontinuation of service: \$200.00

Reconnection Charge after service discontinued: \$200.00

NSF or returned cheque charge: \$25.00

Certificate of Payment charge: \$25.00

1. The above Sewer Fees and Charges are those in effect as of the date of this Agreement. The Grantee may change or supplement any of the foregoing at any time, in accordance with section 12 of this Agreement.
2. The Grantor will pay all GST and other taxes and charges payable on all Sewer Fees and Charges.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918, **as extended in the within application** and registered in the Kamloops/Nelson Land Title Office on December 1, 2000, (taken together the "Mortgage") and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage KR85494, extended by LB309620, **as extended in the within application** and registered in the Kamloops/Nelson Land Title Office on September 14, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63168 and Assignment of Rents KR63169 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63170 and Assignment of Rents KR63171 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

- END OF DOCUMENT -

EXHIBIT G

LAND TITLE ACT

TERMS OF INSTRUMENT – PART 2

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SECTION 219 COVENANT - RIGHT OF WAY WATER SERVICES

BETWEEN:

RESORTS OF THE CANADIAN ROCKIES INC.
Incorporation No. **A100476**
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantor”)

AND:

FERNIE ALPINE RESORT UTILITIES CORPORATION
(Incorporation No. A0063131)
1505 - 17TH AVENUE S.W.
CALGARY, AB
T2T 0E2
(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situated in the Province of British Columbia and more particularly known and described as follows:
- Lots 1 to 44 inclusive, District Lot 8901, Kootenay District Plan
EPP _____
- (collectively, the “Lots” or “Lands” or individually, a “Lot”);
- B. The Grantee is a water utility within the meaning of the Water Utility Act (British Columbia) and is therefore subject to regulation by the Comptroller in all matters, including tariff rules, rates and charges;
- C. The Grantee has a Certificate of Public Convenience and Necessity by the Comptroller to operate a water system in respect of, *inter alia*, the Lands;

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- D. The Grantee has been designated under section 218(1)(d) of the *Land Title Act* (British Columbia) as a person authorized to hold statutory rights of way over certain lands at Fernie Alpine Resort, in the Kootenay Land District, evidence of which designation has been registered in the Land Title Office;
- E. The Grantee has been designated under section 219(3)(c) of the *Land Title Act* (British Columbia) as a person authorized to hold covenants pursuant to section 219 of the *Land Title Act* over certain lands at Fernie Alpine Resort, in the Kootenay Land District, evidence of which designation has been registered in the Land Title Office;
- F. The Grantee requires this Agreement in connection with the provision by the Grantee of water services to the Lands and the Grantor has agreed to grant this Agreement;
- G. The right of way granted under this Agreement is necessary for the operation and maintenance of the Grantee's undertaking; and
- H. The Grantee hereby attests that the Lots encumbered by this Agreement do not lie within an Agricultural Land Reserve.

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

1. Definitions In this Agreement:

- (a) “**Business Day**” means any day that is not a Saturday, Sunday, or a statutory holiday in British Columbia.
- (b) “**Grantee's Representatives**” means any person who is a Related Person to the Grantee and any officer, director, employee, agent, contractor, subcontractor, consultant or advisor of the Grantee or any person who is a Related Person to the Grantee.
- (c) “**person**” means an individual, corporation, body corporate, partnership, joint venture, association, society or unincorporated organization or any trustee, executor, administrator or other legal representative.
- (d) “**Related Person**”, in respect of any person, means:
 - (i) any affiliate of such person, within the meaning of the *Company Act* (British Columbia) or the *Canada Business Corporations Act*;
 - (ii) any associate of such person, within the meaning of the *Company Act* (British Columbia) or the *Securities Act* (British Columbia); and
 - (iii) any partnership, including a limited partnership, in which such person is a partner.

EXHIBIT G

2. Good and Valuable Consideration The Grantor hereby acknowledges and agrees that the water services provided by the Grantee in respect of the Lands constitutes an amenity in relation to the Lands within the meaning of section 219 of the *Land Title Act* (British Columbia). In consideration for the water services provided by the Grantee, and in any event for good and valuable consideration, the Grantor covenants with the Grantee pursuant to section 219 of the *Land Title Act* (British Columbia) as provided for herein.
3. Application for Service The Grantor will apply in advance to the Grantee for any connection to the Grantee's water service system, using any form established by the Grantee for such purpose, and the Grantor will provide the Grantee with any information and documentation required by the Grantee in connection therewith.
4. Interruption of Service The Grantee will have the right to interrupt the provision of water services to the Lands in order to carry out any repairs, alterations, extensions and replacements in respect of the Grantee's water services system, as determined by the Grantee in its absolute discretion. Whenever reasonably possible, the Grantee will give reasonable advance notice of any such interruption.
5. Grantor's Use of the Lands The Grantor acknowledges, covenants and agrees that:
 - (a) all water lines, services, works, systems and facilities within the Lands will be constructed, maintained, repaired and replaced by the Grantor in a good and workmanlike manner and in accordance with all laws, all requirements of all applicable governmental authorities and all reasonable requirements of the Grantee;
 - (b) it is the Grantor's responsibility to construct, maintain, repair and replace, at its own cost and expense, its own water lines, services, works, systems and facilities within the Lands (other than any main lines owned by the Grantee and subject to a statutory right of way or other encumbrance in favour of the Grantee) and that the Grantor has relied and will rely exclusively on itself and its own contractors, consultants and other representatives in connection therewith and that neither the Grantee nor any of the Grantee's Representatives has made or will make, by any act or omission, any representation, warranty or statement whatsoever in respect of the water lines, services, works, systems and facilities within the Lands on which the Grantor is entitled to rely;
 - (c) the Grantor will not use any water system or service other than that operated by the Grantee and, without limiting the generality of the foregoing, the Grantor will not drill any well for water supply purposes;
 - (d) the Grantor will not use the Lands or any part thereof or any building or other improvement thereon for any purpose that conflicts with, impairs or otherwise adversely impacts upon the provision by the Grantee of water services to the Lands or any other lands; and
 - (e) the Grantor will act reasonably and cooperate with the Grantee in connection with the provision by the Grantee of water services to the Lands and, without limiting

EXHIBIT G

the generality of the foregoing, the Grantor will ensure that the Grantee has unimpeded access to any water meters, if installed, on the Lands at all times.

