

LAND TITLE ACT**FORM C**

(Section 233)

18 AUG 2005 11 42

EX103978

Province of
British Columbia**GENERAL INSTRUMENT – PART 1** (This area for Land Title Office use)

Page 1 of 7 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)
 Lang Michener LLP, Barristers and Solicitors, 1500 – 1055 West Georgia Street, P.O. Box 11117,
 Vancouver, BC V6E 4N7 Phone: 604-689-9111
 Client No. 11843

DYE & DURHAM CO. INC. Anthony H.S. Knight, Solicitor

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

10 SEE SCHEDULE

3. NATURE OF INTEREST: *

DESCRIPTION

DOCUMENT REFERENCE
(Page and paragraph)

PERSON ENTITLED TO INTEREST

STATUTORY RIGHT OF
WAY

Entire Agreement

Transferee

02 05/08/18 13:07:10 02 VI
CHARGE652604
\$64.75

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

(a) Filed Standard Charge Terms

☐

D.F. No.

(b) Express Charge Terms

☒

Annexed as Part 2

(c) Release

☐

There is no Part 2 of this instrument

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

5. TRANSFEROR(S): * **UNION BAY INDUSTRIES LTD.** (Inc. No. BC0725673)

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:

**LAND TITLE ACT
FORM E****SCHEDULE**

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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(S) AND LEGAL DESCRIPTION(S) OF LAND:

(PID)	(LEGAL DESCRIPTION)
006-642-390	Those parts of Parcel A (DD 27784N) District Lot 11, Nelson District, shown outlined in red on Plan 397 RW)
004-758-901	Parcel A (DD 27784N) of Lot 11, Nelson District, Except parts outlined in red on Plans 397 R.W. and 1414R, and Except those parts in Plans 7190, 8906, 21511, 22414, 28338, 29341 and 29342
006-667-988	That part of District Lot 11, Nelson District, lying 25 feet on either side of the centre line of Plan 20 RW and being the area shown outlined in yellow on Plan 397 RW

TERMS OF INSTRUMENT - PART 2

STATUTORY RIGHT-OF-WAY

BETWEEN:

UNION BAY INDUSTRIES LTD. (Inc. No. BC0725673)
2 – 84 Robarts Street
Nanaimo, British Columbia V9R 2S5

(the “Grantor”)

AND:

COMOX TIMBER LTD., (Reg. No. A40878)
99 High Street, 26th Floor
Boston, Massachusetts, USA 02110-2320

(the “Grantee”)

WHEREAS:

- A. The Grantor is the registered owner of those lands described in Item 2 of Form C to which this Terms of Instrument is attached (the “Lands” which will include those lands held by the Grantor as tenant pursuant to that Water Lot Lease dated for reference January 22, 1988 and given No. 102057 under File No. 0021050 as modified and assigned);
- B. Section 218 of the *Land Title Act*, R.S.B.C. 1996, c.250 provides that a person may and will be deemed always to have been able to create, by grant or otherwise in favour of a timber corporation, an easement, without a dominant tenement, to be known as a statutory right-of-way, for any purpose necessary, for the operation and maintenance of the grantee’s undertaking, including a right to flood;
- C. The Grantee requires, and the Grantor has agreed to grant, to the Grantee a Statutory Right-of-Way as herein provided; and
- D. This Statutory Right-of-Way is necessary for the operation and maintenance of the Grantee’s undertaking.

NOW THEREFORE in consideration of the sum of \$10 now paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Grantor grants in perpetuity to the Grantee and its employees, servants, agents, invitees and every member of the public, the full, free and uninterrupted right, license, easement and right-of-way, on or over the Lands at all times by day and night and at their will and pleasure to enter over, upon, across, pass over, return and repass over the Right of Way for the purpose of

- (a) access to and from adjacent and other parcels of land (the "Parcels"); and
- (b) exercising its rights contemplated in Section 2.

2. The Grantor and Grantee acknowledge that they have, or will, enter into an agreement regarding the exercise of rights that relate to sorting, scaling and booming of the Grantee's timber of Lands and it is understood and agreed that any such Agreement shall be binding upon subsequent owners of the Lands.

3. The Grantor will:

- (a) not do or permit to be done any act or thing which in the opinion of the Grantee might interfere with, injure, impair the operating efficiency of, or obstruct access to, the Right of Way or any part thereof;
- (b) execute all further documents and things whatsoever for the better assuring unto the Grantee of the Right-of-Way hereby granted; and
- (c) permit the Grantee to peaceably hold and enjoy the rights hereby granted.

4. The Grantor does hereby release and forever discharge the Grantee from and against all manner of actions, causes of action, suits and demands whatsoever at law or at equity which the Grantor may at any time have by reason of the exercise by the Grantee of its rights as set out in this Agreement.

5. The exercise by the Grantee of the rights pursuant to Section 1(a) shall be restricted to travelled roadways.

6. The Grantee will discharge this Statutory Right of Way upon:

- (a) the Agreement terminating; and
- (b) alternative legal access, satisfactory to be the Grantee acting reasonably, being provided to the Parcels.

7. Wherever the singular or masculine is used in this Agreement the same will be deemed to include the plural or the feminine or body politic or corporate as the context so requires or the parties so require and every reference to each party hereto will be deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers and invitees of such party wherever the context so requires or the parties so require.

