

2005

FORM C

(Section 233)

Province of British Columbia

GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use)

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)
Lynn Ramsay, Miller Thomson LLP, Barristers and Solicitors, 1000-840 Howe Street, Vancouver, B.C.,
V6Z 2M1, Telephone: (604) 687-2242
File No. 055889.0006
Client LTO No. 010437
Applicant's Solicitor: Lynn Ramsay, Q.C.

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:*
(PID) (LEGAL DESCRIPTION)
See Schedule See Schedule

3. NATURE OF INTEREST: *
DESCRIPTION DOCUMENT REFERENCE PERSON ENTITLED TO INTEREST
See Schedule See Schedule See Schedule

4. TERMS: Part 2 of this instrument consists of (select one only)
(a) Filed Standard Charge Terms
(b) Express Charge Terms
(c) Release
D.F. No.
Annexed as Part 2
There is no Part 2 of this instrument
A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S): * SEE SCHEDULE

6. TRANSFEREE(S): *
BOWEN ISLAND MUNICIPALITY, of P.O. Box 279, Bowen Island, B.C. V0N 1G0

7. ADDITIONAL OR MODIFIED TERMS: * N/A

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

Officer Signature(s)
Lynn Ramsay, Q.C.
Barrister & Solicitor
1000 - 840 Howe Street
Vancouver, B.C. V6Z 2M1
(604) 687-2242
(as to execution by Bowen Island Properties Ltd.)
L. MICHAEL WALKER
BARRISTER & SOLICITOR
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER, B.C. V6Z 2M1
604-687-2242

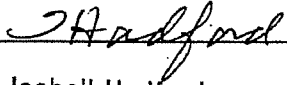
Execution Date table with columns Y, M, D and values 04, 08, 05

Party(ies) Signature(s)
BOWEN ISLAND PROPERTIES LTD. by its authorized signatory:
Name: Wolfgang Duntz

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

Officer Signature(s)



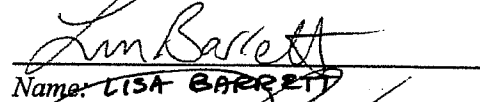
Isabell Hadford
Commissioner for Taking Oaths
in British Columbia
981 artisan Lane
Box 279
Bowen Island, BC V0N1G0
(604) 947-4255

Execution Date

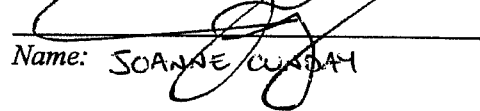
Y	M	D
04		
05	02	02

Transferor/Borrower/Party Signature(s)

BOWEN ISLAND MUNICIPALITY,
by its authorized signatory(ies):



Name: LISA BARRETT



Name: JOANNE CUSUMANO

OFFICER CERTIFICATION:

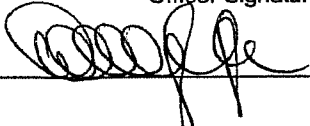
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LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

Execution Date

Y	M	D
04	8	16

Officer Signature(s)



DARYL J. COLLIER
Barrister & Solicitor
RATCLIFF & COMPANY
#500 - 221 West Esplanade
North Vancouver, B.C. V7M 3J3
(604) 988-5201

Transferor/Borrower/Party Signature(s)

**HAWTHORNE CHARITABLE
FOUNDATION**, by its authorized
signatory(ies):


Name: Shirley Bentall

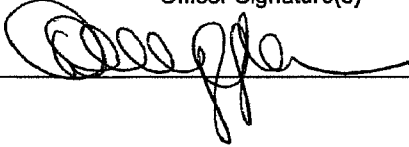
Name:

OFFICER CERTIFICATION:

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LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

Officer Signature(s)



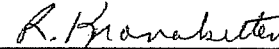
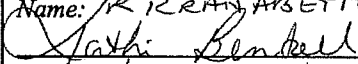
DARYL J. COLLIER
Barrister & Solicitor
RATCLIFF & COMPANY
#500 - 221 West Esplanade
North Vancouver, B.C. V7M 3J3
(604) 988-5201