6. Right of Way The Grantor hereby grants to the Grantee a right of way for the Grantee and the Grantee's Representatives to enter onto the Lands at any time and from time to time to:
- (a) make and remove water service connections and open and close the water service lines;
 - (b) inspect and repair as reasonably required any water lines, services, works, systems and facilities located on the Lands, and/or on land adjacent to the Lands including but not limited to those owned by the Grantor, and for such purpose the Grantee shall be permitted to temporarily store fill, equipment, materials, etc. on such portion of the Lands reasonably required by the Grantee for such purpose;
 - (c) read, inspect, install, maintain, repair and replace any water meters on the Lands; and
 - (d) exercise any of the Grantee's other rights set out in this Agreement.

The Grantee agrees to act reasonably when exercising such rights and to use all reasonable efforts to minimize any disruption to the Grantor in connection with the exercise by the Grantee and the Grantee's Representatives of such rights.

7. No Requirement to do Works, pay Fees, etc This Agreement does not in any way require the Grantee to provide any works or services whatsoever to the Lands, to develop, construct, inspect, clean, maintain, repair or replace any works or improvements whatsoever within or in respect of the Lands or to pay any fee or other amount whatsoever in connection with this Agreement, unless the Grantee is expressly required to do so under the terms of this Agreement under any law, or any other agreement in writing.
8. Subdivision / Effect of Agreement This Agreement and the rights herein granted will run with the Lands and each part into which the Lands may be subdivided, whether by subdivision plan, strata plan or otherwise howsoever, and the term "Grantor" includes the owner of each subdivided portion of the Lands and the successors in title thereof. Without limiting the foregoing, any amount payable hereunder will run with the Lands and each part into which the Lands may be subdivided. Notwithstanding anything contained in this Agreement, if the Lands are subdivided by subdivision plan, strata plan or otherwise howsoever, a default in respect of any subdivided portion of the Lands, including a default with respect to any amount payable in connection with any subdivided portion of the Lands, will not be a default with respect to any other portion of the Lands 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 portion or portions of the Lands for which there has been a default.
9. Assessment of Strata Corporation If at any time the Lands or any portion thereof are stratified by a strata plan (excepting a bare land strata plan), the Grantee may levy the

amounts payable hereunder to the strata corporation created in respect of such strata plan and the strata corporation will pay the amounts payable hereunder so levied. If the Grantee levies any amounts payable hereunder to a strata corporation, the owners of the strata lots created by the strata plan will not be released from their obligation to pay the amounts payable hereunder or any other amount hereunder except to the extent that the strata corporation has made payment thereof, and the Grantor may levy the amounts payable hereunder against the owners of the strata lots if the strata corporation does not pay the Grantor as required hereby.

10. First Charge This Agreement shall be registered against title to the Lands in priority to all financial charges and encumbrances subsequently registered and all amounts payable to the Grantee hereunder will have priority to all amounts payable pursuant to any other financial charges and encumbrances subsequently registered, other than those approved by the Grantee in its absolute discretion. The Grantor will do all acts and things determined by the Grantee to be necessary to gain priority for this Agreement over any financial charge or encumbrance registered against title to the Lands or any portion thereof, other than any financial charge or encumbrance consented to by the Grantee in its absolute discretion. The Grantee consents to the registration of a Rent Charge in respect of the water services contemplated herein, in priority to this section 219 Covenant and Statutory Right of Way.
11. Injunctive Relief The Grantor acknowledges and agrees that, without limiting any other right or remedy of the Grantee, 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 duties or obligations under this Agreement.
12. Remedies Cumulative 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. 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.
13. Grantor's Releases and Indemnities The Grantor hereby releases and agrees to fully indemnify and save harmless the Grantee and all of the Grantee's Representatives in respect of any loss, cost, damage or liability whatsoever, whether for property damage, personal injury, death or otherwise and whether arising from negligence, gross negligence or otherwise in respect of any of the following:
 - (a) any act or omission by the Grantee or any of the Grantee's Representatives under or in connection with this Agreement;
 - (b) the Grantee's exercise or failure to exercise any power, duty, authority or discretion under or in connection with this Agreement, including any inspection or any confirmation of compliance or conformity with this Agreement or any failure to inspect or so confirm, or the enforcement of or failure to enforce any of the Grantee's rights or remedies under this Agreement or any other agreement in respect of any lands adjacent to or in the vicinity of the Lands;

- (c) the provision of or failure to provide or the interruption of any water services;
 - (d) any action based on nuisance, escape or the rule in Rylands v. Fletcher where the loss, cost, damage or liability arises, directly or indirectly, in whole or in part, out of any failure, breakdown, malfunction, insufficiency or inadequacy of any of the Grantee's water services;
 - (e) any advice, comforts or assurances given in respect of the Lands or any part thereof or any development thereof; or
 - (f) the neglect or failure, for any reason, to discover any breach or default under, or to enforce any of its rights under, this Agreement, provided that such release and indemnity will not apply to the extent, if any, that the Grantee or any of the Grantee's Representatives has acted in bad faith or been guilty of dishonest or malicious misconduct, libel or slander. This section 19 will survive any release or termination of this Agreement.
14. Application to Strata Corporation Without limiting anything set out in this Agreement, any strata corporation, excepting a strata corporation created through a bare land strata plan, created in respect of any portion of the Lands will be a "Grantor" and will be bound by all of the terms and conditions of this Agreement and any common property created by any strata plan in respect of any portion of the Lands will remain as part of the "Lands" and will be subject to this Agreement.
15. Amendment Except as expressly set out herein, this Agreement may only be amended by an agreement in writing signed by the Grantee and the Grantor of all portions of the Lands to which the amendment relates. No modification or amendment of any provision of this Agreement will be inferred from anything done or omitted by any of the parties except by an express agreement in writing duly executed and delivered by all of the parties.
16. 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.
17. 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.
18. 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.

19. 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 Lands 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.

If any portion of the Lands is stratified by a strata plan (including a bare land strata plan), any notice in respect of such stratified lands will be sufficiently given if given to the strata corporation and it will not be necessary to give notice to all of the strata lots within the strata plan. Notices will be sent by personal delivery, electronic transmission (including by fax) or by registered mail. Notices will be deemed to have been delivered (i) upon delivery, if delivered by hand, (ii) upon receipt, if sent by electronic transmission, or (iii) on the fifth Business Day after the mailing thereof, if sent by registered mail from a post office in British Columbia or Alberta. 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.