8. The Grantee agrees that it will discharge this Statutory Right of Way, upon request, in respect of those areas shown hatched on Schedule "A" hereto provided a separate title or titles have been issued for such areas.

9. The covenants herein contained run with the Lands, and upon registration this Agreement constitutes a charge on the Lands in favour of the Grantee.

10. This Agreement will enure to the benefit of and be binding upon the parties hereto notwithstanding any rule of law or equity to the contrary.

11. If any section, subsection, 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 will be severed and the decision that it is invalid will not affect the validity of the remainder of this Agreement.

12. Waiver of any default by either party will not be deemed to be a waiver of any subsequent default by that party.

13. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.

14. The Grantor covenants and agrees that it will not dispose of the Lands or any portion thereof unless prior to or coincidental with such disposition, the transferee of the Lands (the "Transferee"), or portion thereof, executes and delivers to the Grantee an agreement in writing in a form acceptable to the Grantee that:

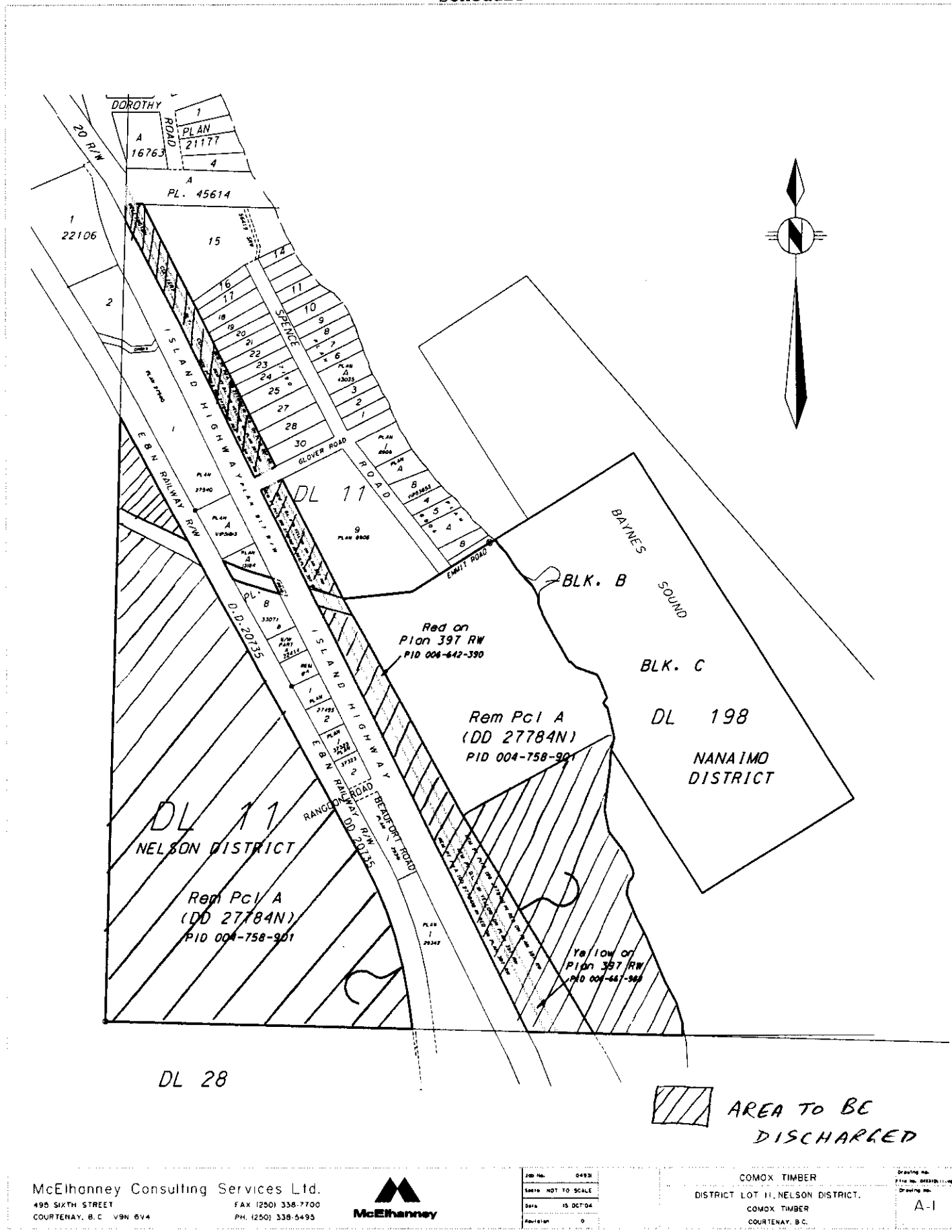
(a) the Transferee acknowledges that the Lands are subject to this Statutory Right of Way;

(b) the Transferee covenants and agrees that, for so long as the Transferee is the registered owner of the Lands or any portion thereof, the Transferee will be bound by and will observe the covenants, restrictions and agreements contained in the Statutory Right of Way with respect to the Lands; and

(c) this Section 11 will apply with respect to any subsequent disposition of the Lands or any portion thereof by the Transferee.

15. The Grantee shall be entitled to assign its rights herein without the consent of the Grantor.

Schedule "A"



END OF DOCUMENT