Execution Date

Y	M	D
04	8	16

Transferor/Borrower/Party Signature(s)

**F.O.C.A. (FUENTE OF
CONTEMPLATION AND ACTION),**
by its authorized signatory(ies):


Name: R. KRAMAR

Name: Kathi Bental

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

Officer Signature(s)



WINNIE SHUM
A COMMISSIONER FOR TAKING AFFIDAVITS
FOR BRITISH COLUMBIA
885 WEST GEORGIA STREET
VANCOUVER, B.C.
V6C 3G1

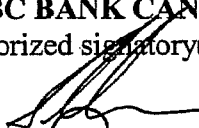
AS TO BOTH SIGNATURES

Execution Date

Y	M	D
04	08	20

Transferor/Borrower/Party Signature(s)

HSBC BANK CANADA, by its
authorized signatory(ies):


Name: **GORDON KIHARA**
Assistant Vice President
Commercial Financial Services


Name: **JASON POTTER**
ACCOUNT MANAGER
COMMERCIAL FINANCIAL SERVICES

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM E
SCHEDULE**

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

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:*

<i>(PID)</i>	<i>(LEGAL DESCRIPTION)</i>
NPA	Lot 1 District Lot 1551 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 2 District Lot 1551 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 3 District Lots 1411 and 1551 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 4 District Lot 1411 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 5 District Lot 1411 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 7 District Lots 1411 and 2450 Group 1 New Westminster District Plan BCP <u>16187</u>
NPA	Lot 8 District Lot 1411 Group 1 New Westminster District Plan BCP <u>16187</u>
015-931-145	District Lot 1411, Group 1 Except Portions in Plans 6372, 18015, Reference Plan 3514, Statutory Right of Way Plan 15104, Plan BCP <u>16179</u> , Plan BCP <u>16182</u> , Plan BCP <u>16186</u> , and Plan BCP <u>16187</u>

3. NATURE OF INTEREST: *

<i>DESCRIPTION</i>	<i>DOCUMENT REFERENCE (Page and paragraph)</i>	<i>PERSON ENTITLED TO INTEREST</i>
Section 219 Covenant covering portions shown on Reference Plan BCP <u>16188</u>	Pages 8 to 12	Transferee
Priority Agreement granting Section 219 Covenant <u>BX117541</u> priority over Mortgages BV44272, BV44212 and BR285917 and Assignment of Rents BV44273, BV44213 and BR285918	Page 13	Transferee
Priority Agreement granting Section 219 Covenant <u>BX117541</u> priority over Mortgage BV44274 and Assignment of Rents BV44275	Page 14	Transferee
Priority Agreement granting Section 219 Covenant <u>BX117541</u> priority over Mortgage BV459323 and Assignment of Rents BV459324	Page 15	Transferee

**LAND TITLE ACT
FORM E
SCHEDULE**

Page 7 of 16

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

5. TRANSFEROR(S): *

BOWEN ISLAND PROPERTIES LTD. (Incorporation No. 467474) of P.O. Box 228,
Bowen Island, British Columbia, V0N 1G0

HSBC BANK CANADA, of 200 – 885 West Georgia Street, Vancouver, British Columbia, VC6 3E9
(as to priority)

F.O.C.A. (Fuente of Contemplation and Action) (C.C.A No. 39986-7) of 5430 Meadfield Lane, West
Vancouver, British Columbia, V7W 3G3 (as to priority)

HAWTHORNE CHARITABLE FOUNDATION, (Inc. No.37245XS) of 5430 Meadfield Lane, West
Vancouver, British Columbia, V7W 3G3 (as to priority)

TERMS OF INSTRUMENT - PART 2

SECTION 219 COVENANT

THIS AGREEMENT dated for reference June 15, 2004

BETWEEN:

BOWEN ISLAND PROPERTIES LTD. Inc. No. 467474, of
P.O. Box 228, Bowen Island, British Columbia, V0N 1G0

(“Covenantor”)

AND:

BOWEN ISLAND MUNICIPALITY, of P.O. Box 279, Bowen
Island, B.C. V0N 1G0

(“Covenantee”)

WHEREAS:

A. The Covenantor is the registered owner of or has an equity of redemption in ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Bowen Island Municipality in the Province of British Columbia, and more particularly described as:

PID: NPA
Lot 1
District Lot 1551
Group 1
New Westminster District Plan BCP 16187

PID: NPA
Lot 2
District Lot 1551
Group 1
New Westminster District Plan BCP 16187

PID: NPA
Lot 3
District Lots 1411 and 1551
Group 1
New Westminster District Plan BCP 16187

PID: NPA

Lot 4
District Lot 1411
Group 1
New Westminster District Plan BCP 16187

PID: NPA
Lot 5
District Lot 1411
Group 1
New Westminster District Plan BCP 16187

PID: NPA
Lot 7
District Lots 1411 and 2450
Group 1
New Westminster District Plan BCP 16187

PID: NPA
Lot 8
District Lot 1411
Group 1
New Westminster District Plan BCP 16187

PID: 015-931-145
District Lot 1411, Group 1
Except Portions in Plans 6372, 18015, Reference Plan 3514,
Statutory Right of Way Plan 15104, Plan BCP 16179, Plan
BCP 16182, Plan BCP 16186, and Plan BCP 16187

(hereinafter called the "said lands");

B. Section 219 of the *Land Title Act* provides, *inter alia*, that there may be registered as a charge against the title to land a covenant, whether of a negative or positive nature, in respect of the use of the land or the use of a building to be erected on land, in favour of a municipality, or the Crown;

C. Several creeks (commonly known as Josephine Creek, Napoleon Creek and Lee Creek) (hereinafter collectively called the "said creeks") are situated upon and run through portions of the said lands as shown on the Reference plan prepared by Donald Black BCLS dated July 16, 2004 and deposited in the Lower Mainland Land Title Office under number 16188 (the "Reference Plan"). The area of the said lands shown on the Reference Plan is hereinafter called the Covenant Area;

D. The Covenantor has agreed to restrictions on the use of the Covenant Area.

NOW THEREFORE THIS AGREEMENT WITNESSETH that pursuant to Section 219 of the *Land Title Act*, and in consideration of the sum of one dollar (\$1.00) now paid to the Covenantor

to the Covenantee (the receipt and sufficiency whereof is hereby acknowledged), the parties hereto hereby covenant and agree each with the other as follows:

1. THE COVENANTOR COVENANTS AND AGREES with the Covenantee that, except as otherwise permitted by this Agreement:
 - (a) no building or structure, fencing or any part thereof, including any fixed equipment, mobile home or modular home shall be constructed, reconstructed, moved, extended or located nor shall any landfill, land clearing or other disturbance take place within the Covenant Area;
 - (b) the Covenantor shall not, without the prior written consent of the Covenantee, which consent to be in the Covenantee's sole discretion, cut down, trim, prune, defoliate, alter, remove or in any way tamper with or work on any trees, shrubs, plants, bushes, groundcover, vegetation or any other form of plant life within the Covenant Area so that the said trees, shrubs, plants, bushes, groundcover, vegetation and other forms of plant life in the Covenant Area remain in a naturally vegetated state in perpetuity;
 - (c) the Covenantor shall, at its own expense during site preparation and construction of any improvements on the Lands, install permanent markings identifying the Covenant Area to the satisfaction of the Covenantee, acting reasonably;
 - (d) the Covenantor shall ensure that any clearing and/or excavation done on the said lands shall be completed in such a manner to ensure that the release of silt, concrete, leachate or any other deleterious substances shall not fall into the said creeks via ditches, storm sewers or overland flow, and the Covenantor shall further ensure that all construction and excavation wastes, overburden, soil or other substances deleterious to aquatic life or water quality shall be disposed of or placed in such a manner as to prevent their entry into any watercourse or storm sewer system or into the Covenant Area; and
 - (e) the Covenantor shall, at the expense of the Covenantor, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all financial charges and encumbrances which may have been registered against the title to the said lands in the Lower Mainland Title Office;
 - (f) the Covenantor shall not construct dwellings within the Covenant Area.
2. IT IS MUTUALLY UNDERSTOOD AND AGREED by and between the parties hereto that:
 - (a) nothing contained or implied herein shall prejudice or affect the rights and powers of the Covenantee in the exercise of its functions under any public and private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the said lands as if this Agreement had not been executed and delivered by the Covenantor;