20. Transfer of Lands / Release of Grantor Upon Transfer All amounts payable hereunder will survive any transfer or other disposition whatsoever of the Lands or any part thereof and the within Statutory Right of Way and section 219 Covenant granted hereunder will continue to charge the Lands notwithstanding any transfer or other disposition whatsoever. No Grantor will be liable for any duty or obligation under this Agreement in respect of the Lands or any portion of the Lands where such duty or obligation arises after the Grantor has ceased to be the owner of the Lands or that portion of the Lands, as applicable.
21. Grantee's Licences and Authorizations The Grantee may grant to any other person a licence or other agreement, authorizing such person to exercise any right granted to the Grantee pursuant to this Agreement.
22. Assignment by Grantee / Release The Grantee may assign this Agreement to any person, provided that the Grantee and its assignee satisfy any requirements set out in sections 218 and 219 of the *Land Title Act* (British Columbia). Upon any assignment of this Agreement by the Grantee, the Grantee will be released from any and all further duties and obligations arising under this Agreement which arise after the time of such assignment.
23. 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.
24. Notice Any notice to be given by the Grantee to the Grantor pursuant to this Agreement shall be deemed to be validly given to the Grantor if mailed by regular mail to the

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Grantor's address as specified on title to the Lands and shall be deemed to be received 3 business days from the date of mailing, regardless of the date of actual receipt by the Grantee.

25. Transfer to Public Authority If at any time the water service system operated by the Grantee in respect of the Lands is taken over and operated by any public authority having taxing powers, then the Grantee will release the Lands from this Agreement with respect to the water service system, provided that the Grantor has paid to the Grantee all amounts payable hereunder.

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

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918, **as extended in the within application** and registered in the Kamloops/Nelson Land Title Office on December 1, 2000, (taken together the "Mortgage") and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage KR85494, extended by LB309620, **as extended in the within application** and registered in the Kamloops/Nelson Land Title Office on September 14, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63168 and Assignment of Rents KR63169 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63170 and Assignment of Rents KR63171 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

- END OF DOCUMENT -

EXHIBIT G

RENT CHARGE – WATER SERVICES

THIS AGREEMENT made this ____ day of July, 2022

BETWEEN:

RESORTS OF THE CANADIAN ROCKIES INC.
Incorporation No. A100476
1505 – 17th Avenue SW
Calgary, AB T2T 0E2

(the “Transferor”)

AND:

FERNIE ALPINE RESORT UTILITIES CORPORATION
Incorporation No. A0063131
1505 – 17th Avenue SW
Calgary, AB T2T 0E2

(the “Transferee”)

BACKGROUND

- A. The Transferor is the registered owner of the Lands as hereafter defined;
- B. The Transferee has been incorporated for the purpose of maintaining and operating a Waterworks System which will provide service to the Lands;
- C. The Transferee 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 Transferee has been granted a Certificate of Public Convenience and Necessity (CPCN) by the Comptroller of Water Rights of the Province of British Columbia to operate a waterworks system;
- E. The Transferee has installed a Waterworks System to service the Lands in accordance with the CPCN and filed water Tariff;
- F. The Transferor must pay an annual water availability of service charge being the Annual Fee for the Lands in the future and to any Future Lot or Lots until such time as the Transferor shall make application to connect the Lands or any Future Lot or Lots to the Waterworks System operated by the Transferee and thereafter, the Transferor shall pay to

EXHIBIT G

the Transferee the greater of the Annual Fee and the User Charge determined and set in accordance with the Tariff filed by the Transferee.

- G. The Transferor has agreed to grant to the Transferee a yearly Rent Charge against the Lands and any Future Lot or Lots to secure the Annual Fee.

AGREEMENTS

In consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which each party acknowledges the parties agree as follows:

1. Defined Terms

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 of service charge (rent charge) payable to the Transferee for the Lands or any Future Lot or Lots and determined in accordance with Section 3 hereof;
- (c) “Business Day” means any day from Monday to Friday, inclusive, except for any day that is a statutory holiday in British Columbia;
- (d) “Comptroller of Water Rights” means the comptroller of water rights appointed pursuant to the *Water Utility Act* and the *Utilities Commission Act*;
- (e) “Future Lot” or “Lots” means in the singular or plural, any one or more of any portion of the Lands now, or at any time hereafter, constituting a single legally subdivided area in accordance with the requirements of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia) and includes, without limitation, strata lots and air space parcels;
- (f) “Lands” means those lands and premises defined in Item 2 of the Form C General Instrument – Part 1, of which this Agreement forms part;
- (g) “Tariff” means the latest water tariff applicable to the Lands and filed by the Transferee with the Comptroller of Water Rights with respect to the water tariff which is available for inspection at the Transferee’s office;
- (h) “Waterworks System” means the works and system installed or to be installed by the Transferee for the provision of water services to the Lands;

EXHIBIT G

- (i) “User Charge” means utility customer rates based on the Tariff for those connected and receiving water service.

2. Grant

The Transferor hereby grants to the Transferee for the term of infinite years a yearly rent charge over the Lands in the amount of the Annual Fee payable in respect of the Lands and every Future Lot or Lots which may be created by a further subdivision of the Lands and which rent charge shall be deemed to accrue from day to day but shall be:

- (a) paid in advance in installments according to the Transferee’s Billing and Payment Section and Availability of Service (Rent Charge) Schedule of its filed Tariff, and
- (b) no longer applicable once a customer has received approval to connect to the Transferee’s waterworks, has passed inspection and has been accepted by the Transferee as a customer. A pro-rated refund of the rent charge will be credited to the customer’s account, if applicable.

3. Annual Fee

The Annual Fee shall be in accordance with the Transferee’s filed Tariff.

4. Application of User Charge

Upon the Transferor making application to the Transferee to connect the Lands to the Waterworks System and upon the Transferor paying the User Charge in accordance with the filed Tariff from time to time, then the rent charge shall abate against the Lands to the extent of and in the amount of the User Charge which is paid in accordance with the Tariff PROVIDED HOWEVER that the Transferor has paid all arrears and interest owing to the Transferee including amounts owing under the rent charge.

5. Arrears

Any arrears of rent charge shall bear interest from the due date until payment at a rate of 18% per annum accruing daily, and shall be a charge upon the Lands or Future Lot or Lots in question in the same manner as the rent charge hereby charged on the Lands.

6. Changes in Rates

The Transferor covenants and agrees with the Transferee that a copy of this rent charge shall be filed with the approved Tariff of the Transferee 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*.

EXHIBIT G

7. Burden of Rent Charge

The Transferor covenants and agrees with the Transferee that the Transferor and all persons deriving title from the Transferor will at all times pay to the Transferee the rent charge at the times and in the manner herein provided for payment, and the rent charge shall be a burden upon and run with the Lands and each and every part into which the Lands may be subdivided.

8. Rights to Distrain

If default shall be made in payment of the rent charge or any part thereof, or interest, for a period of 60 days after the time for payment, then at any time thereafter in addition to any other remedies available to the Transferee in law, the Transferee may enter upon the Lands or any Future Lot or Lots and distrain for the installment or installments in arrears and to take, lead, drive, carry away and impound the distrained goods and chattels until the rent charge and the arrears and interest thereof if any, together with all costs and charges incurred by such distress or in obtaining payment of the rent charge shall be fully paid and satisfied.

9. Power of Sale

If the Transferor is in default of any payment hereby secured for a period of 180 days or more, the Transferee may immediately sell and dispose of the Lands or any Future Lot or Lots either by public auction or by private contract as the Transferee shall deem fit and proper and may rescind or vary any contract for the sale and resale without being responsible for any loss occasioned thereby and may convey and assure the same to the purchaser in fee simple and the Transferor hereby constitutes the Transferee, its successors and assigns, the attorney or attorneys irrevocable by death, infirmity or otherwise, of the Transferor, its heirs, executors or assigns, to make such conveyance or conveyances, PROVIDED HOWEVER that such power of sale shall not be exercised until after one month's previous notice in writing shall have been given to the Transferor either by delivery to the Transferor or by delivery to an adult person upon the Lands or any Future Lot or Lots or if vacant, by substitute service in the manner allowed under the Supreme Court Rules of the Province of British Columbia, upon the further proviso that the Transferor does not, before the making of the sale, pay the amount in default with interest thereon and the costs of any such notice and the proceedings of the sale and the further proviso that no legal proceedings shall be commenced in any court seeking any remedy against the Lands or any Future Lot or Lots without written consent of the Comptroller of Water Rights.

10. No Duty to Inquire

It is further agreed that notwithstanding the absolute disposition of the Lands or any Future Lot or Lots upon default, the rent charge shall survive and the Purchaser in fee simple shall be subject to the terms of this Agreement, provided that no purchaser shall be bound to inquire whether any installment or installments of the rent charge is or are in arrears or as

EXHIBIT G

to the impropriety of irregularity of such sale and it shall, as regards to the purchasers or purchasers, be deemed within the powers hereby granted and be valid accordingly, and the remedy (if any) of the Transferor in respect of any impropriety or irregularity in such sale shall be in damages only and the purchaser or purchasers on the sale shall not be required to see the application of the proceeds of the sale or be accountable for any loss, misappropriation thereof.

11. Application of Funds

The monies realized by reason of the exercise of the power of sale shall be applied by the Transferee firstly in payment of expenses incurred in and about such sale or otherwise in relation to the Lands and then, in and towards satisfaction of the monies for the time being owing upon the security granted by these presents and then to pay the surplus, if any, the Transferor or as the Transferor may direct.

12. Further Rights of Transferee

It is further agreed that, notwithstanding the foregoing provisions for enforcement of the payments due herein, the Transferee, at its option, may bring or take legal action for payment in any court of competent jurisdiction.

13. Transfer to Taxing Authority

In the event that the waterworks system operated by the Transferee shall at any time be taken over, transferred to or operated by any public authority having statutory taxing powers with respect to the waterworks system, the Transferee shall release the Lands from the rent charge provided that the rent charge and all arrears and interest are paid in full to the date of release.

14. Priority

The Transferor will do or cause to be done at its expense all acts necessary for the Transferee to gain in priority for this rent charge over all liens, charges and encumbrances which are or may be registered against the Lands.

15. Enurement

It is hereby agreed that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators and assigns, respectively.

16. Release

Except for the provisions of Clause 13, the Transferee shall not release the Lands from rent charge without the approval of the Comptroller of Water Rights.

EXHIBIT G

17. Charge on Lands

The covenants of the Transferor contained herein will be personal and binding upon the Transferor in respect of the Lands and each and every Future Lot or Lots only during the Transferor's ownership of any interest in such Lands or Future lot or Lots but the Lands or Future Lot or Lots in question will nevertheless be and remain charged herewith.

18. No Waiver

Waiver of any default by either party shall not be deemed to be a waiver of any subsequent default by that party.

19. Governing Law

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

20. Severability

If any action, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the provision that is invalid shall not affect the validity of the remainder of this Agreement.

21. Related Parties

Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers and invitees of such part where the context so requires or allows.

TO EVIDENCE THEIR AGREEMENT each of the parties has executed this Agreement on the date set out above by executing item 1 of the Form C – General Instrument Part 1.

EXHIBIT G

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage No. KP109918, as extended in the within application and registered in the Kamloops/Nelson Land Title Office on December 1, 2000, (taken together the "Mortgage") and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

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In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **BANK OF MONTREAL**, the receipt and sufficiency whereof is hereby acknowledged, **BANK OF MONTREAL** hereby grants to the Covenantee priority over Mortgage KR85494, extended by LB309620, as extended in the within application and registered in the Kamloops/Nelson Land Title Office on September 14, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

EXHIBIT G

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63168 and Assignment of Rents KR63169 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

CONSENT TO PRIORITY

In consideration of the sum of ONE (\$1.00) DOLLAR now paid by the Covenantee to **3848175 CANADA INC.**, the receipt and sufficiency whereof is hereby acknowledged, **3848175 CANADA INC.** hereby grants to the Covenantee priority over Mortgage KR63170 and Assignment of Rents KR63171 (together the "Mortgage"), and as **extended in the within application** and registered in the Kamloops/Nelson Land Title Office on July 12, 2001, and hereby covenants and agrees to subordinate and postpone all its right, title and interest in and to the Land with the intent and with the effect that the interest of the Covenantee herein shall rank ahead of the Mortgage as though this Covenant had been executed, delivered and registered in time prior to the registration of the Mortgage.

EXHIBIT H

GENERAL INSTRUMENT - PART 2

Page 1

OPTION TO PURCHASE

WHEREAS:

- A. The Transferor is the registered owner in fee simple of the Land (as defined herein); and
- B. The Transferor has agreed to grant to the Transferee an option to purchase the Land on the terms and conditions of this option.

NOW THEREFORE this option witnesses that in consideration of the sum of \$10.00 now paid by the Transferee to the Transferor, the receipt of which is acknowledged, the parties agree as follows:

ARTICLE I DEFINITIONS

1.01 In this option:

"**Land**" means the land in the Regional District of East Kootenay, British Columbia legally described as:

PID ____ - ____ - ____
Lot ____ District Lot ____ Kootenay District Plan EPP _____

"**Land Title Office**" means the Kamloops/Nelson Land Title Office;

"**Permitted Encumbrances**" means those liens, charges and encumbrances listed in Schedule "A";

"**Purchase Price**" means NINETY PER CENT (90%) of the amount shown as "Consideration" in item 3 of the Transfer (as defined below), plus the cost of any improvements thereon, at cost;

"**Registration Date**" means the date of registration of the Transfer (defined below) in the Land Title Office;

"**Transfer**" means the Form A Freehold Transfer of an Estate in Fee Simple effecting transfer of title to the Land from the Transferee to the Transferor registered on the same or similar date as the date of registration of the within instrument.