- (b) the covenants set forth herein shall charge the said lands pursuant to Section 219 of the *Land Title Act* and shall be covenants the burden of which shall run with the said lands, and the benefit of all covenants made by the Covenantor herein shall accrue solely to the Covenantee and this Agreement may only be modified or discharged by agreement of the Covenantee, pursuant to the provisions of Section 219(5) of the *Land Title Act*;
 - (c) notwithstanding anything contained herein, the Covenantor shall not be liable under any of the covenants and agreements contained herein where such liability arises by reason of an act or omission occurring after the Covenantor ceases to have any further interest in the said lands;
 - (d) wherever the singular or masculine is used herein, the same shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so required;
 - (e) this Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective successors and assigns; and
 - (f) the parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Agreement.
3. Despite sections 1(a) and 1(b) of this Agreement, the Covenantor will be entitled, within the Covenant Area,
- (a) to construct and maintain pedestrian trails with the approval of Bowen Island Municipality,
 - (b) to construct, install, operate, maintain, alter, enlarge, repair, extend, renew, remove, inspect, clean and replace water lines and any appurtenances, connections and ancillary works, subject to section 3(c), and
 - (c) to make any excavations and do any work and construction reasonably necessary in connection with any of the uses permitted under this provision, using manual labour only (no machinery).
4. In undertaking any work permitted by section 3 of this Agreement, the Covenantor must
- (a) comply as far as practicable with the requirements of section 1 of this Agreement,
 - (b) engage, at its sole expense, a qualified environmental consultant approved by the Covenantee to monitor the Covenantor's compliance with the requirements of section 1 and to report to the Covenantee as required by the Covenantee, and
 - (c) do the work in a workmanlike manner so as to do as little injury as practicable to the surface and plant life of the Covenant Area and, on completion of the work, restore the surface and plant life of the Covenant Area as nearly as possible to the

condition they were in prior to the commencement of the work and monitor the site after 12 months to ensure that the restoration is successful or apply additional remediation as necessary.

As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed the Land Title Office Forms C and D which are attached hereto and form part of this Agreement.

Consent and Priority Agreement

For \$1.00 and other good and valuable consideration, HAWTHORNE CHARITABLE FOUNDATION, the registered holder of the following financial charges registered in the Vancouver/New Westminster Land Title Office:

Mortgage No. BV44272 and
Assignment of Rents No. BV44273

Mortgage No. BV44212 and
Assignment of Rents No. BV44213

Mortgage No. BR285917 and
Assignment of Rents No. BR285918

(collectively the "Security")

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

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

Consent and Priority Agreement

For \$1.00 and other good and valuable consideration, F.O.C.A. (Fuente of Contemplation and Action), the registered holder of the following financial charges registered in the Vancouver/New Westminster Land Title Office:

Mortgage No. BV44274 and
Assignment of Rents No. BV44275

(collectively the "Security")

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

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

Consent and Priority Agreement

For \$1.00 and other good and valuable consideration, HSBC BANK CANADA, the registered holder of the following financial charges registered in the Vancouver/New Westminster Land Title Office:

Mortgage No. BV459323 and
Assignment of Rents No. BV459324

(collectively the "Security")

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

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

END OF DOCUMENT