ARTICLE II OPTION

2.01 The Transferor grants to the Transferee the full and exclusive first right and option, irrevocable within the time limited by this option, to purchase the Land for the Purchase Price, free and clear of all liens, charges and encumbrances, except for the Permitted Encumbrances.

EXHIBIT H

- 2.02 It is agreed that the option to purchase granted hereby will be exercisable by the Transferee if:
- (a) the Transferor offers the Land for sale to any party prior to the date which is the third anniversary of the Registration Date; or
 - (b) the Transferor does not obtain a Building Permit and Approval to Construct (as such is defined in a Section 219 (Build) Covenant registered against the Land) by the date which is the third anniversary of the Registration Date; or
 - (c) if the Building Permit and Approval to Construct are obtained within the time required by paragraph 2.02(b) above, construction of a residential dwelling in accordance with the Section 219 (Build) Covenant registered against the Land is not commenced and completed by the date which is 36 months from the date the Approval to Construct is obtained;
- whichever is later.
- 2.03 The Option to Purchase shall be prepared by the solicitor for the Transferee and provided to the solicitor for the Transferor and registered by the solicitor for the Transferor immediately following the registration of the Transfer and in priority to any purchase financing.
- 2.04 Upon the Transferee becoming entitled to exercise this option to purchase by reason of the failure of the Transferor to meet the conditions described in Article 2.02, this option to purchase may be exercised by the Transferee at any time within 30 days of the date that the Transferee becomes entitled to exercise the option as above, by notice in writing delivered by hand or by courier to the Transferor.
- 2.05 Upon the satisfaction by the Transferor of the conditions described in Article 2.02 or if the Transferee fails to exercise the option to purchase as required herein (after becoming entitled to do so) then this option to purchase shall lapse and be of no further force and effect and the Transferor will be entitled to a release and discharge of this option to purchase from title to the Land.
- 2.06 The parties agree that if any act of God, accident, action of governmental or regulatory authority or other event beyond the Transferor's reasonable control renders it impossible or not reasonably feasible or economical to commence or complete construction within the periods governed by this clause the period for commencing or completing the construction under the Option to Purchase shall be extended for a period of time equal to the period of time during which it was impossible or not reasonably feasible or economical to commence or complete construction.

ARTICLE III CONVEYANCE OF LAND ON EXERCISE OF OPTION

- 3.01 If this option is exercised a binding agreement for the purchase and sale of the Land will be constituted on the following terms and conditions:
- (a) The completion date of the sale (the "**Completion Date**") will be the 30th day after the date upon which the notice to exercise this option is delivered to the Transferor, and on the Completion Date, the Transferee shall pay the Purchase Price to the Transferor;
 - (b) Payment of the Purchase Price may be effected by bank draft or solicitor's trust cheque, and shall be effected by courier or by hand;

EXHIBIT H

- (c) The Purchase Price may be delivered to the Transferor's solicitor on undertakings to discharge existing encumbrances, other than the Permitted Encumbrances;
- (d) Prior to the Completion Date, the Transferor will execute and deliver to the Transferee's solicitor in trust, against an undertaking to pay the Purchase Price, all such documents as may be required to effect a transfer of the Land from the Transferor to the Transferee;
- (e) The Transferee shall have possession of the Land on the Completion Date;
- (f) Time shall be of the essence to the agreement of purchase and sale which arises from the exercise of this option to purchase.

ARTICLE IV

COVENANTS OF THE TRANSFEROR

- 4.01 During the term of this option;
- (a) the Transferor will pay all taxes, rates, levies and assessments that may be levied, charged or assessed in respect of the Land;
 - (b) the Transferor will not grant an option to purchase the Land to any person.

ARTICLE V

MISCELLANEOUS

- 5.01 Time is of the essence of this option and any agreement of purchase and sale that may arise out of the exercise of this option.
- 5.02 If an agreement for the purchase and sale of the Land results from the exercise of this option, the Land will be at the risk of the Transferor until the Transferee has applied to the Land Title Office to register the Transfer.
- 5.03 Any document or written notice to be served upon or given to either the Transferor or the Transferee pursuant to this agreement shall be sufficiently served and given if delivered, sent by facsimile transmission or mailed, prepaid and registered:
- (a) in case of the Transferee:

Resorts of the Canadian Rockies Inc.
1505 – 17th Avenue S.W.
Calgary, Alberta, T2T 0E2

If Faxed to: (403) 244-3774
Attention: Neil Jackson, Sr. Vice President
 - (b) in the case of the Transferor:

EXHIBIT H

Or at such address as may be shown on title to the Land as the Transferor's address as registered owner of the Land.

- 5.04 Either party may, by notice in writing to the other, specify another address for service of notices under this agreement, and where another address is specified under this section, notice shall be mailed to that address in accordance with this Article.
- 5.05 This option enures to the benefit of and is binding upon the parties, their respective heirs and successors and permitted assigns.
- 5.06 The option may not be assigned by the Transferee.
- 5.07 For the purpose of Article 5.06, a change in the ownership of shares representing more than 50% of the issued voting shares in a corporate Purchaser is deemed to be an assignment, transfer or disposition of the rights of the Purchaser under this option.
- 5.08 This option is governed by and shall be construed in accordance with the laws of the Province of British Columbia.
- 5.09 Wherever the singular or the masculine is used in this option it will be construed as the plural or feminine or neuter, as the case may be, and vice versa where the context or parties so require.
- 5.10 This Option shall constitute an interest in the Land and shall, in accordance with its terms, be binding on each and every parcel, lot, strata lot or air space parcel in which the Land may be subdivided
- 5.11 The exercise of this Option by the Transferee shall be entirely without prejudice to the Transferee's rights or remedies against the Transferor pursuant to any covenant or agreement between the Transferor and Transferee including but not limited to a Section 219 (Build) Covenant registered against the Land.

EXHIBIT H

Page 5

SCHEDULE "A"

PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means:

[Those encumbrances listed in the Developer's Disclosure Statement]

END OF DOCUMENT

EXHIBIT I

TIMBER LANDING

DISCLOSURE STATEMENT

Dated: _____, 2023

TIMBERLANDING 3 AT FERNIE ALPINE RESORT

DEVELOPER

RESORTS OF THE CANADIAN ROCKIES INC.

Address for Service

c/o Rockies Law Corporation
Suite 201 – 907 Baker Street
Cranbrook, British Columbia, V1C 1A4

Business Address

1505 -17th Avenue S.W.
Calgary, Alberta, T2T 0E2

Real Estate Agents

The lots will be marketed by the Developer's in-house sales staff or such real estate agents as the Developer may engage from time to time. Some of the employees of the Developer may not be licensed under the British Columbia Real Estate Services Act and are not acting on behalf of any purchaser of a lot.

DISCLAIMER:

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

This Disclosure Statement relates to a development property that is not yet completed. Please refer to section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____, who has confirmed that fact by initialling in the space provided here.

INITIAL HERE

EXHIBIT I

RIGHTS OF RESCISSION

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

The rescission notice may be served by delivering or sending by registered mail, a signed copy of the notice to

- (a) the developer at the address shown in the disclosure statement received by the purchaser,
- (b) the developer at the address shown in the purchaser's purchase agreement,
- (c) the developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or
- (d) the developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.**

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

Purchaser's Initials: _____

EXHIBIT I

TIMBER  LANDING

LOT # _____

OFFER TO PURCHASE AND AGREEMENT OF SALE

The Vendor: **Resorts of the Canadian Rockies Inc.** (the “Vendor”)

Full Name: _____	Full Name: _____
Address: _____	Address: _____
_____	_____
_____	_____
E-mail: _____	E-mail: _____
Telephone: Home: _____ Work: _____	Telephone: Home: _____ Work: _____
Fax: Home: _____ Work: _____	Fax: Home: _____ Work: _____
Occupation: _____	Occupation: _____

(collectively the “Purchaser”)

1. The Purchaser [*Circle one*] is [*or*] is not a resident of Canada for the purposes of the *Income Tax Act*.
2. The Purchaser [*Circle one*] is [*or*] is not registered for the purposes of the *Goods and Services Tax Act*.
3. Purchaser’s Solicitor: (if known) _____
4. The Purchaser hereby offers to purchase from the Vendor Lot _____, DL _____ Kootenay District Plan EPP _____ in the Development known as Timberlanding 3, in Fernie, British Columbia (the “Lot”).
5. Schedule “A” attached hereto forms an integral part hereof. The Purchaser acknowledges that he/she has read all paragraphs and schedules of this agreement.
6. The Purchaser’s obligation to purchase is subject to the following conditions precedent, each benefiting the purchaser:
 - a) _____; and
 - b) _____;
7. The Purchase Price for the Lot is \$ _____ (the “Purchase Price”) payable in lawful money of Canada. The Purchase Price does not include applicable taxes (GST, PST, Property Transfer Tax,) or adjustments. **Additional fees are payable at the time of Completion. See Schedule A, Paragraph 28.**

Purchaser’s Initials: _____

EXHIBIT I

TIMBER  LANDING

LOT # _____

8. A deposit equal to \$ _____, (the “**Deposit**”) accompanies this offer, which sum the Vendor will acknowledge by accepting this offer. If the offer is not accepted, the Deposit will be returned. The Deposit shall be held in the manner set out in Schedule “A”.

9. The Completion Date for the purchase of the Lot is estimated by the Vendor to occur on between _____, 202__ and _____, 202__ (see Schedule “A” Paragraphs 3 and 4).

10. If the Completion Date does not occur by September 5, 2025 (the “Outside Date”), this Agreement shall be voidable at the sole option of the Vendor and the Purchaser’s sole and exclusive recourse shall be the return of the Deposit without interest.

11. **The Purchaser acknowledges and agrees that the Vendor makes no representations or warranties, express or implied, except for the representations and warranties contained in this Agreement. The Vendor and any representative of the Vendor is not acting for and shall not be construed as agent for the Purchaser. The Purchaser further acknowledges that it is the Purchaser’s sole responsibility to obtain independent legal and real estate advice prior to signing this Contract.**

12. This offer is open for acceptance by the Vendor on or before 5:00 p.m. Mountain time on _____, 20__ and upon acceptance by the Vendor by signing a copy of this Offer, there shall be a binding agreement of purchase and sale of the Lot for the Purchase Price, on the terms and conditions herein contained.

DATED at _____ this ___ day of _____, 20__.

WITNESS:

_____)	_____)
Signature)	Purchaser)
_____)	_____)
Name of Witness)	Purchaser)
(AS TO ALL SIGNATURES)))

Purchaser’s Initials: _____

EXHIBIT I

TIMBER  LANDING

LOT # _____

This Offer to Purchase is accepted by the Vendor this ____ day of _____, 20____.
(the “**Acceptance Date**”).

Resorts of the Canadian Rockies Inc.,

Per:

Signed at: _____, British Columbia

Disclosure Statement Receipt

The Purchaser hereby acknowledges receipt of a copy of and a reasonable opportunity prior to the execution of this Agreement to read the Vendor’s Disclosure Statement dated _____, 2023 together with any amendments thereto made prior to the date of this Agreement (collectively, the “**Disclosure Statement**”).

Purchaser’s Signature

Purchaser’s Signature

Purchaser’s Initials: _____

EXHIBIT I

SCHEDULE "A" ADDITIONAL TERMS AND CONDITIONS

1. Upon acceptance by the Vendor, the Deposit shall be held in accordance with the terms and conditions set out below.

2. The Deposit shall be held in trust by Rockies Law Corporation (the "**Vendor's Solicitor**") on behalf of the Vendor. All Deposit cheques will be made payable to Vendor's Solicitor, "In Trust". Any interest earned on the deposit shall always accrue to and be payable to the Vendor. In the event that the Vendor fails to complete this transaction on the Completion Date then the Deposit shall be refunded forthwith to the Purchaser. In the event that the Purchaser's conditions precedent set out in paragraph 6 hereto are not fulfilled or waived in writing within the time required, the Deposit will be returned to the Purchaser. If the Completion Date does not occur by September 5, 2025 (the "Outside Date"), this Agreement shall be voidable at the sole option of the Vendor and the Purchaser's sole and exclusive recourse shall be the return of the Deposit without interest. In the event that the Purchaser fails to complete this transaction on the Completion Date, or if the Purchaser or the Purchaser's solicitors fail to deliver the documents required to be delivered pursuant to this Agreement to the Vendor's solicitors before the Completion Date, the Deposit and any interest earned shall be paid to the Vendor without prejudice to the Vendor's other rights hereunder or otherwise at law. In the alternative, the Deposit may be held in trust by the Vendor's real estate agent, and in such event the provisions of this paragraph shall apply *mutatis mutandis*.

3. The Purchaser shall purchase the Lot and the Balance of the Purchase Price for the Lot shall be paid by **certified cheque or bank draft** on the Completion Date (as hereinafter defined). The Vendor will give the Purchaser not less than fourteen (14) days written notice (the "**Notice**") addressed to the Purchaser's address as set out above, specifying the date that shall be the Completion Date (the "**Completion Date**"). Any extension of the Completion Date may only be made by the mutual agreement of the Vendor and the Purchaser. Any notice of extension of the Completion Date by the Vendor shall be final and binding on the Purchaser. The Completion Date shall upon written notice from the Vendor to the Purchaser be extended for a period equivalent to the amount of time lost in completion of construction of the Lot by reason of unforeseen circumstances including, without limitation, time lost from strikes, lockouts, climatic conditions, acts of Governmental Authorities, fire, explosion, Acts of God, or other circumstances beyond the exclusive control of the Vendor. Any such notice of extension of the Completion Date by the Vendor shall be final and binding on the Purchaser. The Purchaser shall have no unilateral right to extend the Completion Date. Except as aforesaid, any extension of the Completion Date may only be made by mutual agreement of the Vendor and the Purchaser.

4. **Completion of Lot:** The Purchaser shall be bound to complete the purchase and sale of the Lot if on the Completion Date the lot is legally occupiable. For the purposes of this Agreement, the Lot will be deemed conclusively to be legally occupiable on the Completion Date if the local municipal approving officer has signed the subdivision plan creating the Lot. A portion of the services required to be completed in connection with the Development, such as paving of roads and sidewalks, and installation of "shallow services" such as gas and electricity (taken together, the "Incomplete Works") may not be completed at the Completion Date. In such circumstances the Vendor may elect to post a bond (the "Bond") with the City of Fernie (the "City") in the amount of 125% of the estimated cost of completion of the Incomplete Works in order to obtain the signature of the Municipal Approving Officer to the plan of subdivision of the Development. In such case purchasers will, in accordance with the terms of the purchase agreement, be required to complete the purchase and sale and the non-completion, as at the Completion Date, of the Incomplete Works shall not be construed as a breach of this Agreement for any reason and no holdbacks shall be permitted in respect of the Incomplete Works.

Purchaser's Initials: _____

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5. **Lien Holdback:** The sum of 10% of the Purchase Price (excluding taxes) shall be held back from the Balance of the Purchase Price (the “Lien Holdback”) by the Vendor’s solicitors on the Closing Date. The Lien Holdback will be held by the Vendor’s solicitors in trust pursuant to the *Builders Lien Act* of 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 (each a “Lien Claim”). The Vendor’s solicitors are authorized to pay to the Vendor on the 56th day after permission to occupy the Property has been issued the Lien Holdback plus interest earned less the amount representing 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 PM on such day. The Purchaser hereby authorizes the Vendor and the Vendor’s solicitors to do all things they in their discretion deem necessary or desirable to discharge any Lien Claims, including bringing court proceedings in the name of the Purchaser, provided that any such proceedings shall be at the Vendor’s sole expense. Notwithstanding the foregoing, if the Vendor delivers to the Purchaser a Statutory Declaration stating 1) that all accounts in respect of labour and materials in respect of the Lot have been paid, and that 2) no work has been done on the Lot such as would give rise to a valid claim of lien under the *Builder’s Lien Act* of British Columbia, then and in that case there shall be no Lien Holdback.

6. **Completion:** On the Completion Date, the Vendor will:

- a) transfer title to the Lot to the Purchaser, subject to the exceptions listed in section 23(1) of the *Land Title Act*, free and clear of all registered liens, mortgages, charges and encumbrances of any nature whatsoever save and except:
 - i) the legal notations set out in the Disclosure Statement;
 - ii) the encumbrances (including any to be registered) set out in the Disclosure Statement;
 - iii) any other easements, rights-of-way, and any development covenants or agreements in favour of utilities, public authorities and other parties as required by them;

(the “**Permitted Encumbrances**”)

and on or before the Completion Date, the Vendor will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered liens, mortgages, charges and encumbrances (the “**Charges**”) save and except the Permitted Encumbrances.

The Purchaser acknowledges and agrees that the Vendor will be using the purchase monies received from the Purchaser to obtain a partial discharge of the Charges from the Lot. The Purchaser’s solicitor or notary public will pay the balance of the adjusted Purchase Price on the Completion Date to Vendor’s Solicitor in trust on their undertaking to pay sufficient funds to the holders of the Charges to legally oblige such Charge holders to discharge their Charge from title to the Lot. If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the balance of the adjusted Purchase Price on the Completion Date, may wait to pay same until after the Transfer and new mortgage documents have been lodged for registration at the Kamloops/Nelson Land Title Office but only if before such lodging against title to the Lot, the Purchaser has:

- A) deposited in trust with its solicitor the cash balance of the Purchase Price not being financed by the mortgage;
- B) fulfilled all the new mortgagee’s conditions for funding except lodging for registration; and

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- C) made available to Vendor's Solicitor a lawyer's or notary public's undertaking to pay on the Completion Date the balance of the adjusted Purchase Price upon the lodging of the Transfer and the new mortgage documents and the advance by the new mortgagee of the mortgage proceeds.

7. **Costs/Taxes:** The Purchaser shall assume and pay where applicable all real property taxes, Provincial Sales Tax ("PST"), Federal Goods and Services Tax ("GST"), on the value of the Lot, Property, rates, local improvement assessments and other charges levied against Lot, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the Completion Date. The Purchaser will pay to the Vendor on the Completion Date the amount of the GST if applicable on the value of the Lot and the Vendor will be responsible for remitting the appropriate amount of tax.

8. The Lot is the subdivision lot as described in this Agreement and does not include any dwelling unit or other building.

9. The actual area of the Lot may vary up or down from that set out in the subdivision plan by up to 5% without compensation to the Purchaser.

10. The Purchaser acknowledges having ample opportunity to inspect the Lot prior to completion and on completion agrees to accept the Lot in "as is, where is" condition without any representation or warranty of the Vendor whatsoever including but not limited to any warranty of fitness for use, merchantability, condition, view corridors, or other attributes of the Lot or the Development.

11. The Purchaser acknowledges that the Development includes service facilities and equipment required by municipal authorities and any other authority having jurisdiction over the Development, such as transformers, fire hydrants and other such facilities and equipment. The Purchaser acknowledges the current plans for the Development may not indicate the location of all such service facilities and the Purchaser accepts the Lot with any such service facilities as are deemed necessary by the Vendor, without compensation to the Purchaser.

12. The civic address, the Lot number relating to the Lot, and the address assigned to the Development as of the date hereof are subject to change at the discretion of the Vendor without compensation to the Purchaser.

13. **Transaction Documents:** It shall be the Purchaser's responsibility to prepare the documents necessary to complete this transaction and the Purchaser shall deliver to the Vendor a Transfer, in registrable form and a Statement of Adjustments at least five (5) days prior to the Completion Date. The Purchaser shall bear all costs of preparation and registration of the closing documents and delivery of the purchase monies to the Vendor. The Vendor shall bear all costs of providing clear title to the Lot in accordance with section 6.

14. Neither this Agreement nor any interest in the Lot created hereunder shall be registered in the applicable Land Title Office except for transfer of the Lot on the Completion Date. This Agreement creates contractual rights only between the Vendor and the Purchaser and not an interest in land.

15. **Time of the Essence:** Time shall be of the essence of this Agreement. Unless all payments on account of the Purchase Price together with the adjustments are provided and all other amounts payable by the Purchaser are paid when due, then the Vendor may terminate this Agreement and in addition to any other remedy available to the Vendor, the Deposit plus any interest accrued shall immediately and absolutely be forfeited to the Vendor on account of damages. The Purchaser acknowledges and agrees that in such case the Deposit represents earnest money, and is not in the nature of a penalty. The Purchaser

Purchaser's Initials: _____

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hereby irrevocably authorizes and directs any solicitors or real estate agents holding any such Deposit to forthwith upon the request of the Vendor deliver such Deposit to the Vendor.

16. **Risk:** The Lot shall be at the risk of the Vendor until the Transfer of the Lot has been accepted for registration in the Land Title Office and thereafter at the risk of the Purchaser.

17. **Assignment:** The Purchaser shall not assign its rights under this Agreement without the prior consent of the Vendor, which consent may be withheld at the sole and unfettered discretion of the Vendor.

18. **Sale:** The Purchaser shall not advertise or offer the Lot for sale prior to the Completion Date.

19. **Privacy Consent:** The Purchaser consents to the collection, use and disclosure of personal information contained in this agreement and otherwise as collected by or on behalf of the Vendor and its agents, affiliates and service providers for the following purposes:

- a) to complete the transaction contemplated by this agreement;
- b) to engage in business transactions including securing financing for the construction of the Development;
- c) to provide ongoing products and services to the purchasers;
- d) to market, sell, provide and inform the Purchaser of the Vendor's products and services including information about future projects;
- e) additional purposes identified when or before the information is collected.

20. **Miscellaneous Provisions:** All words in this Agreement may be read and construed in the singular or plural, masculine or feminine, or body corporate, as the context requires. Where there is more than one Purchaser, the obligations of the Purchaser will be construed as joint and several obligations.

21. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. All covenants and agreements herein shall survive the Completion Date and not merge.

22. **Entire Agreement:** This Agreement is the entire agreement between the parties and there are no other 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, anything arising out of any marketing material including sales brochures, models, representative view sets, show room displays, photographs, illustrations, renderings, revenue projections or pro-formas provided to the Purchaser other than those contained in this agreement or in the Disclosure Statement. The agreements, representations and warranties contained herein will survive completion and the conveyance of the Lot to the Purchaser. This Agreement may not be altered or amended except by an amendment in writing signed by both parties.

23. **Governing Law:** It is expressly agreed between the Vendor and the Purchaser that this Agreement and each and every part thereof shall be governed and construed in accordance with the laws of the Province of British Columbia.

24. **Notices:** Any notice, document or communication required or permitted to be given under this Agreement shall be in writing and either delivered by hand, transmitted by facsimile, or sent by prepaid mail to the Vendor or to the Purchaser as the case may be, at the above address. The time of giving such notice, document, or communication shall be, if delivered, when delivered, if sent by facsimile then on the day of transmission, and if mailed, then on the third business day after the day of mailing.

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25. Any documents to be tendered on the Purchaser may be tendered on the Purchaser or the Purchaser's solicitor or notary. Any documents or money to be tendered on the Vendor shall be tendered, if money, by way of certified funds or bank draft, and shall be delivered at the Purchaser's expense to Vendor's Solicitor.

26. The Purchaser agrees to, concurrently with the completion of the Purchase and Sale of the Property, grant the Vendor an Option to Purchase providing that the Vendor shall have the option to re-purchase the Property for ninety per cent (90%) of the agreed sale price hereunder, plus the cost of any improvements thereon, at cost, in the event that:

- (a) the Purchaser offers the Property for sale to any party prior to the date which is the third anniversary of the Completion Date; or
- (b) the Purchaser does not obtain a Building Permit and Approval to Construct (as such is defined in a Section 219 (Build) Covenant registered against the Property) by the date which is the third anniversary of the Completion Date; or
- (c) if the Building Permit and Approval to Construct are obtained within the time required by paragraph 26(b) above, construction of a residential dwelling in accordance with the Section 219 (Build) Covenant registered against the Property is not commenced and completed by the date which is 36 months from the date the Approval to Construct is obtained.

The Option to Purchase shall be prepared by the solicitors for the Vendor and provided to the solicitor for the Purchaser and registered by the solicitor for the Purchaser at the Purchaser's registration expense immediately following the registration of the Form A Transfer and in priority to any purchase financing.

27. Registration of Additional Charges: In addition to the Option to Purchase described above, the Purchaser agrees to, concurrently with the completion of the Purchase and Sale of the Property, register the following charges on title to the Lot, immediately following the registration of the Form A Transfer and in priority to any purchase financing:

- (a) Rent Charge (Resort Services) in favour of the Vendor, the form of which is attached as Exhibit E to the Disclosure Statement. Pursuant to this encumbrance, the Vendor provides services to the Resort Area, including the Lots.
- (b) Rent Charge (Lift Services) in favour of the Vendor, the form of which is attached as Exhibit F to the Disclosure Statement.
- (c) Section 219 Covenant for Right of Way and Rent Charge in favour of the Fernie Alpine Resort Utilities Corporation, a copy of which is attached hereto as Exhibit G to the Disclosure Statement.

28. Additional Fees and Deposits Payable at Completion: The Buyer acknowledges that in the completion of the purchase and sale hereunder, Buyer is obligated to pay to Vendor on the Completion Date, in addition to the adjusted purchase price and all taxes applicable thereto, the following:

- 1) a connection fee, currently \$27,500.00 plus GST (the "Connection Fee") for the connection of water and sewer service,
- 2) a design review fee, currently \$7,500.00 plus GST (the "Design Fee"); and
- 3) a construction security deposit, currently \$25,000.00 (the "Construction Security Deposit")

and further acknowledges that the Vendor is not obligated to complete the Purchase and Sale of the Lot unless the Connection Fee, Design Fee and Construction Security Deposit are all paid concurrently with the adjusted purchase price on the Completion Date.

Purchaser's Initials: _____